



Registration of a Charge

Company name: **FLYACC GROUP LIMITED**

Company number: **06825898**

Received for Electronic Filing: **25/11/2014**



Details of Charge

Date of creation: **21/11/2014**

Charge code: **0682 5898 0001**

Persons entitled: **BRITISH SMALLER COMPANIES VCT PLC**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

NICOLA ASHFIELD



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6825898

Charge code: 0682 5898 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st November 2014 and created by FLYACC GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th November 2014 .

Given at Companies House, Cardiff on 26th November 2014

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated *21 November* 2014

FLYACC GROUP LIMITED

and

BRITISH SMALLER COMPANIES VCT PLC

GUARANTEE AND DEBENTURE

THIS DEED is made the 21 day of NOVEMBER

2014

BETWEEN

- (1) **FlyAcc Group Limited** registered with company 06825898 whose registered office is at Belgrave House, 39-43 Monument Hill, Weybridge, Surrey KT13 8RN (the "**Company**"); and
- (2) **British Smaller Companies VCT Plc**, registered with company 03134749 whose registered office is at 5th Floor Vallant Building, 14 South Parade, Leeds, LS1 5QS in its capacity as trustee and security agent for the Lenders ("**Security Trustee**").

Background:

The Lenders have agreed to lend the sum of £2,304,000 to the Principal and the Company has agreed to enter into this guarantee and debenture for the purpose of guaranteeing the Principal's obligations under the Facility Agreement and providing security to the Lenders in respect of the Facility Agreement.

IT IS AGREED THAT

1 DEFINITIONS AND INTERPRETATION

1.1 The following definitions apply in this guarantee and debenture:

"Administrator"	an administrator appointed to manage the affairs, business and property of the Company pursuant to paragraph 15 of Schedule 5.
"Assigned Agreements"	an agreement specified in Schedule 1.
"Book Debts"	all present and future book and other debts and monetary claims due or owing to the Company and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Company in relation to any of them.
"Business Day"	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.
"Charged Property"	all the assets, property and undertaking for the time being subject to the security interests created by this guarantee and debenture (and references to the Charged Property shall include references to any part of it).
"Costs"	all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.
"Debenture"	means the debenture dated on or around the date of this guarantee and debenture provided by the Principal in

favour of the Security Trustee on behalf of the Lenders as varied, supplemented, amended, novated or replaced from time to time.

"Designated Account"	any account nominated by the Security Trustee as a designated account for the purposes of this guarantee and debenture.
"Environment"	the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.
"Environmental Law"	all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.
"Equipment"	all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations, apparatus and other tangible moveable property for the time being owned by the Company, including any part of it and all spare parts, replacements, modifications and additions.
"Excluded Property"	any leasehold property held by the Company under a lease which precludes, either absolutely or conditionally (including requiring the consent of any third party), the Company from creating any charge over its leasehold interest in that property.
"Facility Agreement"	The facility agreement entered into between the Principal and the Lenders on or about the date of this guarantee and debenture.
"Financial Collateral"	shall have the meaning given to that expression in the Financial Collateral Regulations.
"Financial Collateral Regulations"	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226).
"Insurance Policies"	all the contracts and policies of insurance effected or maintained by the Company from time to time in respect of its assets or business (including, without limitation, any insurances relating to the Properties or the Equipment).
"Intellectual Property"	the Company's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.

"Investments"	all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Company, including all rights accruing or incidental to those investments from time to time.
"Facility Documents"	<ul style="list-style-type: none"> (a) the Facility Agreement; (b) the Debenture; (c) this guarantee and debenture; (d) any other guarantee entered into by an Obligor and / or any of their affiliates from time to time in relation to liabilities under the Facility Agreement; and (e) any document entered into by an Obligor and/or any of their affiliates from time to time creating or expressed to create any Security over all or any part of their assets as security for liabilities under the other Facility Documents.
"Lenders"	the Security Trustee, British Smaller Companies VCT 2 PLC incorporated and registered in England and Wales with company number 04084003 and YFM Equity Partners II LP a limited partnership whose registered offices are all at 5th Floor, Valrant Building, 14 South Parade, Leeds, West Yorkshire LS1 5QS.
"Obligors"	the Principal, the Company and any affiliate of the Principal and the Company which is party to any Facility Document.
"Permitted Encumbrances"	any lien arising by operation of law in the ordinary course of trading, any bank security and any other Encumbrance to which the Security Trustee has granted its prior written consent.
"Principal"	NewACC (2014) Limited a company registered in England and Wales with company number 09171949.
"Properties"	all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or at any time after the date of this guarantee and debenture (and from time to time) owned by the Company, or in which the Company holds an interest and Property means any of them.
"Receiver"	a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5.
"Secured Liabilities"	all present and future monies, obligations and liabilities owed by the Principal or the Company to the Lenders and the Security Trustee, whether actual or contingent and whether owed jointly or severally, as principal or

	surety and/or in any other capacity under or in connection with the Facility Documents or this guarantee and debenture (including, without limitation, those arising under clause 12.3) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.
"Security Financial Collateral Arrangement"	shall have the meaning given to that expression in the Financial Collateral Regulations.
"Security Interest"	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, hypothecation, assignment as security, title retention or any other type of arrangement that has a similar effect to any of them.
"Security Period"	the period starting on the date of this guarantee and debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are outstanding.

1.2 In this guarantee and debenture:

- 1.2.1 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.2 a reference to an **amendment** includes a supplement, restatement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
- 1.2.3 a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- 1.2.4 a reference to **this guarantee and debenture** (or any specified provision of it) or any other document shall be construed as a reference to this guarantee and debenture, that provision or that document as in force for the time being and as amended from time to time;
- 1.2.5 a reference to **indebtedness** includes any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
- 1.2.6 a reference to a **person** shall include a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person;
- 1.2.7 a reference to a **statute** or **statutory provision** includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and any former statute or statutory provision which it consolidated or re-enacted before the date of this guarantee and debenture;

- 1.2.8 a reference to transactions entered into **in the ordinary course of business** excludes:
- 1.2.8.1 any unprecedented or exceptional transactions;
 - 1.2.8.2 any transaction entered into in breach of directors' duties; and
 - 1.2.8.3 any transaction that may be classified as being a preference or at an undervalue;
- 1.2.9 a reference to a time of day is a reference to London time;
- 1.2.10 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.11 unless the context otherwise requires, words in the singular include the plural and in the plural include the singular;
- 1.2.12 a reference to the **Company**, the **Principal** or the **Security Trustee** shall include its successors, permitted transferees and permitted assigns;
- 1.2.13 a reference to a clause or Schedule is to a clauses of or Schedule to this guarantee and debenture and references to paragraphs are to paragraphs of the relevant Schedule unless the context requires otherwise; and
- 1.2.14 clause, schedule and paragraph headings shall not affect the interpretation of this guarantee and debenture.
- 1.3 If the Security Trustee considers that an amount paid by the Company in respect of the Secured Liabilities is capable of being avoided, or otherwise set aside, on the liquidation or administration of the Company or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this guarantee and debenture.
- 1.4 A reference in this guarantee and debenture to a **charge** or **mortgage** of any freehold, leasehold or commonhold property includes:
- 1.4.1 all buildings and fixtures (including trade and tenant's fixtures) which are situated on that property at any time;
 - 1.4.2 the proceeds of the sale of any part of that property; and
 - 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Company in respect of that property, and any monies paid or payable in respect of those covenants.
- 1.5 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement and of any side letters between any parties in relation to the Facility Agreement are incorporated into this guarantee and debenture.
- 1.6 A person who is not a party to this guarantee and debenture (other than a permitted successor or assign or any Receiver) has no right under the Contracts

(Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this debenture.

- 1.7 If the rule against perpetuities applies to any trust created by this guarantee and debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).
- 1.8 Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this guarantee and debenture. The floating charge created by this guarantee and debenture is a qualifying floating charge for such purposes.
- 1.9 The Schedules form part of this guarantee and debenture and shall have effect as if set out in full in the body of this guarantee and debenture. Any reference to this guarantee and debenture includes the Schedules.

2 GUARATEE AND COVENANT TO PAY

The Company shall and guarantees to the Security Trustee that it will, on demand, pay to the Security Trustee and discharge the Secured Liabilities when they become due. The guarantee contained in this clause shall incorporate the provisions set out in Schedule 7 of this guarantee and debenture.

3 GRANT OF SECURITY

- 3.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Company, with full title guarantee:

3.1.1 charges to the Security Trustee, by way of first fixed charge:

- 3.1.1.1 all Properties acquired by the Company in the future;
- 3.1.1.2 all present and future interests of the Company not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- 3.1.1.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
- 3.1.1.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Company's business or the use of any Charged Property, and all rights in connection with them;
- 3.1.1.5 all present and future goodwill and uncalled capital for the time being of the Company;
- 3.1.1.6 all the Equipment;
- 3.1.1.7 all the Intellectual Property;
- 3.1.1.8 all the Book Debts;
- 3.1.1.9 all the Investments; and

- 3.1.1.10 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account).
 - 3.1.2 assigns to the Security Trustee, by way of first fixed mortgage, all its rights in any policies of insurance or assurance present or future (including, without limitation, any insurances relating to the Properties or the Equipment);
 - 3.1.3 assigns to the Security Trustee, by way of first fixed charge, to the extent the same are assignable, the benefit of the Assigned Agreements and the benefit of any guarantee or security for the performance of the Assigned Agreements; and
 - 3.1.4 charges to the Security Trustee, by way of first floating charge, all the undertaking, property, assets and rights of the Company at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.1 to clause 3.1.3 inclusive.
- 3.2 The charges created by clause 3.1 shall not apply to Excluded Property so long as any relevant consent or waiver of prohibition has not been obtained, but:
 - 3.2.1 for each Excluded Property, the Company undertakes to:
 - 3.2.1.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this guarantee and debenture and to use its best endeavours to obtain that consent or waiver of prohibition as soon as possible;
 - 3.2.1.2 keep the Security Trustee informed of its progress in obtaining such consent or waiver; and
 - 3.2.1.3 immediately on receipt of such consent or waiver, provide the Security Trustee with a copy; and
 - 3.2.2 immediately on receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Trustee under clause 3.1 and
 - 3.2.3 If required by the Security Trustee at any time following receipt of that waiver or consent, the Company shall execute a valid fixed charge in such form as the Security Trustee requires to perfect security over that Excluded Property.
- 3.3 The floating charge created by clause 3.1.4 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:
 - 3.3.1 the Company:
 - 3.3.1.1 creates, or attempts to create, a Security Interest without the prior written consent of the Security Trustee, or any trust in favour of another person, over all or any part of the Charged Property; or

- 3.3.1.2 disposes, or attempts to dispose of, all or any part of the Charged Property (other than property that is only subject to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or
 - 3.3.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or
 - 3.3.3 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property; or
 - 3.3.4 the Security Trustee receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Company.
- 3.4 The Security Trustee may, in its sole discretion, at any time by written notice to the Company, convert the floating charge created under this guarantee and debenture into a fixed charge as regards any part of the Charged Property specified by the Security Trustee in that notice if (i) the Security Trustee considers it necessary to do so in order to protect, preserve or supplement the charges over the Charged Property or the priority of those charges or (ii) if an event of default has occurred pursuant to the terms of the Facility Agreement, or both.
- 3.5 Any asset acquired by the Company after any crystallisation of the floating charge created under this guarantee and debenture which, but for such crystallisation, would be subject to a floating charge shall (unless the Security Trustee confirms in writing to the contrary) be charged to the Security Trustee by way of first fixed charge.

4 LIABILITY OF THE COMPANY

- 4.1 The Company's liability under this guarantee and debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:
- 4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee being or becoming wholly or partially illegal, void or unenforceable on any ground; or
 - 4.1.2 the Security Trustee renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or
 - 4.1.3 any other act or omission which but for this clause 4.1 might have discharged or otherwise prejudiced or affected the liability of the Company.
- 4.2 The Company waives any right it may have to require the Security Trustee to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this guarantee and debenture against the Company.

5 REPRESENTATIONS AND WARRANTIES

The Company makes the representations and warranties set out in Schedule 2 to the Security Trustee. The representations and warranties set out in Schedule 2 are made on the date of this guarantee and debenture and the representations and warranties contained in 1 to 10 of Schedule 2 shall be deemed to be made on each day of the Security Period with reference to the facts and circumstances then existing.

6 COVENANTS

The Company covenants with the Security Trustee in the terms set out in Schedule 3.

7 POWERS OF THE SECURITY TRUSTEE

The Security Trustee shall have the powers set out in Schedule 4.

8 ENFORCEMENT

8.1 The security constituted by this guarantee and debenture shall be immediately enforceable in any of the circumstances set out in paragraph 1 of Schedule 5. The parties to this guarantee and debenture agree that the provisions of Schedule 5 shall apply to this guarantee and debenture and shall be binding between them.

8.2 A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 6.

8.3 To the extent that:

8.3.1 the Charged Property constitutes Financial Collateral; and

8.3.2 this guarantee and debenture and the obligations of the Company hereunder constitute a Security Financial Collateral Arrangement,

the Security Trustee shall have the right, at any time after the security constituted this guarantee and debenture has become enforceable, to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as the Security Trustee in its absolute discretion may from time to time determine.

8.4 The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Trustee may select (including independent valuation).

8.5 The Company agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

9 COSTS AND INDEMNITY

9.1 The Company shall pay to, or reimburse, the Security Trustee and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Security Trustee and/or any Receiver in relation to:

9.1.1 this guarantee and debenture or the Charged Property;

- 9.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's or Receiver's rights under this guarantee and debenture; and
- 9.1.3 suing for, or recovering, any of the Secured Liabilities,
- (including, without limitation, the Costs of any proceedings in relation to this guarantee and debenture or the Secured Liabilities), together with interest on any amount due under clause 9.1.2 and clause 9.1.3 at the default rate of interest specified in the Facility Agreement.
- 9.2 The Security Trustee, any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:
- 9.2.1 the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this guarantee and debenture;
- 9.2.2 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- 9.2.3 any default or delay by the Company in performing any of its obligations under this guarantee and debenture.

10 RELEASE

Subject to clause 12.3, on the expiry of the Security Period (but not otherwise) the Security Trustee shall, at the request and cost of the Company, take whatever action is necessary to release the Charged Property from the security constituted by this guarantee and debenture.

11 ASSIGNMENT AND TRANSFER

- 11.1 At any time, without the consent of the Company, the Security Trustee may assign or transfer the whole or any part of its rights and/or obligations under this guarantee and debenture to any person to whom the benefits of the Facilities Agreement may be transferred in accordance with its terms.
- 11.2 The Company may not assign any of its rights or transfer any of its obligations under this guarantee and debenture, or enter into any transaction which would result in any of those rights or obligations passing to another person.

12 FURTHER PROVISIONS

- 12.1 This guarantee and debenture shall be in addition to, and independent of, every other security or guarantee which the Security Trustee may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee over the whole or any part of the Charged Property shall merge in the security created by this guarantee and debenture.
- 12.2 This guarantee and debenture shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account or intermediate payment or other matter or thing, unless and until the Security Trustee discharges this guarantee and debenture in writing.

- 12.3 Any release, discharge or settlement between the Company and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:
- 12.3.1 the Security Trustee or its nominee may retain this guarantee and debenture and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and
 - 12.3.2 the Security Trustee may recover the value or amount of such security or payment from the Company subsequently as if such release, discharge or settlement had not occurred.
- 12.4 A certificate or determination by the Security Trustee as to any amount for the time being due to it from the Company shall (in the absence of any manifest error) be conclusive evidence of the amount due.
- 12.5 The rights and powers of the Security Trustee conferred by this guarantee and debenture are cumulative, may be exercised as often as the Security Trustee considers appropriate, and are in addition to its rights and powers under the general law.
- 12.6 Any amendment of this guarantee and debenture shall be in writing and signed by, or on behalf of, each party.
- 12.7 Any waiver of any right or remedy (whether arising under this guarantee and debenture or under the general law), or any consent given under this guarantee and debenture, is only be effective if it is in writing and signed by the waiving or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 12.8 No act or course of conduct or negotiation by or on behalf of the Security Trustee shall, in any way, preclude the Security Trustee from exercising any right or remedy under this guarantee and debenture or constitute a suspension or variation of any such right or remedy.
- 12.9 No delay or failure to exercise any right or remedy under this guarantee and debenture shall operate as a waiver of such right or remedy or constitute an election to affirm this guarantee and debenture.
- 12.10 No single or partial exercise of any right or remedy under this guarantee and debenture shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this guarantee and debenture.
- 12.11 The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this guarantee and debenture.
- 12.12 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this guarantee and debenture under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if

some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

- 12.13 This guarantee and debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

13 **NOTICES**

- 13.1 Each notice or other communication required to be given under, or in connection with, this guarantee and debenture shall be:

13.1.1 in writing, delivered personally or sent by pre-paid first-class letter or fax; and

13.1.2 sent:

13.1.2.1 to the Company:

its registered office from time to time

Fax: such number as notified from time to time

Attention: The Directors

13.1.2.2 to the Security Trustee:

its registered office from time to time

Fax: such number as notified from time to time

Attention: The Directors

or to such other address or fax number as is notified in writing by one party to the other from time to time.

- 13.2 Any notice or other communication that the Security Trustee gives shall be deemed to have been received:

13.2.1 if sent by fax, when received in legible form;

13.2.2 if given by hand, at the time of actual delivery; and

13.2.3 if posted, on the second Business Day after the day it was sent by pre-paid first-class post.

A notice or other communication given as described in clause 13.2.1 or clause 13.2.2 on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

- 13.3 Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt.

14 **GOVERNING LAW AND JURISDICTION**

- 14.1 This guarantee and debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.
- 14.2 The parties to this guarantee and debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this guarantee and debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Company in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.
- 14.3 The Company irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this guarantee and debenture relating to service of notices. Nothing contained in this guarantee and debenture shall affect the right to serve process in any other manner permitted by law.

IN WITNESS this guarantee and debenture has been executed and delivered as a Deed by the parties on the date stated at the beginning of it.

SCHEDULE 1
Assigned Agreements

SCHEDULE 2

Representations and warranties

1 OWNERSHIP OF CHARGED PROPERTY

The Company is the legal and beneficial owner of the Charged Property.

2 NO SECURITY INTEREST

The Charged Property is free from any Security Interest other than Permitted Encumbrances and the Security Interests created by this guarantee and debenture.

3 ADVERSE CLAIMS

The Company has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

4 ADVERSE COVENANTS

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Charged Property.

5 NO BREACH OF LAWS

There is no breach of any law or regulation which materially adversely affects the Charged Property.

6 NO INTERFERENCE IN ENJOYMENT

No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use.

7 NO OVERRIDING INTERESTS

Nothing has arisen, has been created or is subsisting which would be an overriding interest in any Property.

8 AVOIDANCE OF SECURITY

No Security Interest expressed to be created under this guarantee and debenture is liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise.

9 NO PROHIBITIONS OR BREACHES

There is no prohibition on assignment in any Insurance Policies or Assigned Agreements, or the relevant clauses of any of them, and the entry into this guarantee and debenture by the Company does not and will not constitute a breach of any Insurance Policies, Assigned Agreements or any other agreement or instruments binding on the Company or its assets.

10 ENVIRONMENTAL COMPLIANCE

The Company has, at all times, complied in all material respects with all applicable Environmental Law.

SCHEDULE 3

Covenants

Part 1

General covenants

1 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Company shall not, at any time, except with the prior written consent of the Security Trustee:

- 1.1.1 create, purport to create or permit to subsist any Security Interest on or in relation to the Charged Property other than any Security Interest created by this guarantee and debenture or any Permitted Encumbrance; or
- 1.1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property except disposals in the ordinary course of business of assets which are only subject to the floating charge under clause 3.1.4 at a time when the floating charge has not crystallised; or
- 1.1.3 create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

2 PRESERVATION OF CHARGED PROPERTY

The Company shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this guarantee and debenture.

3 ENFORCEMENT OF RIGHTS

The Company shall use its best endeavours to:

- 3.1.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Company's counterparties; and
- 3.1.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Security Trustee may require from time to time.

4 NOTICE OF BREACHES

The Company shall promptly on becoming aware of any of the same give the Security Trustee notice in writing of any breach of:

- 4.1.1 any representation or warranty set out in Schedule 2; and
- 4.1.2 any covenant set out in this Schedule 3.

5 TITLE DOCUMENTS

The Company shall, on the execution of this guarantee and debenture (or, if later, the date of acquisition of the relevant Charged Property), deposit with the Security Trustee and the Security Trustee shall, for the duration of this guarantee and debenture, be entitled to hold:

- 5.1.1 all deeds and documents of title relating to the Charged Property which are in the possession or control of the Company (if these are not within the possession and/or control of the Company, the Company undertakes to obtain possession of all such deeds and documents of title);
- 5.1.2 all Insurance Policies and any other insurance policies relating to any of the Charged Property to which the Company is entitled to possession;
- 5.1.3 copies of all the Assigned Agreements, certified to be true copies by either a director of the Company or by the Company's solicitors;
- 5.1.4 all certificates relating to the Investments and such instruments of transfer in blank and other documents as the Security Trustee may, from time to time, require for perfecting its title to the Investments or for vesting, or enabling it to vest, the Investments in itself or its nominee or in any purchaser; and
- 5.1.5 declarations of trust in favour of the Company executed by all persons (other than the Company) in whose name the Investments are registered.

6 NOTICES TO BE GIVEN BY THE COMPANY

The Company shall within five days of the execution of this guarantee and debenture give notice:

- 6.1.1 to the relevant insurers of the assignment, of the Company's rights and interest in and under each Insurance Policy pursuant to clause 3.1.2 and procure that each addressee of such notice promptly provides an acknowledgement of the Security Trustee's interest to the Security Trustee;
- 6.1.2 to the other parties to the Assigned Agreements of the assignment, pursuant to clause 3.1.3, of the Company's rights and interest in and under the Assigned Agreements and procure that each addressee of such notice promptly provides an acknowledgement of the Security Trustee's interest to the Security Trustee; and
- 6.1.3 to any bank, financial institution or other person (excluding the Security Trustee) with whom the Company has an account of the charging to the Security Trustee, pursuant to clause 3.1.1.10, of the Company's rights and interests under such accounts and procure that each addressee of such notice promptly provides an acknowledgement to the Security Trustee.

The Company shall obtain the Security Trustee's prior approval of the form of any notice or acknowledgement to be used under this Paragraph 6.

7 FURTHER ASSURANCE

The Company, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Security Trustee may reasonably require) in favour of the Security Trustee as the Security Trustee, in its absolute discretion, requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Security Trustee may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

8 APPOINTMENT OF ACCOUNTANTS

8.1 In the event that either (i) any information required to be provided to the Security Trustee by the Company either pursuant to this Guarantee and Debenture or otherwise has not been so provided or (ii) the Security Trustee, acting reasonably, considers that information provided to it by the Company may be incomplete or inaccurate, the Company shall:

8.1.1 at its own cost, if at any time so required by the Security Trustee, appoint an accountant or firm of accountants nominated by the Security Trustee to investigate the financial affairs of the Company and those of its subsidiaries and report to the Security Trustee; and

8.1.2 co-operate fully with any accountants so appointed and immediately provide such accountants with all information requested.

8.2 The Company authorises the Security Trustee to make such appointment as it shall think fit at any time, without further authority from the Company. In every such case, the fees and expenses of those accountants shall be paid by the Company but, if paid by the Security Trustee on the Company's behalf, those fees and expenses shall be fully reimbursed to the Security Trustee under clause 9.

9 COMPANY'S WAIVER OF SET-OFF

The Company waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Company under this guarantee and debenture).

10 DISCLOSURE

The Company consents to the disclosure by the Security Trustee of any information about the Company, this guarantee and debenture, the Charged Property and the Secured Liabilities to:

10.1.1 any person to whom the Security Trustee has assigned or transferred, or proposes or may propose to assign or transfer, all or any of its rights and benefits under this guarantee and debenture or the Secured Liabilities; or

10.1.2 any person with whom the Security Trustee has entered into, or proposes or may propose to enter into, any contractual arrangements in connection with this guarantee and debenture or the Secured Liabilities; or

10.1.3 any subsidiary or agent of the Security Trustee; or

10.1.4 any other person if required or permitted by law to do so.

Part 2

Book Debts, insurance and Assigned Agreements covenants

1 PRESERVATION OF BOOK DEBTS

The Company shall not (except as provided by paragraph 2 of Part 2 of Schedule 3 or with the prior written consent of the Security Trustee) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

2 REALISING BOOK DEBTS

The Company shall:

- 2.1.1 as an agent for the Security Trustee, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Security Trustee;
- 2.1.2 not, without the prior written consent of the Security Trustee, withdraw any amounts standing to the credit of any Designated Account; and
- 2.1.3 if called on so to do by the Security Trustee, execute a legal assignment of the Book Debts to the Security Trustee in such terms as the Security Trustee may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

3 INSURANCE COVENANT

The Company:

- 3.1.1 shall (if the Security Trustee so requires) produce to, or deposit with, the Security Trustee all Insurance Policies and the receipts for all premiums and other payments necessary for effecting and keeping up such policies; and
- 3.1.2 has not done or omitted to do, and shall not do or omit to do, any act or thing that may invalidate or otherwise prejudice the Insurance Policies.

4 INSURANCE POLICIES' PROCEEDS

All monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this guarantee and debenture has become enforceable) shall:

- 4.1.1 immediately be paid into a Designated Account;
- 4.1.2 if they are not paid directly to the Security Trustee by the insurers, be held by the Company as trustee of the same for the benefit of the Security Trustee (and the Company shall account for them to the Security Trustee); and

- 4.1.3 at the option of the Security Trustee, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities (but subject to paragraph 10 of Schedule 5).

5 ASSIGNED AGREEMENTS

The Company shall not, without the prior written consent of the Security Trustee:

- 5.1.1 waive any of its rights under any Assigned Agreement; or
- 5.1.2 supplement, amend, novate, terminate or permit termination of any Assigned Agreement.

Part 3

Property covenants

1 MAINTENANCE AND INSURANCE

The Company shall:

- 1.1.1 keep all buildings and all fixtures belonging to the Company on each Property in good and substantial repair and condition;
- 1.1.2 insure, and keep insured, those buildings and fixtures with such insurer and against such risks and in such amounts and otherwise on such terms as the Security Trustee may require (and, failing such requirement, in accordance with the practice in respect of items of the same type current amongst prudent businessmen from time to time); and
- 1.1.3 procure that the interest of the Security Trustee is noted on all those insurance policies or, at the option of the Security Trustee, that those insurance policies are issued in the joint names of the Security Trustee and the Company.

2 PRESERVATION OF PROPERTY, FIXTURES AND EQUIPMENT

The Company shall not, without the prior written consent of the Security Trustee:

- 2.1.1 pull down or remove the whole or any part of any building forming part of any Property; or
- 2.1.2 make any material alterations to any Property or sever or remove any of its fixtures; or
- 2.1.3 remove or make any material alterations to any of the Equipment belonging to, or in use by, the Company on any Property (except to effect necessary repairs, or replace it with new or improved models or substitutes); or
- 2.1.4 whenever any Equipment is destroyed, damaged or deteriorates, immediately repair, replace and make good the same.

3 CONDUCT OF BUSINESS ON PROPERTIES

The Company shall carry on its trade and business in accordance with the standards of good management from time to time current in such trade or business on those parts (if any) of the Properties as are or may be used for the purposes of trade or business.

4 PLANNING INFORMATION

The Company shall:

- 4.1.1 give full particulars to the Security Trustee of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority ("**Planning Notice**") that specifically applies to any Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Planning Notice; and
- 4.1.2 (if the Security Trustee so requires) immediately, and at the cost of the Company, take all reasonable and necessary steps to comply with any Planning Notice, and make, or join with the Security Trustee in making, such objections or representations in respect of any such Planning Notice as the Security Trustee may desire.

5 COMPLIANCE WITH COVENANTS AND PAYMENT OF RENT

The Company shall:

- 5.1.1 observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subjected and (if the Security Trustee so requires) produce to the Security Trustee evidence sufficient to satisfy the Security Trustee that those covenants, stipulations and conditions have been observed and performed; and
- 5.1.2 (without prejudice to the generality of the foregoing), where a Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time and perform and observe all the tenant's covenants and conditions.

6 MAINTENANCE OF INTERESTS IN PROPERTIES

The Company shall not, without the prior written consent of the Security Trustee:

- 6.1.1 grant, or agree to grant, any licence or tenancy affecting the whole or any part of any Property or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the Law of Property Act 1925; or
- 6.1.2 in any other way dispose of, or agree to dispose of, surrender or create any legal or equitable estate or interest in the whole or any part of any Property.

7 REGISTRATION RESTRICTIONS

The Company shall procure that no person shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of any Property without the prior written consent of the Security Trustee. The Company shall be liable for the Costs

of the Security Trustee in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

8 DEVELOPMENT RESTRICTIONS

The Company shall not, without the prior written consent of the Security Trustee, carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the use of any Property.

9 ENVIRONMENT

The Company shall:

9.1.1 comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and

9.1.2 obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law.

10 NO RESTRICTIVE OBLIGATIONS

The Company shall not, without the prior written consent of the Security Trustee, enter into any onerous or restrictive obligations affecting the whole or any part of any Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Property.

11 PROPRIETARY RIGHTS

The Company shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property, without the prior written consent of the Security Trustee.

12 INSPECTION

The Company shall permit the Security Trustee and any Receiver and any person appointed by either of them, to enter on and inspect any Property on reasonable prior notice.

13 PROPERTY INFORMATION

The Company shall inform the Security Trustee promptly of any acquisition by the Company of, or contract made by the Company to acquire, any freehold, leasehold or other interest in any property.

14 HM LAND REGISTRY DISPOSAL RESTRICTION

In respect of any Property, or part of or interest in any Property title, which is registered at HM Land Registry, the Company applies to HM Chief Registrar to enter the following restriction on the Proprietorship Register of the title to such Property:

"Except under an order of the Registrar, no disposition or dealing is to be registered without the consent of the proprietor for the time being of the guarantee and debenture dated [DATE] in favour of [FULL NAME OF SECURITY TRUSTEE]".

15 PAYMENT OF PROPERTY TAXES

The Company shall promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties and, if so requested by the Security Trustee, produce to the Security Trustee evidence of payment.

Part 4

Investment covenants

1 REGISTRATION OF INVESTMENTS

1.1 The Company shall:

1.1.1 terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of any Investments and pending such termination procure that any person so nominated:

1.1.1.1 does not exercise any rights in respect of any Investments without the prior written approval of the Security Trustee; and

1.1.1.2 immediately upon receipt, forward to the Security Trustee all communications or other information received in respect of any Investments for which it has been so nominated; and

1.1.2 at the direction of the Security Trustee given at any time, immediately execute and deliver to the Security Trustee all transfers and other documents and do all such things as may be necessary or desirable to register all or any of the Investments in the name of the Security Trustee or its nominee.

1.2 During the Security Period the Company shall not exercise any rights under sections 145 and 146 of the Companies Act 2006 to nominate any person in respect of any of the Investments.

2 ADDITIONAL REGISTRATION OBLIGATIONS

The Company shall:

2.1.1 procure all consents, waivers, approvals and permissions which are necessary, under the articles of association of any issuer that is not a public company or otherwise, for the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser, on enforcement of this guarantee and debenture; and

2.1.2 procure the amendment of the share transfer provisions of the articles of association of each issuer that is not a public company in such manner as the Security Trustee may require in order to permit such a transfer.

3 DIVIDENDS AND VOTING RIGHTS POST ENFORCEMENT

After the security constituted by this guarantee and debenture has become enforceable:

3.1.1 all dividends and other distributions paid in respect of the Investments and received by the Company shall be held on trust for the Security Trustee, and immediately paid into a Designated Account or, if received by the Security Trustee, shall be retained by the Security Trustee; and

3.1.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of the Security Trustee and the Company shall, and shall procure that its nominees shall, comply with any directions the Security Trustee may, in its absolute discretion, give concerning the exercise of those rights and powers.

4 CALLS ON INVESTMENTS

The Company shall duly and promptly pay all calls, instalments and other monies which may be payable from time to time in respect of the Investments. The Company acknowledges that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other monies.

5 NO ALTERATION OF INVESTMENTS

The Company shall not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of, the memorandum or articles of association or any other constitutional documents of any Issuer that is not a public company or the rights or liabilities attaching to any of the Investments.

6 PRESERVATION OF INVESTMENTS

The Company shall ensure (insofar as it is able, by the exercise of all voting rights, powers of control and other means available to it to do so) that no issuer, that is not a public company shall:

6.1.1 consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way; or

6.1.2 issue any new shares or stock; or

6.1.3 refuse to register any transfer of any of its Investments which may be lodged for registration by, or on behalf of, the Security Trustee or the Company in accordance with this guarantee and debenture.

7 INVESTMENTS INFORMATION

The Company shall send to the Security Trustee copies of all notices, circulars, reports, accounts and other documents which are sent to holders of any Investments, promptly following receipt.

Part 5

Equipment covenants

1 MAINTENANCE OF EQUIPMENT

The Company shall:

1.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear); and

1.1.2 not permit any Equipment to be:

1.1.2.1 used or handled, other than by properly qualified and trained persons; or

1.1.2.2 overloaded or used for any purpose for which it is not designed or reasonably suitable.

2 PAYMENT OF EQUIPMENT TAXES

The Company shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of payment to the Security Trustee.

3 EQUIPMENT INFORMATION

The Company shall:

3.1.1 give the Security Trustee such information concerning the location, condition, use and operation of the Equipment as the Security Trustee may require; and

3.1.2 permit any persons designated by the Security Trustee to inspect and examine the Equipment, and the records relating to the Equipment, at all reasonable times.

4 EQUIPMENT INSURANCE

The Company shall:

4.1.1 at its own expense, procure that the Equipment is covered, and kept covered, by insurance of a kind satisfactory to the Security Trustee with insurers approved by the Security Trustee (such approval not to be unreasonably withheld) for full comprehensive insurance cover, which shall include (but not be limited to) fire, theft and accident, for an amount which is not less than the aggregate cost of reinstating or replacing such Equipment;

4.1.2 if the Security Trustee so requires, procure that the interest of the Security Trustee is noted on all such insurance policies or, at the option of the Security Trustee, that such insurance policies are issued in the joint names of the Security Trustee and the Company; and

4.1.3 maintain insurance for third party liabilities in such amount, and on such terms, as is usual for users of equipment of the same type as the Equipment.

5 NOTICE OF CHARGE

The Company shall, if so requested by the Security Trustee, place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIPTION OF ITEM] and ancillary equipment is subject to a fixed charge dated [DATE] in favour of [SECURITY TRUSTEE]".

Part 6

Intellectual Property covenants

1 PRESERVATION OF RIGHTS

The Company shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) observing all covenants and stipulations relating to such rights and paying all applicable renewal fees, licence fees and other outgoings.

2 REGISTRATION OF INTELLECTUAL PROPERTY

The Company shall use all reasonable efforts to effect registration of applications for registration of any Intellectual Property and keep the Security Trustee informed of all matters relating to such registration.

3 MAINTENANCE OF INTELLECTUAL PROPERTY

The Company shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

SCHEDULE 4

Powers of the Security Trustee

1 POWER TO REMEDY

The Security Trustee shall be entitled (but shall not be bound) to remedy a breach at any time by the Company of any of its obligations contained in this guarantee and debenture and the Company irrevocably authorises the Security Trustee and its agents to do all such things as are necessary or desirable for that purpose.

2 EXERCISE OF RIGHTS

The rights of the Security Trustee under paragraph 1 of this Schedule 4 are without prejudice to any other rights of the Security Trustee under this guarantee and debenture. The exercise of those rights shall not make the Security Trustee liable to account as a mortgagee in possession.

3 POWER TO DISPOSE OF CHATTELS

At any time after the security constituted by this guarantee and debenture has become enforceable, the Security Trustee or any Receiver:

3.1.1 may dispose of any chattels or produce found on any Property as agent for the Company; and

3.1.2 without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Company against any liability arising from such disposal.

4 PRIOR SECURITY INTERESTS

At any time after the security constituted by this guarantee and debenture has become enforceable, or after any powers conferred by any Security Interest having priority to this guarantee and debenture shall have become exercisable, the Security Trustee may:

4.1.1 redeem such or any other prior Security Interest or procure its transfer to itself; and

4.1.2 settle any account of the holder of any prior Security Interest.

Any accounts shall be, in the absence of any manifest error, conclusive and binding on the Company. All monies paid by the Security Trustee to an encumbrancer in settlement of such an account shall, as from its payment by the Security Trustee, be due from the Company to the Security Trustee on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

5 CONVERSION OF CURRENCY

For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by the Security Trustee under this guarantee and debenture (including the proceeds of any previous conversion under this paragraph) from their existing currencies of denomination into such other currencies of denomination as the Security Trustee

may think fit. Any such conversion shall be effected at the spot selling rate of exchange of National Westminster Bank PLC for such other currency against the existing currency. Each reference in this paragraph to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

6 NEW ACCOUNTS

- 6.1 If the Security Trustee receives notice of any subsequent Security Interest, or other interest, affecting all or part of the Charged Property, the Security Trustee may open a new account for the Company in the Security Trustee's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of the Company in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 6.2 If the Security Trustee does not open a new account immediately on receipt of notice under paragraph 6.1 of this Schedule 4, then, unless the Security Trustee gives express written notice to the contrary to the Company, all payments made by the Company to the Security Trustee shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Liabilities as from the time of receipt of the relevant notice by the Security Trustee.

7 SECURITY TRUSTEE'S SET-OFF RIGHTS

If the Security Trustee has more than one account for the Company in its books, the Security Trustee may, at any time after:

- 7.1.1 the security constituted by this guarantee and debenture has become enforceable; or
- 7.1.2 the Security Trustee has received notice of any subsequent Security Interest or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit (but the Security Trustee shall notify the Company of the transfer once made).

8 INDULGENCE

The Security Trustee may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this guarantee and debenture (whether or not such person or persons is jointly liable with the Company) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this guarantee and debenture, or to the liability of the Company for the Secured Liabilities.

SCHEDULE 5

Enforcement

1 ENFORCEMENT EVENTS

This guarantee and debenture shall be enforceable if:

- 1.1.1 any of the Secured Liabilities are not paid or discharged when the same ought to be paid or discharged by the Principal or the Company (whether on demand, at scheduled maturity, or by acceleration or otherwise, as the case may be); or
- 1.1.2 the Principal is in breach of any of its obligations under the Debenture or under any other agreement between the Principal and the Security Trustee, and that breach (if capable of remedy) has not been remedied to the satisfaction of the Security Trustee within 14 days of notice by the Security Trustee to the Principal to remedy the breach; or
- 1.1.3 the Company is in breach of any of its obligations under this guarantee and debenture or under any other agreement between the Company and the Security Trustee, and that breach (if capable of remedy) has not been remedied to the satisfaction of the Security Trustee within 14 days of notice by the Security Trustee to the Company to remedy the breach; or
- 1.1.4 the Company:
 - 1.1.4.1 becomes unable to pay its debts as they fall due (and/or the value of the Company's assets is less than the amount of its liabilities, taking into account the Company's contingent and prospective liabilities); or
 - 1.1.4.2 commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness; or
 - 1.1.4.3 makes a general assignment for the benefit of or a composition with its creditors; or
- 1.1.5 the Company passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any action is taken by any person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues or assets; or
- 1.1.6 a distress, execution, attachment or other legal process is levied or enforced on, or sued out against, all or any part of the assets of the Company and remains undischarged for seven days; or
- 1.1.7 any event occurs in relation to the Company that is analogous to those set out in paragraph 1.1.3, paragraph 1.1.4 or paragraph 1.1.5 of this Schedule 5; or

1.1.8 any representation, warranty or statement made or deemed to be made by the Company under this guarantee and debenture is or proves to have been incorrect or misleading in any material respect when made or deemed to be made; or

1.1.9 an Event of Default (as defined in the Facility Agreement) occurs,

and in any such event (whether or not the event is continuing), without prejudice to any other rights of the Security Trustee, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and the Security Trustee may, in its absolute discretion, enforce all or any part of the security created by this guarantee and debenture as it sees fit.

2 STATUTORY POWER OF SALE

The statutory powers of sale conferred by the Law of Property Act 1925 shall, as between the Security Trustee and a purchaser from the Security Trustee, arise on and be exercisable at any time after, the execution of this guarantee and debenture but the Security Trustee shall not exercise such power of sale until the security constituted by this guarantee and debenture has become enforceable under paragraph 1 of this Schedule 5.

3 EXTENSION OF STATUTORY POWERS

The statutory powers of sale, leasing and accepting surrenders conferred on mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Security Trustee under this guarantee and debenture and are extended so as to authorise the Security Trustee, whether in its own name or in that of the Company, to grant a lease or agreement to lease, accept surrenders of lease or grant any option of the whole or any part of the freehold and leasehold property of the Company with whatever rights relating to other parts of it, containing whatever covenants on the part of the Company, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium, as the Security Trustee thinks fit.

4 PROTECTION OF THIRD PARTIES

No purchaser, mortgagee or other person dealing with the Security Trustee or any Receiver shall be concerned:

4.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Security Trustee or a Receiver is purporting to exercise has become exercisable; or

4.1.2 to see to the application of any money paid to the Security Trustee or any Receiver.

5 NO LIABILITY AS MORTGAGEE IN POSSESSION

Neither the Security Trustee, nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.

6 APPOINTMENT OF RECEIVER

6.1 At any time after the security constituted by this guarantee and debenture has become enforceable, or at the request of the Company, the Security Trustee may, without further notice:

6.1.1 appoint by way of deed, or otherwise in writing, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Charged Property; and

6.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, by way of deed, or otherwise in writing, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

6.2 Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Security Trustee specifies to the contrary).

6.3 The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this guarantee and debenture which shall be due and payable immediately upon its being paid by the Security Trustee.

7 POWER OF SALE ADDITIONAL

7.1 The powers of sale and appointing a Receiver conferred by this guarantee and debenture shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise, and shall be exercisable without the restrictions contained in Sections 103 and 109 of the Law of Property Act 1925 or otherwise.

7.2 The power to appoint a Receiver (whether conferred by this guarantee and debenture or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Charged Property.

8 AGENT OF THE COMPANY

Any Receiver appointed by the Security Trustee under this guarantee and debenture shall be the agent of the Company and the Company shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

9 POWERS OF RECEIVER

Any Receiver appointed by the Security Trustee under this guarantee and debenture shall, in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986, have the power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and, in particular, the powers set out in Schedule 6.

10 ORDER OF APPLICATION OF PROCEEDS

All monies received by the Security Trustee or a Receiver in the exercise of any enforcement power conferred by this guarantee and debenture shall be applied:

- 10.1.1 first, in paying all unpaid fees, costs and other liability incurred by or on behalf of the Security Trustee (and any Receiver, attorney or agent appointed by it);
- 10.1.2 second, in paying the remuneration of any Receiver (as agreed between the Receiver and the Security Trustee);
- 10.1.3 third, in or towards discharge of the Secured Liabilities in such order and manner as the Security Trustee determines; and
- 10.1.4 finally, in paying any surplus to the Company or any other person entitled to it.

11 APPROPRIATION

Neither the Security Trustee nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

12 SUSPENSE ACCOUNT

All monies received by the Security Trustee or a Receiver under this guarantee and debenture may, at the discretion of the Security Trustee or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Security Trustee and the Company, and may be held in such account for so long as the Security Trustee or Receiver thinks fit.

13 POWER OF ATTORNEY

By way of security, the Company irrevocably appoint the Security Trustee and every Receiver separately, to be the attorney of the Company and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which:

- 13.1.1 the Company is required to execute and do under this guarantee and debenture, including execute any document required by the Security Trustee under paragraph 5 of Part 1 of Schedule 3; and
- 13.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this guarantee and debenture or by law on the Security Trustee or any Receiver.

14 RATIFICATION OF ACTS OF ATTORNEY

The Company ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in paragraph 13 of this Schedule 5.

15 APPOINTMENT OF AN ADMINISTRATOR

- 15.1 The Security Trustee may, without notice to the Company, appoint any one or more persons to be an administrator of the Company pursuant to Paragraph 14

Schedule B1 of the Insolvency Act 1986 if this guarantee and debenture becomes enforceable.

15.2 Any appointment under this paragraph 15 of Schedule 5 shall:

15.2.1 be in writing signed by a duly authorised signatory of the Security Trustee; and

15.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.

15.3 The Security Trustee may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this paragraph 15 of Schedule 5 and appoint a replacement for any Administrator whose appointment ends for any reason under that paragraph.

SCHEDULE 6

Further powers of a Receiver

1 POWER TO REPAIR AND DEVELOP PROPERTIES

A Receiver may undertake or complete any works of repair, building or development on the Properties.

2 POWER TO SURRENDER LEASES

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Properties on such terms and subject to such conditions as he thinks fit.

3 POWER TO EMPLOY PERSONNEL AND ADVISORS

A Receiver may provide services and employ or engage such managers, contractors, and other personnel and professional advisors on such terms as he deems expedient.

4 POWER TO MAKE VAT ELECTIONS

A Receiver may make such elections for value added tax purposes as he thinks fit.

5 POWER TO CHARGE FOR REMUNERATION

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Security Trustee may prescribe or agree with him.

6 POWER TO REALISE CHARGED PROPERTY

A Receiver may collect and get in the Charged Property, or any part of it, in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and to take possession of the Charged Property with like rights.

7 POWER TO MANAGE OR RECONSTRUCT THE COMPANY'S BUSINESS

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Company.

8 POWER TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of all or any of the property of the Company in respect of which he is appointed in such manner, and generally on such terms and conditions, as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent), and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as the Receiver thinks fit and he may promote, or concur in promoting, the company to purchase the property to be sold.

9 POWER TO SEVER FIXTURES AND FITTINGS

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Company.

10 POWER TO SELL BOOK DEBTS

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in such manner, and generally on such terms and conditions, as he thinks fit.

11 POWER TO MAKE SETTLEMENTS

A Receiver may make any arrangement, settlement or compromise between the Company and any other person which he may think expedient.

12 POWER TO IMPROVE THE EQUIPMENT

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

13 POWER TO MAKE CALLS ON COMPANY MEMBERS

A Receiver may make calls, conditionally or unconditionally, on the members of the Company in respect of the uncalled capital with such and the same powers for that purpose, and for the purpose of enforcing payments of any calls so made, as are conferred by the articles of association of the Company on its directors in respect of calls authorised to be made by them.

14 POWER TO APPOINT

A Receiver may appoint managers, officers, servants, workmen and agents for the purposes of this Schedule 6 at such salaries, for such periods and on such terms as he may determine.

15 POWER TO INSURE

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 9.2, effect with any insurer any policy of insurance, either in lieu or satisfaction of, or in addition to, such insurance.

16 POWERS UNDER LAW OF PROPERTY ACT 1925

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act, and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

17 POWER TO BORROW

A Receiver may, for any of the purposes authorised by this Schedule 6, raise money by borrowing from the Security Trustee (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he shall think fit (including, if the Security Trustee consents, terms under which such security ranks in priority to this guarantee and debenture).

18 POWER TO REDEEM PRIOR SECURITY INTERESTS

A Receiver may redeem any prior Security Interest and settle and pass the accounts to which the Security Interest relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Company and the monies so paid shall be deemed to be an expense properly incurred by him.

19 INCIDENTAL POWERS

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 6 or which he lawfully may or can do as agent for the Company.

20 SCOPE OF POWERS

Any exercise of any of the powers given by this Schedule 6 may be on behalf of the Company, the directors of the Company (in the case of the power contained in paragraph 13 of this Schedule 6) or himself.

SCHEDULE 7

GUARANTEE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

In this Schedule 7:

- 1.1 **"Guarantee"** means the guarantee contained in this guarantee and debenture;
- 1.2 **"Alternative Remedy"** means any other judgement, security, right or remedy obtained or held by the Security Trustee at any time for the performance and discharge of the Secured Liabilities; and
- 1.3 References to paragraphs are unless otherwise stated to paragraphs of this Schedule.

2. NATURE OF OBLIGATIONS

- 2.1 This Guarantee shall be a primary obligation and debt of the Company and accordingly the Security Trustee shall not be obliged before enforcing this Guarantee to make any demand on any other person. The Company irrevocably waives any rights they may have to apply for quia timet relief in relation to this Guarantee or the Secured Liabilities.
- 2.2 This Guarantee shall be in addition and not in substitution for or derogation of or merge with any Alternative Remedy and may be enforced without first having recourse to such Alternative Remedy.
- 2.3 This Guarantee shall be irrevocable and shall extend to the ultimate balance from time to time in respect of the Secured Liabilities.

3. PROTECTION

The liability of the Company shall not be affected nor shall this Guarantee be discharged or diminished by reason of:

- 3.1 any Alternative Remedy being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Security Trustee from time to time dealing with, exchanging, varying, realising, renewing or failing to renew, determining, releasing or failing to perfect or enforce any Alternative Remedy;
- 3.2 the insolvency, liquidation, bankruptcy, administration, winding up, dissolution, the discharge by operation of law or other limitation or incapacity of or any change in the constitution, name, status or style or any person (including the Company or the Principal); or
- 3.3 the Security Trustee or any Lender compounding with, discharging, releasing or varying the liability of, or granting any time, indulgence or concession in any manner whatsoever to, any person (including the Company or the Principal) in relation to all or any of the Secured Liabilities; or
- 3.4 any act, circumstance or omission which would not have discharged or affected the liability of the Company had they been a principal debtor instead of a guarantor or by anything done or omitted which but for this provision might constitute a legal or equitable discharge of or defence to a guarantor or otherwise operate or exonerate the Company or to reduce or extinguish its liability.


4. NON-COMPETITION

- 4.1 The Company agrees that until the Secured Liabilities have been paid, discharged or satisfied in full, and notwithstanding payment of a dividend in any liquidation or under any compromise or arrangement, it shall not:
- 4.1.1 exercise any rights which it may have by reason of its performance of any of the obligations under this Guarantee and Debenture to be indemnified by any person and/or to exercise rights or subrogation to the extent permitted by applicable law;
 - 4.1.2 take any step to enforce any right against, claim any set-off or counterclaim against or claim or prove in competition with the Security Trustee or any Other Investor in liquidation, bankruptcy or dissolution of the Principal; or
 - 4.1.3 take, receive or claim the benefit of or share in any payment or composition from the Principal, or in any Alternative Remedy from time to time held by the Security Trustee for the Secured Liabilities.
- 4.2 If the Company receive any monies, property, Alternative Remedy or other benefit, exercises any set-off or counterclaim from or against the Principal (including as a result of the exercise of its right in accordance with paragraph 4) or otherwise acts in breach of paragraph 4 then anything so received and/or benefit derived directly or indirectly therefrom shall be held on trust by it for the Security Trustee as continuing security for the due payment and/or performance of the Secured Liabilities.

5. MISCELLANEOUS

If the Company is wound up, goes into liquidation, becomes insolvent or makes any composition or arrangement with its creditors, neither the existence of this guarantee and debenture nor any monies received or recovered by the Security Trustee under this guarantee and debenture shall impair the right of the Security Trustee to prove in such winding up, liquidation, insolvency, composition or arrangement for the total amount due from the Company.

EXECUTED AS A DEED BY FLYACC)
GROUP LIMITED acting)
by ~~PHILIP AND MAY~~....., its director)
in the presence of:-




Signature of witness:

Name:

Address:

Occupation:


KAREN FORD
Marion Solicitor, Redtail
Solicitor.

EXECUTED AS A DEED)
by YFM Private Equity Limited acting)
by ~~DAVID BELL~~....., its director, as)
attorney for and on behalf of)
British Smaller Companies VCT PLC)
under a power of attorney dated 22)
September 2009 in the presence of:)


Director

Signature of witness:

Name:

Address:

Occupation:

ALEX HARRIS
C/O GRANT THORNTON UK LLP
30 FINSBURY SQUARE, LONDON
CHARTERED ACCOUNTANT