



Registration of a Charge

Company name: **HAVERINGLAND HALL COUNTRY PARK LIMITED**

Company number: **07015717**



X37PK081

Received for Electronic Filing: **12/05/2014**

Details of Charge

Date of creation: **30/04/2014**

Charge code: **0701 5717 0005**

Persons entitled: **EASTERN COUNTIES FINANCE LIMITED**

Brief description: **(A) BY WAY OF LEGAL MORTGAGE THE PROPERTY SITUATE AND KNOWN AS HAVERINGLAND HALL CARAVAN PARK, CAWSTON NR10 4PN REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NK2340223; AND (B) ALL ESTATES AND INTERESTS IN FREEHOLD, LEASEHOLD AND OTHER IMMOVABLE PROPERTY (WHEREVER SITUATED) NOW OR IN FUTURE BELONGING TO THE COMPANY, OR IN WHICH THE COMPANY HAS AN INTEREST AT ANY TIME, TOGETHER WITH: (I) ALL BUILDINGS AND FIXTURES (INCLUDING TRADE FIXTURES) AND FIXED PLANT AND MACHINERY AT ANY TIME THEREON; (II) ALL EASEMENTS, RIGHTS AND AGREEMENTS IN RESPECT THEREOF; AND (III) THE BENEFIT OF ALL COVENANTS GIVEN IN RESPECT THEREOF. 2. (A) ANY PATENTS, TRADE MARKS, SERVICE MARKS, DESIGNS, BUSINESS NAMES, COPYRIGHTS, DESIGN RIGHTS, MORAL RIGHTS, INVENTIONS, CONFIDENTIAL INFORMATION, KNOW-HOW AND OTHER INTELLECTUAL PROPERTY RIGHTS AND INTERESTS WHETHER REGISTERED OR UNREGISTERED; AND (B) THE BENEFIT OF ALL APPLICATIONS AND RIGHTS TO USE SUCH ASSETS OF THE COMPANY.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ALEX CHAPMAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7015717

Charge code: 0701 5717 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th April 2014 and created by HAVERINGLAND HALL COUNTRY PARK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th May 2014 .

Given at Companies House, Cardiff on 13th May 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

30 April

2014

(1) EASTERN COUNTIES FINANCE LIMITED
as ECF

- and -

(2) THE COMPANIES NAMED IN THIS DEED AS OBLIGORS
as Obligors

**COMPOSITE GUARANTEE AND
DEBENTURE**

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THIS COMPOSITE GUARANTEE AND DEBENTURE is made on

30 April

2014

BETWEEN

- (1) **EASTERN COUNTIES FINANCE LIMITED** a company incorporated and registered under the laws of England and Wales with limited liability and registered with the number 04323959 with its registered office at c/o Stafford & Co., CPC1, Capital Park, Fulbourn, Cambridge, Cambridgeshire CB21 5XE ("**ECF**"); and
- (2) The companies whose details are given in Schedule 1 to this Deed (each an "**Obligor**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed the following terms have the following meanings:

"**Act**" means the Law of Property Act 1925;

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 5.2 (*Security assignments*);

"**Banking Day**" means a day (other than a Saturday or Sunday) on which banks generally are open for business in London;

"**Change of Control**" means any person or group of persons acting in concert which gains direct or indirect control of an Obligor. For the purposes of this definition:

- (a) "**control**" of an Obligor means:
- (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, more than 50 per cent of the maximum number of votes that might be cast at a general meeting of an Obligor; or
 - (B) appoint or remove all, or the majority, of the directors or other equivalent officers of an Obligor; or
 - (C) give directions with respect to the operating and financial policies of an Obligor with which the directors or other equivalent officers of an Obligor are obliged to comply; and/or
 - (ii) the holding beneficially of more than 50 per cent of the issued share capital of an Obligor (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital);
- (b) "**acting in concert**" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition, directly or indirectly, of shares in an Obligor by any of them to obtain or consolidate control of an Obligor;

"Charged Investments" means the Securities and all present and future Securities Rights accruing to all or any of the Securities;

"Collateral" means, in relation to an Obligor, all property and assets, whether real or personal, tangible or intangible, in which an Obligor may, at any time, have any right, title or interest;

"Debt" means any book debt or other monetary claim or obligation owing to an Obligor (including any applicable tax or duty payable), present, future or contingent, together with all its related rights, and a Debt, where the context permits, includes a part of a Debt and all or part of its related rights;

"Event of Default" means:

(a) Non-payment

an Obligor does not pay any sum due from it under the Loan Agreements or this Debenture, in the currency, at the time and in the manner specified in the Loan Agreements, other than where such failure to pay is caused by an administrative or technical error and payment is made within three Banking Days of its due date or the date upon which ECF has notified the Obligor or any Security Obligor of such breach (whichever is the earlier);

(b) Breach of representation

any representation, warranty, covenant or undertaking made or deemed to be repeated by an Obligor in this Debenture or in any document delivered pursuant to it is not complied with in any respect which ECF (acting reasonably) considers material or is or proves to have been materially incorrect or misleading when made or deemed to be repeated;

(c) Breach of other obligations

an Obligor fails duly to perform or comply with any other material obligation expressed to be assumed by it in the Loan Agreements or this Debenture and such failure (if capable of remedy) is not remedied within five Banking Days of an Obligor becoming aware of such breach or the date upon which ECF has notified an Obligor of such breach (whichever is the earlier) or if the Loan Agreements or this Debenture become void or unenforceable;

(d) Cross-default

any material Indebtedness of an Obligor is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Obligor becomes entitled to declare any such indebtedness due and payable prior to its specified maturity;

(e) Insolvency

an Obligor becomes Insolvent or subject to Insolvency Proceedings;

(f) Winding-up

an Obligor takes any corporate action or other steps are taken or legal or other proceedings are started for its winding-up, dissolution or reorganisation other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation

previously approved in writing by ECF (other than a petition for winding-up which an Obligor has satisfied ECF is vexatious, groundless or an abuse of process and the Obligor has taken steps within seven days of the petition to restrain the petitioner from advertising the petition, such petition has not been advertised and which in any event has been discharged within 10 Banking Days of the petition);

(g) Analogous proceedings

anything analogous to or having a substantially similar effect to any of the events specified in clauses 1.1 (e) or (f) above shall occur under the laws of any Relevant Jurisdiction;

(h) Security Interest enforceable

any Security Interest on or over the Collateral of the Obligor or any Security Obligor becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that Security Interest;

(i) Expropriation

all or any material part of the shares or Collateral of the Obligor or any Security Obligor is seized, compulsorily acquired, nationalised or otherwise expropriated or custody or control of the same being vested in it by any public authority or any court of competent jurisdiction at the instance of any public authority, except where contested in good faith by proper proceedings diligently pursued where a stay of enforcement is in effect;

(j) Termination of any guarantee

any guarantee of any amounts due and payable under the Loan Agreements or this Debenture shall be terminated, revoked or declared void or invalid;

(k) Incapacity of any guarantor

the occurrence of the events referred to or similar to those referred to at clauses (e) or (f) above arising in relation to any surety, guarantor or indemnifier of the obligations of the Obligor arising under the Loan Agreements or this Debenture;

(l) Judgments

one or more final judgments for the payment of money aggregating in excess of £10,000 (whether or not covered by insurance) shall be rendered against the Obligor and the Obligor shall fail to discharge the same within 10 Banking Days from the date of entry thereof or to appeal therefrom;

(m) Loss of Collateral

any loss, theft, damage or destruction of any item or items of the Collateral occurs or any attachment, seizure, distress, lien or other claim is made or asserted against any item or items of the Collateral which in the reasonable opinion of ECF (A) materially and adversely affects or is reasonably likely to affect the operation of the Obligor's business or the ownership or other rights of the Obligor in the Collateral or the Obligor's use of the Collateral or (B) is material in amount and/or value and is not adequately covered by insurance;

(n) Cessation of business

an Obligor ceases or threatens to cease carrying on the business, or the nature of the business, carried on at the date hereof;

(o) Illegality

it is or will become unlawful for an Obligor to perform or comply with any of its obligations under the Loan Agreements or any such obligation is not or ceases to be legal, valid and binding;

(p) Repudiation

an Obligor repudiates or does or causes to be done anything evidencing an intention to repudiate the Loan Agreements;

(q) Invalidity

the Loan Agreements or this Debenture do not come into, or cease to be in, full force and effect or are not for any reason valid and binding upon and enforceable in all respects against an Obligor;

(r) Material Adverse Effect

there occurs a Material Adverse Effect;

(s) Change of Control

there occurs a Change of Control;

"Indebtedness" means any obligation for the payment or repayment of money, whether as principal or surety and whether present or future, actual or contingent, unliquidated or unascertained;

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by, or written in favour of, an Obligor or in which an Obligor from time to time has an interest;

"Intellectual Property" means all present and future Intellectual Property Rights;

"Intellectual Property Rights" means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of the Obligor;

"Loan Agreements" means the loan agreements dated 2014 and made between (1) Lordsbridge Leisure Limited and (2) ECF, pursuant to which ECF has agreed to make term loan facilities available to Lordsbridge Leisure Limited;

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

- (a) the business, assets, financial condition or operation of an Obligor; or
- (b) the ability of an Obligor to perform its payment or other obligations arising under the Loan Agreements or this Debenture; or

- (c) the ability of an Obligor to comply with the Loan Agreements or this Debenture;

"Party" means a party to this Deed;

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature;

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Obligor, including the Real Property specified in Schedule 3, or in which the Obligor has an interest at any time, together with:

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon;
- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof;

"Receiver" means any receiver or receiver and manager appointed by ECF under this Deed;

"Relevant Jurisdiction" means, in relation to an Obligor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Security Documents to be created by it is situated; and
- (c) any jurisdiction where it conducts its business;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally) of the Obligor to ECF under or pursuant to the Loan Agreements (including all monies covenanted to be paid under this Deed);

"Securities" means all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "investments" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Obligor, held by a nominee on its behalf or in which the Obligor has an interest at any time;

"Securities Rights" means:

- (a) all dividends, distributions and other income paid or payable on the relevant Securities or on any asset referred to in paragraph (b) of this definition;
- (b) all rights, monies or property accruing or offered at any time in relation to such Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Security" means the Security Interests created by or pursuant to this Deed;

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed;

"Security Documents" means any security agreements for the time being securing (directly or indirectly) or creating a Security Interest over all or any of the Obligor's obligations under the Loan Agreements and/or all or any obligations (present or future, actual or contingent) of the Obligor to ECF;

"Security Interest" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, trust, trust arrangement for the purposes of providing security, assignment, assignment by way of security, tracing or other equitable right, or:

- (a) any other agreement or arrangement having the effect of conferring security (including any such interest arising under or in connection with any letter of credit);
- (b) any other security interest of any kind or preferring any obligation of any person; or
- (c) any other guarantee, indemnity, warranty, agreement or arrangement having the effect of conferring security; and

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) and ECF has no further commitment, obligation or liability under or pursuant to the Loan Agreements;

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

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:

the **"Obligor"** or **"ECF"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

"this Deed", the **"Loan Agreements"** or any other agreement or instrument shall be construed as a reference to this Deed, the Loan Agreements or such other agreement or instrument as varied, amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Obligor provides for further advances);

"assets" includes any present and future properties, revenues and rights of every description and includes uncalled capital;

an Event of Default that is **"continuing"** shall be construed as meaning an Event of Default that has not been waived in writing by ECF, to the satisfaction of ECF and any waiver given by ECF shall only apply to the specific occurrence of the specific event referred to in such waiver;

"including" or **"includes"** means including or includes without limitation;

"Secured Obligations" includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting the Obligor;

a provision of law is a reference to that provision as amended or re-enacted;

the singular includes the plural and vice versa;

the **"Obligor"** means a reference to all or any Obligor (as the context so permits); and

where there is more than one Obligor to this Deed, any agreement, confirmation, notice, authority, breach, obligation, liability, representation, warranty, covenant, undertaking or indemnity contained in this Deed shall be deemed to be joint and several.

- (b) References to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of and to this Deed and references to this Deed include its schedules.
- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed.
- (d) Each undertaking of the Obligor contained in this Deed must be complied with at all times during the Security Period.
- (e) The terms of the Loan Agreements and of any side letters between any of the parties thereto in relation to the Loan Agreements are incorporated in this Deed to the extent required to ensure that any disposition of the property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If ECF reasonably considers that an amount paid by the Obligor to ECF under the Loan Agreements is capable of being avoided or otherwise set aside on the liquidation or administration of the Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Each Obligor agrees to be bound by this Deed notwithstanding that any other Obligor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.
- (h) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

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

2. GUARANTEE AND INDEMNITY

2.1 Guarantee and indemnity

Each Obligor irrevocably and unconditionally:

- (a) guarantees in favour of ECF punctual performance by each Obligor of all obligations of each Obligor under the Loan Agreements;
- (b) undertakes in favour of ECF that whenever an Obligor does not pay any amount when due under, or in connection with the Loan Agreements, such Obligor shall immediately on demand pay that amount as if it were the principal obligor; and

- (c) indemnifies ECF immediately on demand against any reasonable cost, loss or liability suffered by ECF, if any obligation guaranteed by it pursuant to this Deed is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which ECF would otherwise have been entitled to recover if the relevant obligation had been valid and enforceable.

2.2 Extension of guarantee

The guarantee set out in this clause 2 is given subject to and with the benefit of the provisions set out in schedule 2 (*The Guarantee*).

3. COVENANT TO PAY

3.1 Covenant to pay

The Obligor, as principal obligor and not merely as surety, covenants in favour of ECF that it will pay and discharge the Secured Obligations from time to time when they fall due.

3.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full (to the extent that the relevant amount has not been repaid) on a daily basis at a rate which is 2 per cent per annum above the rate agreed in the Loan Agreements under which such amount is payable.
- (b) Default interest will accrue from day to day and will be compounded at such intervals as ECF states are appropriate.

4. GRANT OF SECURITY

4.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of ECF;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

4.2 Qualifying floating charge

Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

5. FIXED SECURITY

5.1 Fixed charges

The Obligor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first legal mortgage the Real Property specified in Schedule 3;
- (b) by way of first fixed charge:
all other Real Property;
all licences to enter upon or use land and the benefit of all other agreements relating to land; and
the proceeds of sale of all Real Property;
- (c) by way of first fixed charge:
all computers, vehicles, office equipment and other equipment; and
the benefit of all contracts, licences and warranties relating to the same;
- (d) by way of first fixed charge all Securities;
- (e) by way of first fixed charge all Intellectual Property;
- (f) to the extent that any Assigned Asset is not effectively assigned under clause 5.2 (*Security assignments*), by way of first fixed charge, such Assigned Asset;
- (g) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):
the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of the Obligor or the use of any of its assets; and
any letter of credit issued in favour of the Obligor and all bills of exchange and other negotiable instruments held by it; and
- (h) by way of first fixed charge all of the goodwill and uncalled capital of the Obligor.

5.2 Security assignments

The Obligor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all its present and future right, title and interest in and to the Insurances, all claims under the Insurances and all proceeds of the Insurances.

To the extent that any Assigned Asset described in this clause is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Obligor to any proceeds of an Assigned Asset.

5.3 Assigned Assets

ECF is not obliged to take any steps necessary to preserve any Assigned Asset, or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

6. FLOATING CHARGE

The Obligor charges and agrees to charge by way of first floating charge all of its present and future:

- (a) Debts and their proceeds;

- (b) assets and undertaking (wherever located) which are not effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 5.1 (*Fixed charges*), clause 5.2 (*Security assignments*) or any other provision of this Deed; and
- (c) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

7. CONVERSION OF FLOATING CHARGE

7.1 Conversion by notice

ECF may, by written notice to the Obligor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Obligor specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) ECF (acting reasonably) considers any Security Assets (whether or not those specified in the notice) to be in material danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

7.2 Small companies

The floating charge created under this Deed by the Obligor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Obligor.

7.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:

the Obligor creates (or attempts or purports to create) any Security Interest on or over the relevant Security Asset without the prior written consent of ECF; or

any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and

- (b) over all Security Assets of the Obligor which are subject to a floating charge if an administrator is appointed in respect of the Obligor or ECF receives notice of intention to appoint such an administrator.

7.4 Partial conversion

The giving of a notice by ECF pursuant to clause 7.1 (*Conversion by notice*) in relation to any class of assets of the Obligor shall not be construed as a waiver or abandonment of the rights of ECF to serve similar notices in respect of any other class of assets or of any other right of ECF.

8. CONTINUING SECURITY

8.1 Continuing security

The Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

8.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which ECF may at any time hold for any Secured Obligation.

8.3 Right to enforce

This Deed may be enforced against the Obligor without ECF first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it.

9. LIABILITY OF OBLIGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Obligor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. ECF is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

10. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of the Obligor with ECF or in which the Obligor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any third party.

11. REPRESENTATIONS

11.1 General

The Obligor makes the representations and warranties set out in this clause 11 to ECF.

11.2 No Security Interests

Its Security Assets are, or when acquired will be, beneficially owned by the Obligor free from any Security Interest other than as created by this Deed.

11.3 No avoidance

This Deed creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Obligor or otherwise.

11.4 Time when representations made

- (a) All the representations and warranties in this clause 11 are made by the Obligor on the date of this Deed and are also deemed to be made by the Obligor on the date of each payment of interest pursuant to the Loan Agreements.
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

12. UNDERTAKINGS BY THE OBLIGOR

12.1 Restrictions on dealing

The Obligor shall not do or agree to do any of the following without the prior written consent of ECF:

- (a) create or permit to subsist any Security Interest on any Security Assets;
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset except for the sale at full market value of stock in trade in the usual course of trading as conducted by the Obligor at the date hereof.

12.2 Security Assets generally

The Obligor shall:

- (a) permit ECF (or its designated representatives), on reasonable written notice:
access during normal office hours to any documents and records relating to the Security Assets; and
to inspect, take extracts from, and make photocopies of, the same,

and to provide (at the expense of the Obligor), such clerical and other assistance which ECF may reasonably require to do this;
- (b) notify ECF of every notice, order, application, requirement or proposal given or made by any competent authority within 14 days of receipt of every notice, order, application, requirement or proposal given or made in relation to any Security Assets and (if required by ECF) immediately provide it with a copy of the same and either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as ECF may require or approve **PROVIDED ALWAYS** that notices in respect of limb (a) of the definition of Securities Rights shall only be dealt with in accordance with this clause 12.2(b) following the exercise by ECF of its rights in accordance with clause 12.4(b);
- (c) duly and punctually pay all rates, rents, Taxes and other outgoings owed by it in respect of the Security Assets; and
- (d) in addition to any provisions of this Deed relating to specific Security Assets:

comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents;

comply with all material covenants and obligations affecting the Security Assets (or their manner of use);

not, except with the prior written consent of ECF, enter into any onerous or restrictive obligation affecting any Security Asset;

provide ECF with all information which it may reasonably request in relation to the Security Assets; and

not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

12.3 Securities

- (a) The Obligor shall, immediately upon a request by ECF by way of security for the Secured Obligations:

deposit with ECF or, as ECF may direct, all certificates and other documents of title or evidence of ownership to all or any of the Securities and their Securities Rights; and

execute and deliver to ECF pre-stamped instruments of transfer in respect of all or any of the Securities (executed in blank and left undated) and/or such other documents as ECF shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to all or any of the Securities and their Securities Rights (or to pass legal title to any purchaser).

(b) The Obligor shall immediately upon a request by ECF:

give notice to any custodian of any agreement with the Obligor in respect of all or any of the Securities and all present and future Securities Rights accruing to the Securities, in a form ECF may require; and

use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form ECF may require.

(c) Without prejudice to the rest of this clause 12.3, ECF may, at the expense of the Obligor, take whatever action is required for the dematerialisation or rematerialisation of all or any of the Securities and all present and future Securities Rights accruing to the Securities.

(d) The Obligor shall promptly pay all calls or other payments which may become due in respect of all or any of the Securities and all present and future Securities Rights accruing to the Securities.

12.4 Rights in respect of Securities and Securities Rights

(a) Until an Event of Default occurs, the Obligor shall be entitled to:

receive and retain all dividends, distributions and other monies paid on or derived from its Securities; and

exercise all voting and other rights and powers attaching to its Securities, provided that it must not do so in a manner which (A) has the effect of changing the terms of such Securities (or any class of them) or of any Securities Rights or (B) which is prejudicial to the interests of ECF.

(b) At any time following the occurrence of an Event of Default which is continuing, ECF may complete the instrument(s) of transfer for all or any Securities on behalf of the Obligor in favour of itself or such other person as it may select.

(c) At any time when any Securities are registered in the name of ECF or its nominee, ECF shall be under no duty to:

ensure that any dividends, distributions or other monies payable in respect of such Securities are duly and promptly paid or received by it or its nominee; or

verify that the correct amounts are paid or received; or

take any action in connection with the taking up of any (or any offer of any) Securities Rights in respect of or in substitution for any such Securities.

12.5 Intellectual Property

Unless ECF is of the opinion that the relevant Intellectual Property is of minor importance to the Obligor, the Obligor shall:

(a) do all acts as are reasonably practicable to maintain, protect and safeguard (including, without limitation, registration with all relevant authorities) its Intellectual Property and not discontinue the use of any of its Intellectual Property; and

- (b) take all such reasonable steps, including the commencement of legal proceedings, as may be necessary to safeguard and maintain the validity, reputation, integrity, registration or subsistence of its Intellectual Property.

12.6 Specified Real Property

Each Obligor undertakes:

- (a) that it is the owner, with full title guarantee, of the Real Property listed by its name in schedule 3 (*Specified Real Property*);
- (b) to notify ECF in writing immediately before contracting to purchase any Real Property;
- (c) in respect of any Real Property which is acquired by an Obligor after the date hereof, the title of which is registered at the land registry or the title to which is required to be so registered, upon the request of ECF either (i) to give the Land Registry written notice of this Debenture, or (ii) to grant such security to ECF in respect of such Real Property as ECF may require, and procure that notice of this debenture or such security is clearly noted in the register to each such title;
- (d) to maintain all buildings and erections, fixed plant and machinery, fixtures, fittings and other effects forming part of the Collateral in a good state of repair;
- (e) not to sever, unfix or remove any fixed plant and machinery or other fixtures or fittings from any Real Property without the prior written consent of ECF;
- (f) not, except with the prior written consent of ECF, to confer on any person:

any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);

- (ii) any right or licence to occupy any land or buildings forming part of the Specified Real Property; or
 - (iii) any licence to assign or sub-let any part of the Real Property.
- (g) not to carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of ECF;
- (h) not to do, or permit to be done, anything as a result of which any lease of any Real Property may be liable to forfeiture or otherwise be determined;
- (i) to permit ECF and any person nominated by it at all reasonable times with reasonable notice (or at any time following the occurrence of an Event of Default) to enter any part of the Real Property and view the state of it.
- (j) to grant ECF on request all facilities within the power of such Obligor to enable ECF (or its lawyers) to carry out investigations of title to Real Property and to make all enquiries in relation to any part of the Real Property which a prudent mortgagee might carry out. Those investigations shall be carried out at the expense of the Obligor.

13. POWER TO REMEDY

13.1 Power to remedy

If at any time the Obligor does not comply with any of its obligations under this Deed, ECF (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Obligor irrevocably authorises ECF and its employees and agents by way of security to do all things (including entering the property of the Obligor) which are necessary or desirable to rectify that default.

13.2 Mortgagee in possession

The exercise of the powers of ECF under this clause 13 shall not render it liable as a mortgagee in possession.

13.3 Monies expended

The Obligor shall pay to ECF on demand any monies which are expended by ECF in exercising its powers under this clause 13, together with interest at the Interest Rate from the date on which those monies were expended by ECF (both before and after judgment) and otherwise in accordance with clause 3.2 (*Default interest*).

14. WHEN SECURITY BECOMES ENFORCEABLE

14.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

14.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

14.3 Enforcement

After this Security has become enforceable, ECF may in its absolute discretion enforce all or any part of the Security in such manner as it sees fit.

15. ENFORCEMENT OF SECURITY

15.1 General

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security. The statutory powers of leasing conferred on ECF are extended so as to authorise ECF to lease, make agreements for leases, accept surrenders of leases and grant options as ECF may think fit and without the need to comply with section 99 or 100 of the Act.

15.2 Powers of ECF

- (a) At any time after the Security becomes enforceable, ECF may without further notice (unless required by law):

(or if so requested by the Obligor by written notice at any time may) appoint any person or persons to be a receiver or receiver and manager of all or any part of the Security Assets and/or of the income of the Security Assets; and/or

appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Obligor; and/or

exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or

exercise (in the name of the Obligor and without any further consent or authority of the Obligor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Charged Investments are registered, or who is the holder of any of them.

- (b) ECF is not entitled to appoint a Receiver in respect of any Security Assets of the Obligor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Obligor.

15.3 Redemption of prior mortgages

At any time after the Security has become enforceable, ECF may:

- (a) redeem any prior Security Interest against any Security Asset; and/or
- (b) procure the transfer of that Security Interest to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on the Obligor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Obligor to ECF on demand.

15.4 Privileges

Each Receiver and ECF is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.

15.5 No liability

- (a) Neither ECF nor any Receiver shall be liable (i) in respect of all or any part of the Security Assets or (ii) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 15.5(a), neither ECF nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

15.6 Protection of third parties

No person (including a purchaser) dealing with ECF or any Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which ECF or the Receiver is purporting to exercise has become exercisable; or
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to ECF or to the Receiver is to be applied.

16. RECEIVER

16.1 Removal and replacement

ECF may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

16.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

16.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and ECF (or, failing such agreement, to be fixed by ECF).

16.4 Payment by Receiver

Only monies actually paid by a Receiver to ECF in relation to the Secured Obligations shall be capable of being applied by ECF in discharge of the Secured Obligations.

16.5 Agent of Obligor

Any Receiver shall be the agent of the Obligor. The Obligor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. ECF shall incur no liability (either to the Obligor or to any other person) by reason of the appointment of a Receiver or for any other reason.

17. POWERS OF RECEIVER

17.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (b) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (c) all powers which are conferred by any other law conferring power on receivers.

17.2 Additional powers

In addition to the powers referred to in clause 17.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of the Obligor as he thinks fit;
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. Fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Obligor. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Obligor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Obligor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Obligor;
- (g) to take any such proceedings (in the name of the Obligor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as ECF shall direct);

- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more Subsidiaries of the Obligor, and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to:

give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;

exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and

use the name of the Obligor for any of the above purposes.

18. APPLICATION OF PROCEEDS

18.1 Application

All monies received by ECF or any Receiver after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security) be applied in the following order:

- (a) **first**, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by ECF or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) **secondly**, in or towards satisfaction of the remaining Secured Obligations; and
- (c) **thirdly**, in payment of any surplus to the Obligor or other person entitled to it.

18.2 Contingencies

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

19. SET-OFF

19.1 Set-off

- (a) ECF may (but shall not be obliged to) set off any obligation (contingent or otherwise under the Finance Documents or which has been assigned to ECF) against any obligation (whether or not matured) owed by ECF to the Obligor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) If the obligations are in different currencies, ECF may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (c) If either obligation is unliquidated or unascertained, ECF may set off in an amount estimated by it in good faith to be the amount of that obligation.

19.2 Time deposits

Without prejudice to clause 19.1 (*Set-off*) if any time deposit matures on any account which the Obligor has with ECF at a time when:

- (a) this Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as ECF in its absolute discretion considers appropriate unless ECF otherwise agrees in writing.

20. DELEGATION

Each of ECF and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither ECF nor any Receiver shall be in any way liable or responsible to the Obligor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

21. FURTHER ASSURANCES

21.1 Further action

The Obligor shall, at its own expense, promptly take whatever action ECF or a Receiver may require for:

- (a) creating, perfecting or protecting the Security Interests intended to be created by this Deed; and
- (b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by ECF or any Receiver or any of its or his delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to ECF or to its nominees, the giving of any notice, order or direction and the making of any registration which in any such case ECF may think expedient.

21.2 Specific security

Without prejudice to the generality of clause 21.1 (*Further action*), the Obligor shall forthwith at the request of ECF execute a legal mortgage, charge, assignment, assignation or other security over any Security Asset which is subject to or intended to be subject to any fixed security created by this Deed in favour of ECF (including any arising or intended to arise pursuant to clause 7 (*Conversion of floating charge*)) in such form as ECF may require.

22. POWER OF ATTORNEY

The Obligor, by way of security, irrevocably and severally appoints ECF, each Receiver and any of its or his delegates or sub-delegates to be its attorney to take any action that is required to remedy an Obligor's breach of this Deed, including under clause 21 (*Further assurances*). The Obligor ratifies and confirms whatever reasonable act/s any attorney does or purports to do in good faith pursuant to its appointment under this clause.

23. PAYMENTS

23.1 Payments

Subject to clause 23.2 (*Gross-up*), all payments to be made by the Obligor in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as ECF may designate; and
- (b) without (and free and clear of, and without any deduction for or on account of):

any set-off or counterclaim; or

except to the extent compelled by law, any deduction or withholding for or on account of Tax.

23.2 Gross-up

If the Obligor is compelled by law to make any deduction or withholding from any sum payable under this Deed to ECF, the sum so payable by the Obligor shall be increased so as to result in the receipt by ECF of a net amount equal to the full amount expressed to be payable under this Deed.

24. STAMP DUTY

The Obligor shall:

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith; and
- (b) indemnify ECF and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges.

25. COSTS AND EXPENSES

25.1 Transaction and amendment expenses

The Obligor shall promptly on demand pay to ECF the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by ECF in connection with:

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, the Security or any document referred to in this Deed; or
- (b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

25.2 Enforcement and preservation costs

The Obligor shall promptly on demand pay to ECF and any Receiver the amount of all costs, charges and expenses (including (without limitation) legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver).

26. CURRENCIES

26.1 Conversion

All monies received or held by ECF or any Receiver under this Deed may be converted from their existing currency into such other currency as ECF or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Spot Rate of Exchange. The Obligor shall indemnify ECF against all costs, charges and expenses incurred in relation to such conversion. Neither ECF nor any Receiver shall have any liability to the Obligor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

26.2 Currency indemnity

No payment to ECF (whether under any judgment or court order or in the liquidation, administration or dissolution of the Obligor or otherwise) shall discharge the obligation or liability of the Obligor in respect of which it was made, unless and until ECF shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, ECF shall have a further separate cause of action against the Obligor and shall be entitled to enforce the Security to recover the amount of the shortfall.

27. INDEMNITY

The Obligor shall indemnify ECF, any Receiver and any attorney, agent or other person appointed by ECF under this Deed and ECF's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) reasonably and properly incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or occupation of them by any person (including any environmental claim); or
- (c) any breach by the Obligor of any of its obligations under this Deed.

28. MISCELLANEOUS

28.1 Appropriation and suspense account

- (a) ECF may apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations as it thinks fit. Any such appropriation shall override any appropriation by the Obligor.
- (b) All monies received, recovered or realised by ECF under, or in connection with, this Deed may at the discretion of ECF be credited to a separate interest bearing suspense account for so long as ECF determines (with interest accruing thereon at such rate, if any, as ECF may determine for the account of the Obligor) without ECF having any obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Obligations.

28.2 New accounts

If ECF receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Obligor. If it does not open a

new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice. As from that time all payments made to ECF will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

28.3 Changes to the Parties

- (a) The Obligor may not assign any of its rights under this Deed.
- (b) ECF may assign or transfer all or any part of its rights under this Deed. The Obligor shall, immediately upon being requested to do so by ECF, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

28.4 Memorandum and articles

The Obligor certifies that the Security does not contravene any of the provisions of the memorandum or articles of association of the Obligor.

28.5 Amendments and waivers

Any provision of this Deed may be amended only if ECF and the Obligor so agree in writing and any breach of this Deed may be waived before or after it occurs only if ECF so agrees in writing. A waiver given or consent granted by ECF under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

28.6 Calculations and certificates

A certificate of ECF specifying the amount of any Secured Obligation due from the Obligor (including details of any relevant calculation thereof) shall be prima facie evidence of such amount against the Obligor in the absence of manifest error.

28.7 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of ECF, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

29. NOTICES

29.1 Communications in writing

Any communication to be made under or in connection with the Loan Agreements or this Debenture shall be made in writing and, unless otherwise stated, may be made by fax or letter.

29.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Loan Agreements or this Debenture is:

- (a) in the case of the Obligor, that identified with its name below;
- (b) in the case of ECF:

The Granary

Denny Lodge Business Park
Chittering
Cambridge
CB25 9PH
Fax No: 01223 203399

or any substitute address, fax number or department or officer as one Party may notify to the other Party by not less than five Banking Days' notice.

29.3 Delivery

- (a) Subject to clause 29.3(b) below, any communication or document made or delivered by one person to another under or in connection with the Loan Agreements or this Debenture will only be effective:

if by way of fax, when received in legible form; or

if by way of letter, when it has been left at the relevant address or two Banking Days following the day on which it was despatched by first-class mail postage prepaid,

and, if a particular department or officer is specified with the execution of any Party below, if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to ECF will be effective only when actually received by ECF and then only if it is expressly marked for the attention of the department or officer identified with the execution of ECF below (or any substitute department or officer as ECF shall specify for this purpose).

29.4 Electronic communications

No communication to be made under this Deed shall be made electronically.

30. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

31. RELEASE

Upon the expiry of the Security Period (but not otherwise) ECF shall, at the request and cost of the Obligor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

32. COUNTERPARTS

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

33. GOVERNING LAW

This Deed is governed by English law.

IN WITNESS of which this Deed has been duly executed by each Obligor as a deed and duly executed by ECF and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE 1**Obligors**

Name of Obligor	Company Number	Registered Office
Lordsbridge Leisure Limited	08745583	First Floor, 21-23 High Street, Histon, Cambridge, CB24 9JD
Lifestyle Living UK Limited	07079703	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Redhill (CP) LLP	OC353229	Fineshade Abbey, Fineshade, Corby, Northamptonshire NN17 3BA
The Flagship Country Park Limited	07084449	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Uphill Park Limited	06860381	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Silecroft Holiday Park Limited	07310428	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Haveringland Hall Country Park Limited	07015717	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Lakeland View Limited	06860426	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR
Arncliffe Leisure Limited	03074219	7B Commerce Road, Lynch Wood, Peterborough PE2 6LR

SCHEDULE 2

The Guarantee

1. Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Loan Agreements or this Debenture, regardless of any intermediate payment or discharge in whole or in part.

2. Reinstatement

If any payment by an Obligor, or any discharge given by ECF (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Obligor under this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) ECF shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

3. Waiver of defences

The obligations of each Obligor under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to ECF) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement or replacement (in each case, however fundamental and of any nature whatsoever including, without limitation, which results in any increase in any amount due or owing under the Loan Agreements or in the rate of interest or any other sum payable under the Loan Agreements) of the Loan Agreements or this Debenture or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under the Loan Agreements or this Debenture or any other document or security; or
- (g) any insolvency, administration or similar proceedings.

4. Immediate recourse

Each Obligor waives any right it may have of first requiring ECF to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Obligor under this schedule 2.

5. Appropriations

Until all amounts which may be or become payable during the Security Period by the Obligors under or in connection with the Loan Agreements or this Debenture have been irrevocably paid in full, ECF may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by ECF in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Obligor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Obligor or on account of any Obligor's liability under this schedule 2.

6. Deferral of guarantors' rights

Until all amounts which may be or become payable during the Security Period by the Obligors under, or in connection with, the Loan Agreements or this Debenture have been irrevocably paid in full and unless ECF otherwise directs, no Obligor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Loan Agreements or this Debenture; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of ECF under the Loan Agreements or this Debenture or of any other guarantee or security taken pursuant to, or in connection with, the Loan Agreements by ECF.

7. Additional security

This guarantee is in addition to, and is not in any way prejudiced by, any other guarantee or security at the date of this guarantee or subsequently held by ECF.

SCHEDULE 3

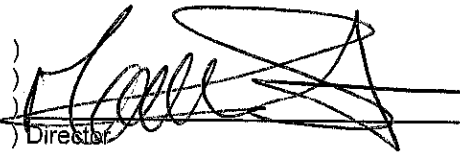
Specified Real Property

Registered land				
Security Obligor	Address	Administrative Area	Title Number	
Redhill (CP) LLP	Redhill Mobile Home Park Redhill Lane Watton Norfolk IP25 6RE	Norfolk: Breckland	NK321868, NK203358 NK262357	and
The Flagship Country Park Limited	Flagship Flag Hill Great Bentley Essex CO7 8RE	Essex: Tendring	EX475155	
Uphill Park Limited	Uphill Park Homes Folly Lane Uphill Weston-Super- Mare BS23 4TJ	North Somerset	ST213958	
Silecroft Holiday Park Limited	Silecroft Caravan Park Silecroft Millom LA18 4NX	Cumbria: Copeland	CU64657	
Haveringland Hall Country Park Limited	Haveringland Hall Caravan Park Cawston NR10 4PN	Norfolk: Broadland	NK2340223	
Lakeland View Limited	Netherton Trailer Park Egremont CA22 2UH	Cumbria: Copeland	CU108497	
Arncliffe Leisure Limited	Carlton Meres Country Park Carlton Suffolk IP17 2QP	Suffolk: Suffolk Coastal	SK249819, SK254787, SK183345 SK241006	and
Unregistered land				
Security Obligor	Address	Document describing the Property		
		Date	Document	Parties

EXECUTION PAGE

EASTERN COUNTIES FINANCE LIMITED

Executed as a deed, but not delivered until the
first date specified on page 1, by **EASTERN
COUNTIES FINANCE LIMITED** acting by a
Director in the presence of:

) 
) Director

Witness Signature 

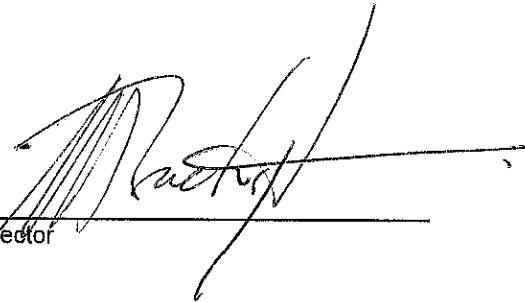
Witness Name Nick Palmer

Address Taylor Vintages LLP, Melin Place,
Milton Road, Cambridge, CB4 0DP

Occupation Solicitor

THE OBLIGORS

Executed as a deed, but not delivered until the
first date specified on page 1, by
LORDSBRIDGE LEISURE LIMITED acting by a
director in the presence of:

) 
) Director

Witness Signature 

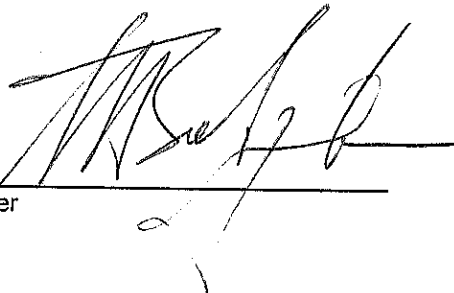
Witness Name Nick Palmer

Address Melin Place, Milton Road,
Cambridge CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the
first date specified on page 1, by **REDHILL (CP)**
LLP acting by a member in the presence of:

)
)
)
)
) Member



Witness Signature Nick Palmer

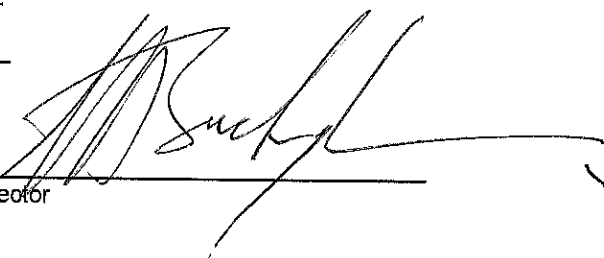
Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin Place,
Milton Road, CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the
first date specified on page 1, by **THE**
FLAGSHIP COUNTRY PARK LIMITED acting by
a director in the presence of:

)
)
)
)
) Director



Witness Signature Nick Palmer

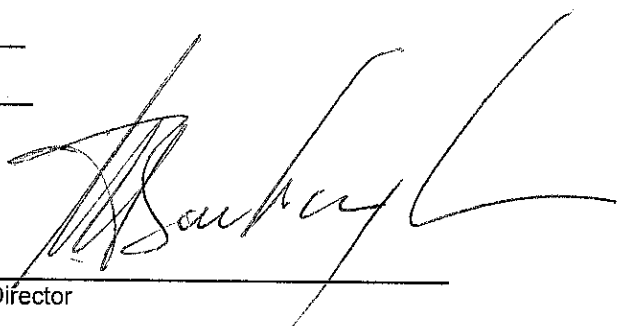
Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin Place,
Milton Road, CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the
first date specified on page 1, by **UPHILL PARK**
LIMITED acting by a director in the presence of:

)
)
)
)
) Director



Witness Signature Nick Palmer

Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin
Place, Milton Road, CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the)
first date specified on page 1, by **SILECROFT**)
HOLIDAY PARK LIMITED acting by a director in)
the presence of:)

Director

Witness Signature Nick Palmer

Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin Place,
Milton Road, Cambridge, CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
HAVERINGLAND HALL COUNTRY PARK)
LIMITED acting by a director in the presence of:)

Director

Witness Signature Nick Palmer

Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin Place,
Milton Road, Cambridge, CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the)
first date specified on page 1, by **LAKELAND**)
VIEW LIMITED acting by a director in the)
presence of:)

Director

Witness Signature Nick Palmer

Witness Name Nick Palmer

Address Taylor Vintres LLP, Merlin Place,
Milton Road, Cambridge CB4 0DP

Occupation Solicitor

Executed as a deed, but not delivered until the
first date specified on page 1, by **ARNCLIFFE**
LEISURE LIMITED acting by a director in the
presence of:



Director

Witness Signature 

Witness Name Nick Baker

Address Taylor Vintners LLP, Melin Place,
Milton Road, Cambridge CB4 0DP

Occupation Solicitor