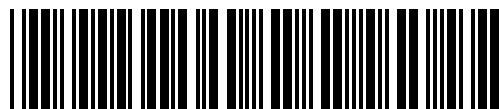




Registration of a Charge

Company Name: **ELITE SPORTS GROUP LIMITED**

Company Number: **07111486**



XBEWZZLU

Received for filing in Electronic Format on the: **18/10/2022**

Details of Charge

Date of creation: **28/09/2022**

Charge code: **0711 1486 0004**

Persons entitled: **NEIL FRIAR**

Brief description: **CONTAINS SECOND FIXED CHARGE. CONTAINS SECOND FLOATING CHARGE. FLOATING CHARGE COVERS ALL THE PROPERTY OR UNDERTAKING OF THE COMPANY.**

Contains fixed charge(s).

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

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 UDELL**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7111486

Charge code: 0711 1486 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th September 2022 and created by ELITE SPORTS GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th October 2022 .

Given at Companies House, Cardiff on 21st October 2022

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



Companies House



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

DATED

28/09/2022
28th September

ELITE SPORTS GROUP LIMITED

and -

NEIL FRIAR

DEBENTURE

Form of charge filed at HM Land Registry under reference XXXXX

THIS DEBENTURE dated

2022 is made BETWEEN

- (1) **ELITE SPORTS GROUP LIMITED** a company incorporated in England under company number 07111486 and whose registered office is at Brookmans Park Teleport Great North Road, Brookmans Park, Hatfield, Hertfordshire, AL9 6NE ("the Company"); and
- (2) **NEIL FRIAR** of 7 Seaforth Gardens, Winchmore Hill, London, N21 3BT ("the Director" which expression shall include its successors and assignees)

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Debenture the following words and expressions shall unless the context otherwise requires have the following meanings:

'the Act' means the Law of Property Act 1925

'Authority' means any government department local or public authority or statutory undertaking

'Business Day' means a day on which the relevant London interbank markets are open for dealings between banks

'Charges' means all or any of the security connected, or which at any time may be created, by or pursuant to this Debenture

'Charged Assets' means all or any of the property and assets which are from time to time the subject of this Debenture

'Default Rate' means the default rate specified in any agreement between the Director and the Company pursuant to which this Debenture has been entered into and if none means 5% per annum above the base rate

'Environmental laws' means the common law and all applicable local governmental or quasi-governmental laws rules regulations licences orders permits decisions or requirements concerning discharges of contaminants occupational or public health and safety or the environment and any order injunction judgment declaration notice or demand issued pursuant to any of them

'Event of Default' means any event set out in Clause 5.1 and any event or circumstance which constitutes an event of default under any other agreement or deed between the Company and the Director

'Insolvency Act' means the Insolvency Act 1986

'Intellectual Property' means all the property referred to in Clause 2.2.2(e) and 2.2.2(j)

'Period' means the period commencing on the date of this Debenture and ending on the date upon which the Director certifies in writing to the Company that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

'Prior Charges' means those Encumbrances existing at the date hereof

'Receivables' means all present and future book debts, rentals (including Rental Income), royalties, fees, cash received by the Company, VAT and all other amounts recoverable or receivable by the Company from any other person due or owing to the Company and the benefit of all rights relating thereto including, without limitation, negotiable instruments, legal or equitable charges, reservations of property rights, rights of tracing, unpaid vendors' liens and similar associated rights

'Receiver' means any receiver or receiver and manager or administrative receiver appointed by the Director under or by virtue of this Debenture whether alone or jointly with any other person and includes any substitute for any of them appointed from time to time

'Secured Liabilities' means:

- (a) all indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Director, by the Company whether actually or contingently, and whether solely or jointly with any other person and whether as principal or surety and whether or not the Director shall have been an original party to the relevant transaction and in whatever currency denominated including all liabilities from time to time issued or incurred by the Director at the request of the Company in connection with foreign exchange transactions, acceptances, discounting or otherwise or under any guarantees, bonds, indemnities, documentary or other credits or any instruments whatsoever and including interest, discount, commissions and any other lawful charges or expenses which the Director may in the course of its business charge in respect of all such indebtedness liabilities and obligations
- (b) on a full indemnity basis all costs and expenses incurred by the Director in relation to this Debenture and all costs and expenses incurred by the Director in relation to the protection and enforcement of the rights of the Director hereunder and
- (c) interest at the date of discharge of all sums payable under all liabilities and obligations to be discharged under sub-clauses (a) and (b) above. Such interest shall be computed and compounded in accordance with the terms of any agreement or instrument (if applicable) pursuant to which that liability and obligation has arisen or otherwise as agreed between the parties from time to time or in the absence of such agreement compounded monthly and computed according to the usual practice of the Director and shall be payable as well after as before any demand or judgment

- 1.3 If the Director reasonably considers that the amount paid by the Company or any person to the Director in discharge of any of the Secured Liabilities is likely to be avoided or otherwise set aside on the liquidation or administration of the Company or any other person then that amount shall not be considered to have been irrevocably paid for the purposes of this Debenture
- 1.4 A reference in this Debenture to a charge or mortgage or any freehold or leasehold property includes all buildings and all the Company's fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on such property
- 1.5 The terms of any other deeds agreements or side letters between the parties hereto are incorporated in this Debenture to the extent required to ensure that any disposition of the Charged Assets contained in this Debenture is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

2. SECURITY

- 2.1 The Company covenants duly and punctually to pay and discharge to the Director forthwith on demand the Secured Liabilities at the time or times when and in the currencies which they become due for payment whether at maturity on acceleration on demand or otherwise
- 2.2 The Company as continuing security for the payment or discharge when due of the Secured Liabilities and all its other obligations under this Debenture hereby charges with full title guarantee in favour of the Director:

2.2.1 by way of second fixed charge:

- (a) all future freehold and leasehold property of the Company together, with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;
- (b) all estates and interests not hereinbefore effectively charged now or hereafter belonging to the Company in or over land wheresoever situate or the proceeds of sale of land and all licences now or hereafter held by the Company to enter upon or use the land and the benefit of all other agreements relating to land to which the Company is or may become a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by the Company now or hereafter annexed to all freehold and leasehold property its estate or interest in which stands charged hereunder;

- (c) all stocks, shares (including but not limited to shares in any subsidiary), debentures, loan capital, right to subscribe for, convert other securities into or otherwise acquire any stocks, shares, debentures or loan capital of any other body corporate now or at any time hereafter belonging to the Company, together with all dividends (unless such dividends are or are to be paid in satisfaction of any of the Secured Liabilities), interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;
- (d) the goodwill of the Company and its uncalled capital now or at any time hereafter in existence and future calls (whether made by the directors of the Company or by a Receiver or a liquidator);
- (e) all copyrights, patents and registered and unregistered designs (including applications and rights to apply therefor), inventions, rights in trademarks and service marks whether registered or not (including all registrations thereof and applications and rights to apply therefor), confidential information and know-how and fees, royalties and other rights of every kind deriving from copyright, patents or inventions or other intellectual property) throughout the world now or at any time hereafter belonging to or created by or assigned to the Company;
- (f) all plant, vehicles and machinery now or at any time hereafter belonging to the Company (excluding however plant, vehicles and machinery for the time being forming part of its stock in trade or work in progress);
- (g) all chattels now or at any time hereafter hired, leased or rented by the Company to any other person together in each case subject to and with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract;
- (h) all Receivables;
- (i) the benefit of all licences consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Asset specified in any other paragraph or sub-paragraph of this Clause 2 and the right to recover and receive all compensation which may be payable to it in respect of them;
- (j) the Rental Income present or future and whether payable now or in the future

2.2.3 by way of second floating charge all its undertaking and all its property and assets whatsoever and wheresoever situated both present and future, including (without prejudice to the generality of the foregoing) (i) heritable property and all other property and assets in Scotland and (ii) the proceeds of collection of any Receivables, but excluding any property or assets from time to time or for the time being effectively charged by way of fixed charge under or pursuant to this Debenture and the Director shall have the power

to appoint any one or more persons the Director thinks fit to be an administrator or to be an administrative receiver, and paragraph 14 of schedule B1 of the Insolvency Act shall apply to this floating charge.

- 2.3 The security created by this Debenture shall rank subject only to the Prior Charges. The Charge created by Clause 2.2.3 shall be a second floating charge unless and until it is converted into a fixed charge pursuant to Clauses 2.4 and 2.5 or by operation of law and shall rank in priority to any Encumbrance hereafter created by the Company
- 2.4 The floating charge created by Clause 2.2.3 shall automatically and without notice be converted into a fixed charge in respect of any Charged Assets:
- 2.5.1 which shall become subject to an Encumbrance; or
 - 2.5.2 if and when any person levies or notifies the Company that it intends to levy a distress execution sequestration or other process against those Charged Assets; or
 - 2.5.3 if and when the Company shall cease to carry on business or to be a going concern; or
 - 2.5.4 if an Event of Default shall take place; or
 - 2.5.5 if any of the Secured Liabilities become due and outstanding prior to their stated maturity; or
 - 2.5.6 if the Company shall be in breach of any provision of this Debenture or of any agreement containing any terms and conditions of or applicable to the monies obligations and liabilities secured by this Debenture
- and such conversion shall be deemed to occur the instant before such event occurs
- 2.5 The Company unconditionally and irrevocably agrees that repayment of all or any part of the moneys forming part of the Charged Assets is and will be subject to and conditional upon the Company paying and discharging in full the Secured Liabilities to the satisfaction of the Director and accordingly unless and until such time as the Secured Liabilities have been so repaid and discharged in full neither the Company nor any person claiming under through or on the Company's behalf may request demand or require the payment or repayment of and the Director will be under no obligation to pay or repay all or any part of the monies forming part of the Charged Assets to the Company or any such other person or to release all or any part of the Charged Assets from the terms of this Debenture
- 2.6 In the case of any part of the Charged Assets consisting of land that is not registered under the Land Registration Acts 1925 - 2002 the Company hereby covenants with the Director that:
- 2.8.1 no person shall during the continuance of this security be registered under the said Acts as proprietor of such property without the prior consent in writing of the Director; and

- 2.8.2 upon any such registration the Company shall procure the simultaneous registration of this Debenture in the Charges Register of the relevant title which relates to all of or any such part of the Charged Assets consisting of land and the Company shall forthwith deliver to the Director an official copy of the register showing the entries that exist on the register on completion of such registration together with the Title Information Document confirming completion of the registration.
- 2.7 Upon the Director being satisfied that the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and following a written request from the Company the Director shall release and where appropriate reassign the security created by this Debenture
- 2.8 The Director's certificate of the amount of the Secured Liabilities outstanding at any time shall in the absence of manifest error be conclusive for all purposes as against the Company

3. MISCELLANEOUS COVENANTS

3.1 Negative covenants The Company shall not throughout the Period:

- 3.1.1 without the prior consent in writing of the Director (except for any Prior Charges and charges in favour of the Director created under or pursuant to this Debenture) create, grant, extend or permit to subsist any Encumbrance on or over any of its undertaking or assets or any part of it or agree to do any such thing;
- 3.1.2 sell, transfer or otherwise dispose of (or agree to so deal with) its undertaking and the Charged Assets or any part of them, except by getting in and realising them in the ordinary and proper course of its business;
- 3.1.3 save with the prior consent in writing of the Director deal with its book or other debts or securities for money except by getting in and realising them in the ordinary and proper course of its business save that this exception shall not permit the realisation of debts by means of block discounting or factoring; and
- 3.1.4 without the prior consent in writing of the Director change the nature of its business from that carried on at the date of this Debenture

3.2 Positive covenants The Company shall throughout the Period:

- 3.2.1 keep all buildings and all plant, machinery, fixtures, fittings and other effects in good repair and working order. If the Company fails to effect any repairs the Director may (but shall not be obliged to do so) take such action as it may deem appropriate to remedy such failure and recover the costs so incurred from the Company on demand;

- 3.2.2 promptly notify the Director of any meeting to discuss any proposal or application for the appointment of an administrator, receiver (or an administrative receiver and/or manager), liquidator or similar official in respect of the Company or any of its assets and, if any such official is appointed, of his appointment;
- 3.2.3 make all registrations and pay all fees, taxes and similar amounts as are necessary to keep its Intellectual Property in force and not permit such registration of any Intellectual Property to be abandoned, cancelled or to lapse or become liable to any claim of abandonment for non-use;
- 3.2.4 take such steps as are necessary (including, without limitation to the introduction of legal proceedings) to prevent any third party infringing its Intellectual Property rights and (without prejudice to Clause 4.2.3 above) take all other steps as are reasonably practicable to maintain and preserve its interest in the Intellectual Property;
- 3.2.5 conduct and maintain its business, operations and property so as to comply in all material respects with all applicable Environmental Laws and notify the Director promptly and in full detail on receipt of any claim notice or communication, or if it becomes aware of any violation or potential violation by it of any Environmental Laws setting out the action which is to be taken with respect to that matter;
- 3.2.6 maintain continuous environmental surveillance of its property and business operations and shall monitor all its procedures to prevent contravention of Environmental Laws;
- 3.2.7 subject to the right of any prior chargee pay into such account as the Director shall from time to time direct all monies which it may receive in respect of realisation of the Receivables and not without the prior written consent of the Director in writing purport to charge or assign the same in favour of any other person and shall if called upon to do so by the Director execute a legal assignment of such of the Receivables as the Director may require from time to time to the Director;
- 3.2.8 in addition to the insurances effected pursuant to the sub-clauses of Clause 3.3 maintain and procure that both the Company and its subsidiaries maintain such other insurance as the Director determines in its absolute discretion should be maintained by prudent companies carrying on similar business including but without generality to the foregoing insurance against loss of records and liability to third parties and employees keymen or similar insurances and duly pay or procure that its subsidiaries pay all necessary premiums and other monies necessary for effecting and keeping up such insurances;
- 3.2.9 do permit or suffer to be done anything which may in any way depreciate jeopardize or otherwise prejudice the value of the security created under this Debenture;
- 3.2.10 forthwith notify the Director, in writing, upon becoming aware of the occurrence of an Event of Default or other event which with the giving of notice and/or lapse of time and/or upon the Director making a relevant determination would constitute an Event of Default

or upon the happening of any other event which with the giving of time fulfilment of a condition or giving of notice would constitute a breach of the covenants and warranties on the part of the Company contained in this Debenture;

- 3.2.11 indemnify and keep indemnified the Director from and against all actions, proceedings, damages, costs, claims and demands occasioned by any breach of any of the covenants, conditions and warranties on the part of the Company contained in this Debenture upon the written request of the Director to execute in favour of the Director fixed charges presently comprised in equitable or floating charges hereunder (and to the extent that such property can then be comprised in a fixed charge) such charge or charges to be in such form as the Director shall require and in particular shall contain all the powers and provisions of this Debenture as shall be applicable;
- 3.2.12 if the Director so requires to deposit with the Director or as the Director may direct all certificates and other documents of title or evidence of ownership in relation to the shares, stocks, bonds, debentures and other securities referred to in Clause 2.2.2(c) and to the copyrights, patents and rights referred to in Clause 2.2.2(e), (i) and (j) and the covenants, warranties, contractual representations and other matters referred to in Clause 2.2.3(a) and (b) above and to execute and deliver to the Director all such transfers and other documents as may be necessary to enable the Director or its nominees to be registered as the owner or otherwise obtain a legal title to the same;
- 3.2.13 not to reduce, increase or in any way change the structure of the share capital of the Company without the prior consent in writing of the Director (such consent not to be unreasonably withheld where any such action does not operate in the reasonable opinion of the Director to inhibit the ability of the Company to meet its obligations under this Debenture);
- 3.2.14 to conduct and carry on its business and to procure that its Subsidiaries conduct and carry on their businesses in a proper and efficient manner and keep or cause to be kept proper books of account relating to such business and not make any material alteration in the nature of such business which would constitute a change from that carried on at the date of this Debenture;
- 3.2.15 to permit the Director, if it shall so require, to provide for the safe custody by third parties of all certificates and documents of title relating to the Charged Assets and the Company hereby shall not be responsible for any loss or damage occurring to or in respect thereof; and
- 3.2.16 upon the written request of the Director to execute in favour of the Director fixed charges of such part of the Charged Assets presently comprised in equitable or floating charges hereunder (and to the extent that such property can then be comprised in a fixed charge) such charge or charges to be in such form as the Director shall require and in particular shall contain all the powers and provisions of this Debenture as shall be applicable

- 3.3 Each of the provisions in this Clause 3 as with all other provisions in this Debenture are cumulative with all other covenants and obligations of the Company to the Director (whether hereunder or under any other deed or document) notwithstanding any repetition or similarity to any such other covenants and obligations

4. **ENFORCEMENT**

- 4.1 Each of the following events shall constitute an Event of Default namely:-

- 4.1.1 if the Company fails to pay any sums payable by it from time to time to the Director on the due date thereof or fails to comply with any term condition covenant or other provision of this Debenture or of any facility from the Director or any related security document or to perform any of its obligations or liabilities to the Director or if any representation or warranty from time to time made to the Director by the Company is or becomes incorrect or misleading when made or deemed to be made or repeated in a material respect;
- 4.1.2 if any indebtedness whatsoever of the Company or any of its subsidiaries becomes due or capable of being declared due before its specified maturity date by reason of breach or default on the part of the Company under the terms of any agreement or instrument creating or evidencing the same or is otherwise not paid when due (or within any applicable period of grace) or any guarantee or indemnity given by the Company is not honoured when due and called upon;
- 4.1.3 if an encumbrancer takes possession of or a trustee receiver or similar officer is appointed in respect of all or any part of the business or assets of the Company or any of its subsidiaries or a distress execution attachment or other legal process is levied or enforced upon or sued out against all or any substantial part of such assets and is not discharged within 14 days;
- 4.1.4 if the Company or any of its subsidiaries is deemed unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 or commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors;
- 4.1.5 if the Company (being a company) or any of its subsidiaries takes any corporate action or whether by the Company or the holder of a qualifying floating charge as defined in paragraph 14 of schedule B1 of the Insolvency Act or any other party other steps are taken or legal proceedings are started for its winding-up dissolution or reorganisation (otherwise than for the purposes of an amalgamation or reconstruction whilst solvent on terms previously approved in writing by the Director) or for the appointment of a receiver administrator administrative receiver trustee or similar officer of it or of all or a material part of its revenues and assets;

- 4.1.6 if the Company or any of its subsidiaries suspends or threatens to suspend a substantial part of its business operations (otherwise than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Director) or any governmental authority permits or procures or threatens to permit or procure any reorganisation transfer or expropriation (whether with or without compensation) of a substantial part of the business or assets of the Company or any of its subsidiaries;
 - 4.1.7 if any guarantee indemnity or other security for any of the Secured Liabilities fails or ceases in any respect to have full force and effect or to be continuing or is terminated or disputed or in the opinion of the Director is in jeopardy invalid or unenforceable or if this Debenture or the security created by it is disputed or in the opinion of the Director is in jeopardy;
 - 4.1.8 if at any time it is or becomes unlawful for the Company to perform or comply with any or all of its obligations under this Debenture or any other agreement between the Company and the Director or any of such obligations of the Company are not or cease to be legal valid binding and enforceable;
 - 4.1.9 if control (as defined in Section 435 of the Insolvency Act) or the power to take control of the Company or any of its subsidiaries is acquired by any person or company or group of associates (as defined in such section) not having control of the Company or any of its subsidiaries at the date of this Debenture (unless with the prior consent in writing of the Director); or
 - 4.1.10 if in the opinion of the Director a material adverse change occurs in the financial condition results of operations or business of the Company or any of its subsidiaries
- 4.2 The power of sale and other powers conferred on a mortgagee by the Act as varied or amended by this Debenture shall arise on the execution of this Debenture and shall become exercisable by the Director at any time in relation to any part of the Charged Assets on the occurrence of an Event of Default. The Director may exercise whether or not it shall have appointed a Receiver all the powers conferred on mortgagees by the Act as hereby varied or extended and all the powers and discretions hereby conferred either expressly or by reference to a Receiver appointed hereunder. Any demand for payment shall be valid and effective for the purposes of this Clause 5 notwithstanding that the demand may contain an inaccurate or incomplete statement of the Secured Liabilities
- 4.3 Neither the Director nor its agents managers officers employees delegates and advisers will be liable for any claim demand liability loss damage cost or expense incurred or arising in connection with the exercise or purported exercise of any rights powers and discretions under this Debenture in the absence of gross negligence or wilful misconduct
- 4.4 All moneys received by the Director pursuant to this Debenture shall after payment of any claims having priority to the security created hereunder be paid or applied in the following order of

priority (but without prejudice to the right of the Director to recover any shortfall from the Company):

- 5.5.1 in satisfaction of all costs charges and expenses incurred or payments made by the Director or any Receiver in connection with this Debenture;
 - 5.5.2 in or towards satisfaction of the Secured Liabilities (and in such order as the Director may decide); and
 - 5.5.3 as to the surplus (if any) to the person or persons entitled to such moneys
- 4.5 No purchaser from the Director or any Receiver or other person will be entitled or required to enquire or be affected by notice as to whether demand under this Debenture has or has not been made or whether any power exercised under this Debenture has become exercisable or whether any of the Secured Liabilities are outstanding
- 4.6 Neither the Director nor any Receiver will by reason of the taking of possession of the whole or any part of the Charged Assets by any of them be liable to account as mortgagee-in-possession or for anything except actual receipts or be liable for any loss upon realisation or for any default or omission for which a mortgagee-in-possession might be liable
- 4.7 At any time after the security constituted in this Debenture has become enforceable the Director may redeem any prior security interest against the Charged Assets or procure the transfer of the Charged Assets to itself and may settle or pass the accounts of any holder of such security interest and any accounts so settled and passed will be conclusive and binding on the Company
- 4.8 Notwithstanding anything to the contrary contained in this Debenture the Company will remain liable to observe and perform all of the conditions and obligations relating to the Charged Assets and neither the Director nor any Receiver will be under any obligation or liability with respect to the Charged Assets by reason of or arising out of this Debenture. Neither the Director nor any Receiver will be required in any manner to perform or fulfil any obligations of the Company in respect of the Charged Assets or to make any payment or to make any enquiry as to the nature or sufficiency of any payment received by it or to present or file any claim or take any other action to collect or enforce any of the Charged Assets
- 4.9 The Director may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the powers authorities and discretions which are for the time being exercisable by the Director under this Debenture in relation to the Charged Assets or any part of them. Any such delegation may be made upon such terms (including power to sub-delegate) and subject to such regulations as the Director may think fit. The Director shall not be in any way liable or responsible to the Borrower for any loss or damage arising from any act default omission or misconduct on the part of any such delegate or sub-delegate. No such delegation shall preclude the subsequent delegation by the Director of any other person; and any such delegation may be revoked by the Director at any time

5. RECEIVER

- 5.1** At any time after this security becomes enforceable or at the request of the Company the Director may without further notice appoint any one or more persons to be a Receiver of all or any part of the Charged Assets
- 5.2** Every Receiver appointed in accordance with Clause 6.1 will have and be entitled to exercise:
- 5.2.1** all powers conferred by the Act as if such Receiver had been duly appointed under that Act together with all powers equivalent to those now referred to in Schedule I to the Insolvency Act in so far as the same relate to the assets over which the Receiver is appointed;
 - 5.2.2** power to perform all contracts agreements rights securities covenants guarantees bonds and indemnities of any nature assigned by the Company to the Director under this Debenture;
 - 5.2.3** power to use the Company's name for registration and to effect any necessary election for tax or other purposes;
 - 5.2.4** power to take possession of collect and get in the Charged Assets which unless stipulated by the Receiver to the contrary in writing shall be as agent of the Company;
 - 5.2.5** power to demolish construct alter improve develop complete or repair the Charged Assets including power to lay out build construct repair and maintain or reconstruct any roads drains or other services;
 - 5.2.6** power to dispose of the Charged Assets in any manner for any consideration and on any terms;
 - 5.2.7** power to apply for and obtain any planning building regulation bye-law or other permissions consents or licences;
 - 5.2.8** power to take continue or defend any proceedings and enter into any arrangement or compromise of claims as the Receiver thinks fit;
 - 5.2.9** power to effect maintain renew and deal with all kinds of insurances and to obtain bonds and give indemnities and securities to bondsmen;
 - 5.2.10** power to employ accountants lawyers architects surveyors engineers quantity surveyors contractors builders workmen and others and the power to purchase or hire materials tools equipment or supplies;

- 5.2.11 power to raise or borrow money whether from the Director or any other lender and whether or not in priority to the security constituted by or pursuant to this Debenture and with or without a mortgage or charge on the Charged Assets; and
- 5.2.12 power to do any other act or thing which the Receiver considers to be incidental or conducive to the exercise of any other right exercisable by him
- 5.3 In making any sale or other disposal in the exercise of their respective powers, the Receiver or the Director may accept as and by way of consideration for such sale or other disposal, cash, shares, own capital or other obligation including, without limitation, consideration fluctuating according to or dependent upon profit or turnover and in consideration the amount whereof is to be determined by a third party. Any such consideration may be receivable in a lump sum or by instalments and upon receipt by the Receiver or the Director as the case may be, shall ipso facto be and become charged with the payment of the Secured Liabilities. Any contract for any such sale or other disposal by the Receiver or the Director may contain conditions excluding or restricting the personal liability of the Receiver
- 5.4 Any Receiver appointed pursuant to this Debenture will be the agent of (so far as the law permits) the Company (and notwithstanding the liquidation of such Company any Receiver will not be the agent of the Director). The Company will be solely liable for such Receiver's costs defaults and remuneration and will be liable on any contracts and engagements made or entered into by such Receiver except the Director may from time to time remove any Receiver appointed by it and may whenever it may deem it expedient appoint another person of equivalent standing as a new receiver in the place of any Receiver whose appointment may for any reason have terminated and may from time to time fix the remuneration of any Receiver appointed by it
- 5.5 All or any of the powers authorities and discretions which are conferred by this Debenture (either expressly or impliedly) upon a Receiver of the Charged Assets may be exercised after the security created by this Debenture becomes enforceable by the Director in relation to the Charged Assets without first appointing a Receiver or notwithstanding the appointment of a Receiver
- 5.6 Subject to the prior written consent of the Director a Receiver may delegate to any person or persons any of the rights (including the discretions) conferred on him by Clause 6.2 and may do so on terms authorising successive sub-delegations
- 5.7 In the case of joint Receivers any of the rights (including the discretions) conferred by this Clause 6 may be exercised by any one or more of them unless their appointment specifically states the contrary
- 6. NEW ACCOUNTS**
- 6.1 If from time to time the Director receives notice whether actual or constructive of any subsequent charge or other interest affecting any part of the Charged Assets the Director may open a new account or accounts with the Company. If the Director does not open a new account it shall

nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by the Company to the Director shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Company to the Director at the time when it received notice as aforesaid

- 6.2 All monies received recovered or realised by the Director under this Debenture may in the discretion of the Director be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Director reasonably thinks fit pending their application from time to time (as the Director shall be entitled to do in its reasonable discretion) in or towards the discharge of any of the Secured Liabilities

7. ATTORNEY

- 7.1 The Company hereby irrevocably appoints the Director and its agents its true and lawful attorney with full power and in its name and on its behalf and as its act and deed to execute and do any assurance agreement instrument act or thing which it ought to execute and do under the covenants undertakings and provisions herein contained or which may be required or deemed proper for any of the purposes of this security Provided Always:-

7.1.1 that the Director and its agents shall not (save in the case of gross negligence or wilful default) be responsible to the Company for any loss thereby incurred; and

7.1.2 notwithstanding the terms of Clause 8.1.1 third parties shall not be bound to see or enquire whether the right of the Director to exercise the powers hereby conferred has arisen

- 7.2 The Company hereby ratifies and confirms and agrees to ratify all acts of any such attorney as is mentioned in Clause 8.1 in the exercise of all or any of the powers, authorities and discretions referred to therein

- 7.3 The power of attorney hereby granted is as regards the Director and its delegates (and as the Company hereby acknowledges) granted irrevocably and for value as part of the security constituted by this Deed to secure proprietary interests in and the performance of obligations owed to the respective donees within the meaning of the Powers of Attorney Act 1971

8. INDEMNITY

- 8.1 The Director and every Receiver attorney agent or other person appointed by the Director hereunder shall be entitled to be indemnified out of the Charged Assets in respect of all liabilities and expenses incurred directly or indirectly by any of them in the execution or purported execution of any of the powers authorities or discretions vested in them or him hereunder and against all actions proceedings costs claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets and the Director and any such Receiver attorney agent or other person may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred

- 8.2 If under any applicable law or regulation or pursuant to a judgment or order being made or registered against the Company or the liquidation of the Company or without limitation for any other reason any payment under or in connection with this Debenture is made or falls to be satisfied in a currency (the 'payment currency') other than the currency in which such payment is expressed to be due under or in connection with this Debenture (the 'contractual currency') then to the extent that the amount of such payment actually received by the Director when converted into the contractual currency at the rate of exchange falls short of the amount due under or in connection with this Debenture the Company as a separate and independent obligation shall indemnify and hold harmless the Director against the amount of such shortfall. For the purposes of this clause 'rate of exchange' means the rate at which the Director is able on or about the date of such payment to purchase, in accordance with its normal practice, the contractual currency with the payment currency and shall take into account (and the Company shall be liable for) any premium and other costs of exchange including any taxes or duties incurred by reason of any such exchange

9. NOTICES

- 9.1 Every notice demand or other communication under this Debenture shall be in writing and may be delivered personally or by letter, e-mail or facsimile transmission dispatched as follows:

9.1.1 if to the Director to its address specified at the head of this Debenture or to the email or facsimile number for the time being at such address;

9.1.2 if to the Company to its address specified at the head of this Debenture or its registered or principal office for the time being

or to such other address or facsimile number in England as may be notified in writing in accordance with this clause by the relevant party to the other party for such purpose Provided that if it is sent by facsimile the hard copy shall also be posted first class postage prepaid on the date of transmission

- 9.2 Every notice demand or other communication shall be deemed to have been received (if sent by post) 24 hours after being posted first class postage prepaid (if posted from and to an address within the United Kingdom) or 5 working days after being posted prepaid airmail (if posted from or to an address outside the United Kingdom) and (if delivered personally or by email or facsimile transmission) at the time of delivery or dispatch if during normal business hours on a working day in the place of intended receipt and otherwise at the opening of business in that place on the next succeeding such working day

- 9.3 The Director and any Receiver may but shall not be obliged to rely upon and act in accordance with any communication which may be or purport to be given by telephone or facsimile transmission on behalf of the Company by any person notified to the Director by the Company as being authorised to give such communication without enquiry as to the authority and identity of the person making or purporting to make such communication. The Company shall indemnify

and keep the Director or any Receiver indemnified on a full indemnity basis against all losses claims actions proceedings damages costs and expenses incurred or sustained by the Director as a result of relying upon or acting in accordance with any such communication

- 9.4 All notices demands or other communications under or in connection with this Debenture shall be in English
- 9.5 All notices to the Director shall be deemed to have been given only on actual receipt by the Director

10. WARRANTIES AND REPRESENTATIONS

The Company hereby represents and warrants to and for the benefit of the Director that:

- 10.1 at the date hereof there is no provision under any existing mortgage debenture contract licence agreement or other instrument binding on the Company which will be contravened by the Company entering into this Debenture or by the Company's performance or observance of any of its obligations hereunder
- 10.2 the Company and its subsidiaries is not in default under any agreement to which it is a party or by which it may be bound
- 10.3 other than already disclosed at the date of this debenture neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, administrative or criminal proceedings, whether as plaintiff, defendant or otherwise, and which, where the Company, or any subsidiary, as the case may be, is a defendant are not malicious and totally without foundation, and no litigation or arbitration, administrative or criminal proceedings by or against the Company or any subsidiary, as the case may be, is pending, threatened or expected and so far as the Company is aware there is no fact or circumstance likely to give rise to any such litigation or arbitration, administrative or criminal proceedings (past or present) of the Company or any subsidiary, as the case may be, in respect of any act or default for which any such person might be vicariously liable
- 10.4 the Company has complied at all time in all respect with all Environmental laws in relation to or affecting the Charged Assets and there has not been any past or present events, condition, circumstance, activity, practice, incident, action or other phenomenon at or about the Charged Assets which could give rise under any Environmental laws to any criminal or civil liability or a statutory liability or which could require the carrying out of any remedial work in respect of any environmental contamination or waste
- 10.5 there is no material fact or circumstance relating to the Charged Assets the Company or to this transaction generally which has not been disclosed in writing to the Director and which if disclosed might reasonably be expected to affect the Director's willingness to enter into this Debenture

- 10.6 the Company has the necessary corporate power and authority and legal right to borrow the moneys or incur the liabilities hereby secured and to secure the same on the terms and conditions set out in this Debenture and to observe and perform its obligations under this Debenture and that the acceptance of the said moneys or the liabilities on the terms and conditions set out in this Debenture by the execution and delivery of this Debenture has been validly authorised by the appropriate corporate action of the Company and constitutes a valid and binding obligation on the Company enforceable in accordance with its terms
- 10.7 the execution of this Debenture is in the best commercial interests of the Company and does not constitute a transaction at an under-value for the purposes of Section 238 of the Insolvency Act or a preference for the purposes of Section 239 of the Insolvency Act nor fall to be challenged under Section 245 of the Insolvency Act or other like legislation in its relevant jurisdiction
- 10.8 each of the representations and warranties set out in this Clause 11 will be correct and complied with in all material respects at all times during the Period as if repeated then by reference to the then existing circumstances

11. POSSESSION

If the Director shall enter into possession of any part or parts of the Charged Assets it may from time to time at pleasure go out of such possession and shall not be liable to account as mortgagee in possession while in or out of such possession and the Director shall not nor shall any receiver appointed by it be liable by reason of any such entry into possession to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable

12. MEMORANDUM AND ARTICLES OF ASSOCIATION

It is hereby certified that neither the execution of this Debenture nor the creation of any security hereunder or pursuant hereto does or will contravene any of the provisions of the Memorandum or Articles of Association of the Company

13. CONTINUATION

This Debenture shall remain in effect and binding on the Company notwithstanding any amalgamation or merger that may be effected by the Director with any other company notwithstanding any reconstruction by the Director involving the formation of and transfer of the whole or any of the Director's undertaking and assets to a new company and notwithstanding the sale or transfer of all or any part of the Director's undertaking and assets to another company whether the company with which the Director amalgamates or merges or the company to which the Director transfers all or any part of its undertaking and assets either on a reconstruction or sale or transfer as aforesaid shall or shall not differ from the Director in its objects character or constitution it being the intent of the Company that the security hereby evidenced and the provisions herein contained shall remain valid and effectual in all respects in favour of against and with reference to and that the benefit thereof and all rights conferred upon the Director thereby may be assigned to and enforced by any such company and proceeded on in the same manner to all intents and purposes as if such company had been named herein instead of or in addition to the Director

14. GENERAL

14.1 The security constituted by this Debenture:

- 14.1.1 shall be a continuing security and shall not be considered satisfied by an intermediate payment or settlement of account or otherwise but shall remain in force until all the Secured Liabilities have been paid or discharged in full;
- 14.1.2 shall not prejudice or be prejudiced by any other security held by the Director at any time nor any right the Director might have against any other person in respect of the Secured Liabilities or any part thereof; and
- 14.1.3 shall not be affected by any act omission or circumstance which but for this Clause might affect or diminish its effectiveness and without prejudice to the generality of the foregoing the Director shall be entitled from time to time and without in any way impairing the Company's obligations and liabilities hereunder:
 - (a) to release or grant any time or any other indulgence whatsoever to the Company or any other person firm or corporation and also to enter into any compromise or arrangement and any other transaction of any kind with or in relation to the Company or any other person firm or corporation or to agree to vary any existing arrangement or agreement; and
 - (b) to take accept vary deal with enforce abstain from enforcing surrender and/or release any other security and to claim or prove for and accept or transfer any property or payment in respect of the liabilities of the Company in any composition by or winding up of the Company or any other person firm or

corporation or to abstain from so claiming or proving or from accepting any such property or payment

- 14.2** The provisions of this Debenture shall be in addition and without prejudice to any rights which the Director may have under any applicable rule of law or by contract or otherwise. The rights and remedies herein provided are cumulative and no failure on the part of the Director to exercise and no delay in exercising any right power or remedy available to it shall operate as a waiver thereof nor shall any single or partial exercise of any right power or remedy preclude the further exercise thereof or the exercise of any other right power or remedy
- 14.3** In addition to and not in substitution of any other right of set off provided to the Director under contract or at general law the Director shall have the right at any time or times without notice to the Company to combine or consolidate all or any sums of money now or hereafter standing to the credit of the then existing accounts (whether time overdraft or otherwise) of the Company with the Director (in whatever currency such accounts may be denominated) with the liabilities to the Director of the Company and/or to set-off or transfer any sum or sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities to the Director of the Company on any other account or in any other respect whether such liabilities be actual contingent primary collateral several or joint. If the liability in respect of which the Director is exercising its rights of set-off is contingent or not yet payable it shall automatically be accelerated and shall accordingly be due and payable before and as at the time of such set off
- 14.4** On demand in writing by the Director and at the cost of the Company, the Company will execute such documents and such further or other legal or other mortgages charges assignments or other assurances in such form and on such terms as the Director may require in respect of the Charged Assets or any of the rights or income deriving therefrom in any way and to do such other acts matters or things as the Director may require in order to perfect or protect the security hereby created or any of it or to facilitate its realisation and the exercise of all powers authorities and discretions vested in the Director or any Receiver or any delegate of either of them
- 14.5** No assurance, security or payment which may be avoided under any law relating to bankruptcy, insolvency or winding-up (including Sections 238, 239, 244 or 245 of the Insolvency Act) and no release, settlement or discharge given or made by the Director on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Director to enforce the security created by or pursuant to this Debenture to the full extent of the Secured Liabilities. The Director may in its absolute discretion retain the security so created for a period of 2 Business Days plus such statutory period within which any security or payment given or made pursuant to this Debenture can be avoided or invalidated after all facilities from time to time made available to the Company by the Director shall have ceased to be available and the Secured Liabilities shall have been paid in full, notwithstanding any release, settlement, discharge or arrangement given or made by the Director on, or as a consequence of such termination of liability. If at any time within such period after such termination a petition shall be presented to a competent court for an Order for the Directorruptcy, insolvency or winding-up of the Company or the Company should be wound up voluntarily, or an application for an administration order shall be made by a competent court in respect of the Company, the Director may, notwithstanding as

aforementioned, continue to retain such security or any part thereof for and during such further period as the Director in its absolute discretion shall determine. The Company agrees that such security shall be deemed to have remained held by the Director as and by way of security

- 14.6 Every provision contained in this Debenture shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining such provisions shall not in any way be effected thereby
- 14.7 If the Company fails to perform any of the undertakings contained in this Debenture the Director in its absolute discretion may remedy such failure at the Company's expense either itself or through any other person and on such terms as the Director considers appropriate without in any event becoming liable to account as a mortgagee in possession or otherwise except as provided in Clause 5.7 of this Debenture
- 14.8 Any liberty or power which may be exercised or any determination which may be made hereunder by the Director as against the Company may be exercised or made (unless otherwise expressly provided in this Debenture) in the absolute and unfettered discretion of the Director which shall not be under any obligation to give reasons therefore
- 14.9 In this Debenture where any matter fact or opinion is qualified by the words "reasonable" or "material" or any variations thereof the determination by the Director of what is reasonable or material shall be binding on the Company unless the Company shows that such determination is unreasonable
- 14.10 The Director shall have the full and unfettered right to assign the whole (but not part) of the benefit of this Deed to any person to whom they have the right to assign their interest (or part thereof) in any agreement between the Director and the Company pursuant to which this Debenture has been entered into

15. GOVERNING LAW


- 15.1 This Debenture is governed by and shall be construed in accordance with English law
- 15.2 The Company irrevocably agrees for the exclusive benefit of the Director that the courts of England shall have jurisdiction to hear and determine any suit action or proceeding and to settle any dispute which may arise out of or in connection with this Debenture and for such purposes irrevocably submits to the jurisdiction of such courts
- 15.3 Nothing contained in this Clause shall limit the right of the Director to take proceedings against the Company in any other court of competent jurisdiction nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not (unless precluded by applicable law)

15.4 The Company irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this Clause on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum

IN WITNESS whereof this Debenture has been executed as a deed by the parties the day and year first before written

THE CHARGOR

EXECUTED as a DEED by **ELITE SPORTS GROUP LIMITED**
acting by a director in the presence of:


) MARK WOODWARD

Director

Witness Signature:



Witness Name:

CPTAYLOR

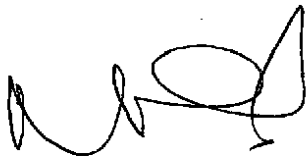
Address:

Uplands Cottage, Four Ashes Road,
Cryers Hill, Bucks, HP15 6LG

Occupation:

Chartered Accountant

THE DIRECTOR



.....
by Neil Friar