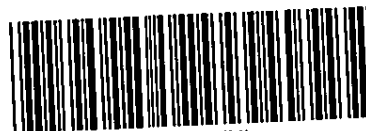


MR01

Particulars of a charge

105176/130

MONDAY



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A16

19/08/2013 - -#70

COMPANIES HOUSE

form

A fee is payable with this form.  
Please see 'How to pay' on the  
last page

You can use this form to register a charge.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record.

1

Company details

Company number

0 8 2 9 2 0 3 3

Company name in full

KCC Nominee 1 (Coal Drops) Limited ("Chargor")

For official use

→ **Filing in this form**

Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

2

Charge creation date

Charge creation date

d1 d4 m0 m8 y2 y0 y1 y3

3

Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name

Barclays Bank Plc

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

MR01

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

In respect of land and intellectual property, the Chargor charged and agreed to charge all of its present and future right, title and interest in 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:

(i) the Real Property (as defined in the charging document) specified in part 1 of schedule 2 of the charging document), and

(ii) all other Real Property (if any) at the date of the charging document vested in, or charged to, such Chargor (not charged under (a)(i)),

(b) by way of first fixed charge

(i) all other Real Property and all interests in Real Property (not charged under (a)),

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01

Particulars of a charge

8

**Trustee statement ①**

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

**Signature**

Please sign the form here

Signature

Signature

X

DLA Piper UK LLP

X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



**Presenter information**

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name

SEAMUS NICHOLSON

Company name

DLA Piper UK LLP

Address

Victoria Square House

Victoria Square

Birmingham

Post town

County/Region

Postcode

B

2

4

D

L

Country

DX DX: 13022 BIRMINGHAM 1

Telephone 08700 111 111



**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



**Important information**

**Please note that all information on this form will appear on the public record.**



**How to pay**

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House'



**Where to send**

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.**

**For companies registered in England and Wales:**  
The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland:**  
The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

**For companies registered in Northern Ireland:**  
The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



**Further information**

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**

## MR01 - continuation page

### Particulars of a charge

4

#### Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

#### Description

(ii) all licences to enter upon or use land and the benefit of all other agreements relating to land;  
and  
(iii) the proceeds of sale of all Real Property,  
and  
(iv) the benefit of any rental deposit given or charged to the Chargor by any occupier of any Real Property

(c) by way of first fixed charge the Intellectual Property (as defined in the charging document)

For full details of the charges, please refer to the charging document directly



FILE COPY

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

Company number: 8292033

Charge code: 0829 2033 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th August 2013 and created by KCC NOMINEE 1 (COAL DROPS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th August 2013

Given at Companies House, Cardiff on 21st August 2013





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

DATE 15/08/2013

SIGNED DLA Piper UK LLP  
DLA PIPER UK LLP

DATED 14 AUGUST

2013

(1) THE COMPANIES NAMED IN THIS DEED AS CHARGORS

- and -

(2) BARCLAYS BANK PLC  
as Lender

DEBENTURE

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THIS DEBENTURE is made on

14 AUGUST

2013

BETWEEN:

- (1) THE COMPANIES LISTED IN SCHEDULE 1 TO THIS DEED (the "Chargors"), and
- (2) BARCLAYS BANK PLC (the "Lender")

IT IS AGREED:

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Deed

- (a) terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed), and

- (b) at all times 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 4.2 (*Security assignments*),

"Charged Accounts" means any bank account held by a Chargor,

"Charged 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 a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time

"Collection Account" has the meaning given to that term in clause 11.4(a),

"Debenture Security" means the Security created or evidenced by or pursuant to this Deed,

"Default Rate" means the rate of interest determined in accordance with clause 8.3 (*Default interest*) of the Facility Agreement,

"Facility Agreement" means the facility agreement dated 2 August 2010 as amended and restated on 25 August 2011 and as further amended and restated on or around the same date as this Deed pursuant to the terms of an amendment and restatement agreement made between, (1) King's Cross Central Limited Partnership as the Limited Partnership, (2) KCC Nominee 1 (WTS) Limited and KCC Nominee 2 (WTS) Limited as Guarantors and (3) KCC Nominee 1 (R2) Limited, KCC Nominee 1 (MGS) Limited, KCC Nominee 1 (Coal Drops) Limited, KCC Nominee 2 (R2) Limited, KCC Nominee 2 (MGS) Limited and KCC Nominee 2 (Coal Drops) Limited as the Additional Guarantors and (4) the Lender;

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

**"Intellectual Property"** means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist),

**"Party"** means a party to this Deed,

**"Real Property"** means all real property now or in future belonging to any Chargor, or in which any Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of schedule 2 (*Details of Security Assets*)),

**"Receivables"** means all present and future book debts and other debts, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever), together with

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
- (b) all proceeds of any of the foregoing,

**"Related Rights"** means, in relation to any Charged Security

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

**"Secured Obligations"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Obligor to the Lender under or pursuant to any Finance Document (including all monies covenanted to be paid under 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, and

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which the Lender (acting reasonably) is satisfied that

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and

- (b) the Lender has no further commitment, obligation or liability under or pursuant to the Finance Documents.

## 1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of clause 1.2 (*Construction*) of the Facility Agreement (other than clause 1.2(c)) apply to this Deed as though they were set out in full in this Deed, except that references to "*this Agreement*" will be construed as references to this Deed
- (b) Unless a contrary indication appears, any reference in this Deed to
  - (i) a "**Chargor**", the "**Lender**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
  - (ii) "**this Deed**", the "**Facility Agreement**", any other "**Finance Document**" or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as 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 any Obligor or provides for further advances), and
  - (iii) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Obligor
- (c) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period
- (d) The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (e) If the Lender reasonably considers that an amount paid by any Obligor to the Lender under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (f) 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 Joint and several

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

## 1.4 Third party rights

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

## **1.5 Delivery**

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed

## **2. COVENANT TO PAY**

### **2.1 Covenant to pay**

Each Chargor, as principal obligor and not merely as surety, covenants in favour of the Lender that it will pay and discharge the Secured Obligations from time to time when they fall due

### **2.2 Default interest**

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 on a daily basis

- (a) at the rate and in the manner agreed in the Finance Document under which such amount is payable, or
- (b) (in the absence of such agreement) at the Default Rate from time to time. In such a case default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender considers appropriate

## **3. GRANT OF SECURITY**

### **3.1 Nature of security**

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

- (a) in favour of the Lender,
- (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

### **3.2 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)

## **4. FIXED SECURITY**

### **4.1 Fixed charges**

Each Chargor 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
  - (i) the Real Property specified in part 1 of schedule 2 (*Details of Security Assets*), and
  - (ii) all other Real Property (if any) at the date of this Deed vested in, or charged to, such Chargor (not charged by clause 4 1(a)(i)),
- (b) by way of first fixed charge
  - (i) all other Real Property and all interests in Real Property (not charged by clause 4 1(a)),
  - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, and
  - (iii) the proceeds of sale of all Real Property,
  - (iv) the benefit of any rental deposit given or charged to the Chargor by any occupier of any Real Property,
- (c) by way of first fixed charge all plant and machinery (not charged by clause 4 1(a) or 4 1(b)) and the benefit of all contracts, licences and warranties relating to the same,
- (d) by way of first fixed charge
  - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4 1(c)), and
  - (ii) the benefit of all contracts, licences and warranties relating to the same,
- (e) by way of first fixed charge all Charged Securities, together with all Related Rights from time to time accruing to those Charged Securities,
- (f) by way of first fixed charge
  - (i) all bank accounts of such Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts,

together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,
- (g) by way of first fixed charge the Intellectual Property,
- (h) to the extent that any Assigned Asset is not effectively assigned under clause 4 2 (*Security assignments*), by way of first fixed charge such Assigned Asset,

- (i) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed)
  - (i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of such Chargor or the use of any of its assets,
  - (ii) each Hedging Agreement and each other agreement supplementing or amending or replacing or novating the same, and all rights and remedies in connection with them and all proceeds and claims arising from them,
  - (iii) all building contracts, appointments of professionals, collateral warranties and all rights in respect of any of them, and
  - (iv) any letter of credit issued in favour of such Chargor and all bills of exchange and other negotiable instruments held by it, and
- (j) by way of first fixed charge all of the goodwill and uncalled capital of such Chargor

#### **4.2 Security assignments**

Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to

- (a) all Insurances, and
- (b) all other Receivables (not otherwise assigned under this clause 4 2)

To the extent that any Assigned Asset described in clause 4 2(a) 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 such Chargor to any proceeds of such Insurances

#### **4.3 Notice of assignment and/or charge**

Immediately upon the obtaining of any Insurance or the execution of any Lease after the date of this Deed) each Chargor shall, in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by insurers*) or in such other form as the Lender shall (acting reasonably) agree

#### **4.4 Assigned Assets**

The Lender 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.

### **5. FLOATING CHARGE**

Each Chargor charges and agrees to charge by way of first floating charge all of its present and future assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4 1 (*Fixed charges*), clause 4 2 (*Security assignments*) or any other provision of this Deed

## **6. CONVERSION OF FLOATING CHARGE**

### **6.1 Conversion by notice**

The Lender may, by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of such Chargor specified in the notice if an Event of Default has occurred and is continuing

### **6.2 Small companies**

The floating charge created under this Deed by any Chargor 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 such Chargor

### **6.3 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
  - (i) such Chargor creates (or attempts or purports to create) any Security on or over the relevant Security Asset without the prior written consent of the Lender, or
  - (ii) 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 a Chargor which are subject to a floating charge if an administrator is appointed in respect of such Chargor or the Lender receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

### **6.4 Partial conversion**

The giving of a notice by the Lender pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or any other right of the Lender

## **7. CONTINUING SECURITY**

### **7.1 Continuing security**

The Debenture 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

### **7.2 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 which the Lender may at any time hold for any Secured Obligation



### **7.3 Right to enforce**

This Deed may be enforced against each or any Chargor without the Lender first having recourse to any other right, remedy, guarantee or Security held by or available to it

## **8. LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender 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

## **9. ACCOUNTS**

No monies at any time standing to the credit of any account (of any type and however designated) of any Chargor with the Lender or in which any Chargor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than the Lender or being the subject of any Security other than as contemplated by this Deed

## **10. REPRESENTATIONS**

### **10.1 General**

Each Chargor makes the representations and warranties set out in this clause 10 to the Lender

### **10.2 Ownership of Security Assets**

Each Chargor is the legal owner of all of the Security Assets identified against its name in schedule 2 (*Details of Security Assets*)

### **10.3 Real Property**

Part 1 of schedule 2 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is legally owned by each Chargor at the date of this Deed

### **10.4 Time when representations made**

- (a) All the representations and warranties in this clause 10 are made by each Chargor on the date of this Deed and (except for those in clause 10.3 (*Real Property*)) are also deemed to be made by each Chargor
  - (i) on the date of each Utilisation Request and each Utilisation Date, and
  - (ii) on the first day of each Interest Period
- (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

## **11. UNDERTAKINGS BY THE CHARGORS**

### **11.1 Negative pledge and disposals**

No Chargor shall do or agree to do any of the following without the prior written consent of the Lender

- (a) create or permit to subsist any Security on any Security Asset except with the prior written consent of the Lender, or
- (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 as expressly permitted under the Facility Agreement)

### **11.2 Deposit of documents and notices**

Each Chargor shall

- (a) unless the Lender otherwise confirms in writing, deposit with the Lender
  - (i) all deeds and documents of title relating to the Security Assets, and
  - (ii) all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of a Chargor,(each of which the Lender may hold throughout the Security Period), and
- (b) immediately on request by the Lender, affix to any of the Chargors' plant, machinery, fixtures, fittings and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form reasonably required by the Lender)

### **11.3 Insurance**

- (a) Each Chargor shall at all times comply with its obligations as to insurance and the proceeds of insurance contained in the Facility Agreement (and in particular, clause 21 24 (*Insurance*) of the Facility Agreement)
- (b) Each Chargor shall, subject to the rights of the Lender under clause 11 3(c), diligently pursue its rights under the Insurances
- (c) In relation to the proceeds of Insurances all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied
  - (i) in accordance with the Facility Agreement, or
  - (ii) after any notice has been given or rights exercised under clause 25 20 (*Acceleration*) of the Facility Agreement, in permanent reduction of the Secured Obligations

## 11.4 Dealings with Receivables and operation of Collection Accounts

- (a) Each Chargor shall
  - (i) without prejudice to clause 11.1 (*Negative pledge and disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Lender, sell, assign, charge, factor or discount or in any other manner deal with any Receivable,
  - (ii) collect all Receivables promptly in the ordinary course of trading, and
  - (iii) immediately upon receipt pay all monies which it receives in respect of the Receivables into
    - (A) such specially designated account(s) with the Lender as the Lender may from time to time direct, or
    - (B) such other account(s) with such other bank as the Lender may from time to time direct,

(each such account(s) together with all additions to or renewals or replacements thereof (in whatever currency) being a "Collection Account") and
  - (iv) pending such payment, hold all monies so received upon trust for the Lender, provided that clauses 11.4(a)(ii) to 11.4(a)(iv) will not take effect unless and until the Lender gives a written notice to that effect, which notice may not be given until a Default has occurred
- (b) Subject to the terms of the Facility Agreement and clause 11.4(a), each Chargor shall deal with the Receivables (both collected and uncollected) and the Collection Accounts in accordance with any directions given in writing from time to time by the Lender and, in default of and subject to such directions, in accordance with this Deed
- (c) No Chargor shall withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Collection Account without the prior written consent of the Lender and the Lender shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer
- (d) Each Chargor shall deliver to the Lender such information as to the amount and nature of its Receivables as the Lender may from time to time reasonably require (taking into account the requirements of the Finance Documents)

## 12. POWER TO REMEDY

### 12.1 Power to remedy

If at any time a Chargor does not comply with any of its obligations under the Finance Documents, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall after not less than 14 days' notice to the Chargors be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the

property of such Chargor) which are necessary or desirable, after expiry of such notice period, to rectify that default

#### **12.2 Mortgagee in possession**

The exercise of the powers of the Lender under this clause 12 shall not render it liable as a mortgagee in possession

#### **12.3 Monies expended**

The relevant Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by the Lender (both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*)

### **13. WHEN SECURITY BECOMES ENFORCEABLE**

#### **13.1 When enforceable**

This Debenture 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

#### **13.2 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

#### **13.3 Enforcement**

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

### **14. ENFORCEMENT OF SECURITY**

#### **14.1 General**

For the purposes of all rights and 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 Debenture Security

#### **14.2 Powers of leasing**

The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with section 99 or 100 of the Act

#### **14.3 Powers of the Lender**

- (a) At any time after the Debenture Security becomes enforceable (or if so requested by any Chargor by written notice at any time), the Lender may without further notice (unless required by law)

- (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
  - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Chargor, and/or
  - (iii) 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
  - (iv) exercise (in the name of any Chargor and without any further consent or authority of such Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them
- (b) The Lender is not entitled to appoint a Receiver in respect of any Security Assets of any Chargor 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 such Chargor

#### **14.4 Redemption of prior mortgages**

At any time after the Debenture Security has become enforceable, the Lender may

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

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

#### **14.5 Privileges**

- (a) Each Receiver and the Lender 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
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargors under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226)) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 14 5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken

into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

#### **14.6 No liability**

- (a) Neither the Lender nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) 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 14.6(a), neither the Lender 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

#### **14.7 Protection of third parties**

No person (including a purchaser) dealing with the Lender or any Receiver or Delegate will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which the Lender 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 the Lender or to the Receiver is to be applied

### **15. RECEIVER**

#### **15.1 Removal and replacement**

The Lender 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

#### **15.2 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)

#### **15.3 Remuneration**

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

#### **15.4 Payment by Receiver**

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

#### **15.5 Agent of Chargors**

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor 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. The Lender shall incur no liability (either to such Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **16. POWERS OF RECEIVER**

#### **16.1 General powers**

Any Receiver shall have

- (a) all the powers which are conferred on the Lender by clause 14.3 (*Powers of the Lender*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers.

#### **16.2 Additional powers**

In addition to the powers referred to in clause 16.1 (*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 any Chargor 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, and, without limitation:
  - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of any Chargor,
  - (ii) 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), and

- (iii) 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 any Chargor 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 relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Chargor,
- (g) to take any such proceedings (in the name of any of the relevant Chargors 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 the Lender 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 any Chargor 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
  - (i) 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,
  - (ii) 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
  - (iii) use the name of any Chargor for any of the above purposes



## **17. APPLICATION OF PROCEEDS**

### **17.1 Application**

All monies received by the Lender or any Receiver under or in connection with this Deed or the Security Assets after the Debenture Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Debenture 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 the Lender or any Receiver or Delegate, 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 in accordance with clause 17.3 (*Appropriation and suspense account*), and
- (c) *thirdly*, in payment of any surplus to any Chargor or other person entitled to it

### **17.2 Contingencies**

If the Debenture 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), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Lender may determine)

### **17.3 Appropriation and suspense account**

- (a) Subject to clause 17.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by any Chargor
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate (if any) as the Lender may determine without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full

## **18. SET-OFF**

### **18.1 Set-off rights**

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by any Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Lender by any other Chargor) against any obligation (whether or not matured) owed by the Lender to such Chargor, regardless of the place of payment, booking branch or currency of either obligation
- (b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 18.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by a Chargor under any Finance Document against any

obligation (whether or not matured) owed by the Lender to such Chargor, regardless of the place of payment, booking branch or currency of either obligation

- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation

## **18.2 Application of monies in the Accounts**

The Lender is irrevocably authorised at any time (whether or not a Default has occurred) to apply any monies in any Account in accordance with the Facility Agreement

## **18.3 Time deposits**

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which any Chargor has with the Lender at a time within the Security Period when

- (a) this Debenture 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 the Lender in its absolute discretion considers appropriate unless the Lender otherwise agrees in writing.

## **19. DELEGATION**

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

## **20. FURTHER ASSURANCES**

### **20.1 Further action**

Each Chargor shall (and the Company shall procure that each other Chargor shall) at its own expense, immediately do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document,
- (b) facilitating the realisation of any Security Asset,
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender or any Receiver or Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law, or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or

similar to the Security intended to be created by or pursuant to this Deed or any other Security Document

This includes

- (i) the re-execution of this Deed or such Security Document,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee, and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient

## **20.2 Finance Documents**

Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents

## **20.3 Specific security**

Without prejudice to the generality of clause 20.1 (*Further action*), each Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*))

## **21. POWER OF ATTORNEY**

Each Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of the Debenture Security has occurred which such Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*) or, if no Event of Default is continuing, which such Chargor has failed to take after not less than seven days' notice requiring such action. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

## **22. CURRENCY CONVERSION**

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

## **23. CHANGES TO THE PARTIES**

### **23.1 Chargors**

No Chargor may assign any of its rights or obligations under this Deed

### **23.2 Lender**

The Lender may assign or transfer or grant participations in all or any part of its rights under this Deed in accordance with the Facility Agreement. Each Chargor shall, immediately upon being requested to do so by the Lender, enter into such documents as may reasonably be necessary or desirable to effect such assignment or transfer.

## **24. MISCELLANEOUS**

### **24.1 New accounts**

- (a) If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for any Chargor. 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.
- (b) As from that time all payments made to the Lender 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.

### **24.2 Tacking**

- (a) The Lender shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

### **24.3 Articles of association**

Each Chargor certifies that the Debenture Security does not contravene any of the provisions of the articles of association of that Chargor.

### **24.4 Land Registry**

- (a) Each Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Lender) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ♦ ] 20[ ♦ ] in favour of [ ♦ ] referred to in the charges register or their conveyancer."*

- (b) Each Chargor
  - (i) authorises the Lender to make any application which the Lender deems appropriate for the designation of this Deed, the Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003,
  - (ii) shall use its best endeavours to assist with any such application made by or on behalf of the Lender, and
  - (iii) shall notify the Lender in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Facility Agreement or any other Finance Document following its designation as an exempt information document
- (c) No Chargor shall make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document
- (d) Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Debenture Security

#### **24.5 Protective clauses**

- (a) Each Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of each Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by the Lender which would otherwise have reduced, released or prejudiced this Debenture Security or any surety liability of a Chargor (whether or not known to it or to the Lender)
- (b) Clause 17 (*Guarantee and indemnity*) of the Facility Agreement applies in relation to this Deed as if references to the obligations referred to in such clauses respectively were references to the obligations of each Chargor under this Deed

### **25. NOTICES**

#### **25.1 Facility Agreement**

Subject to clause 25.2 (*Notices through Limited Partnership*)

- (a) clause 31 (*Notices*) of the Facility Agreement is incorporated into this Deed as if fully set out in this Deed, and
- (b) the address and fax numbers of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Facility Agreement or this Deed

## **25.2 Notices through Limited Partnership**

- (a) All communications and documents from the Chargors shall be sent through the Limited Partnership and all communications and documents to the Chargors may be sent through the Limited Partnership
- (b) Any communication or document made or delivered to the Limited Partnership in accordance with this clause 25 will be deemed to have been made or delivered to each of the Chargors

## **26. CALCULATIONS AND CERTIFICATES**

Any certificate of or determination by the Lender specifying the amount of any Secured Obligation due from the Chargors (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargors of the matters to which it relates

## **27. 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

## **28. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Lender, 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. AMENDMENTS AND WAIVERS**

Any provision of this Deed may be amended only if the Lender and the Chargors or the Limited Partnership on their behalf so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender 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

## **30. 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

## **31. RELEASE**

### **31.1 Release**

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

### **31.2 Reinstatement**

Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **32. GOVERNING LAW**

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

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

### SCHEDULE 1: THE CHARGORS

| Company name                       | Registered number | Registered office                               |
|------------------------------------|-------------------|---|
| KCC Nominee 1 (Coal Drops) Limited | 08292033          | 5 Albany Courtyard, Piccadilly, London, W1J 0HF |
| KCC Nominee 2 (Coal Drops) Limited | 08290936          | 5 Albany Courtyard, Piccadilly, London, W1J 0HF |



## **SCHEDULE 2: DETAILS OF SECURITY ASSETS**

### **Part 1: Real Property**

| <b>Registered land</b> |                |                            |                     |
|------------------------|----------------|----------------------------|---------------------|
| <b>Chargor</b>         | <b>Address</b> | <b>Administrative Area</b> | <b>Title number</b> |
|                        |                |                            |                     |

### SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To [Insert name and address of insurer]

Dated [◆] 20[◆]

Dear Sirs

RE: [DESCRIBE INSURANCE POLICIES] DATED [◆] 20[◆] BETWEEN (1) YOU AND (2) [◆] (THE "CHARGOR")

- 1 We give notice that, by a debenture dated [◆] 20[◆] (the "Debenture"), we have [assigned] to [◆] (the "Lender") all our present and future right, title and interest in and to the policies described above (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies
- 2 We irrevocably authorise and instruct you from time to time
  - (a) to disclose to the Lender at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Lender may from time to time request,
  - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Lender,
  - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Lender from time to time,
  - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction), and
  - (e) to send copies of all notices and other information given or received under the Policies to the Lender
- 3 We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Lender's interest as first loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above
- 4 We are not permitted to receive from you, otherwise than through the Lender, any amount in respect of or on account of the sums payable to us from time to time under the Policies [in excess of £[◆]] or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Lender
- 5 This notice may only be revoked or amended with the prior written consent of the Lender
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that

- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice,
- (b) you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Lender promptly if you should do so in future,
- (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Lender, and
- (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without prior notification to the Lender

7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

---

for and on behalf of  
[Name of Chargor]

[On copy]

To [◆ ]  
as Lender  
[ADDRESS]

Copy to [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms We confirm and agree to the matters set out in paragraph [6] in the above notice

---

for and on behalf of  
[◆ ]

Dated [◆ ] 20[◆]

## EXECUTION PAGES

### THE CHARGORS

Executed as a deed, but not delivered until the )  
first date specified on page 1, by KCC )  
**NOMINEE 1 (COAL DROPS) LIMITED** )  
acting by


Director \_\_\_\_\_  
Director Name \_\_\_\_\_  
Witness signature \_\_\_\_\_  
Witness name \_\_\_\_\_  
Witness address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Executed as a deed, but not delivered until the )  
first date specified on page 1, by KCC )  
**NOMINEE 2 (COAL DROPS) LIMITED** )  
acting by

Director \_\_\_\_\_  
Director Name \_\_\_\_\_  
Witness signature \_\_\_\_\_  
Witness name \_\_\_\_\_  
Witness address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THE LENDER**

Signed by MATTHEW WENGL for )  
and on behalf of BARCLAYS BANK PLC )  
)

Signature 

**Address:**

Barclays Bank PLC  
6th Floor  
PO Box 3333  
One Snowhill  
Snowhill Queensway  
Birmingham  
B3 2WN

**Facsimile No:** 0121 480 5513

**Attention:** Chris Parker



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

DATE 16/08/2013

SIGNED DLA Piper UK LLP  
DLA PIPER UK LLP

DATED 14 August

2013

(1) THE COMPANIES NAMED IN THIS DEED AS CHARGORS

- and -

(2) BARCLAYS BANK PLC  
as Lender

**DEBENTURE**

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THIS DEBENTURE is made on

14 August

2013

BETWEEN:

- (1) THE COMPANIES LISTED IN SCHEDULE 1 TO THIS DEED (the "Chargors"), and
- (2) BARCLAYS BANK PLC (the "Lender")

IT IS AGREED:

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Deed

- (a) terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed), and

- (b) at all times 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 4 2 (*Security assignments*),

"Charged Accounts" means any bank account held by a Chargor,

"Charged 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 a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time

"Collection Account" has the meaning given to that term in clause 11 4(a),

"Debenture Security" means the Security created or evidenced by or pursuant to this Deed,

"Default Rate" means the rate of interest determined in accordance with clause 8 3 (*Default interest*) of the Facility Agreement,

"Facility Agreement" means the facility agreement dated 2 August 2010 as amended and restated on 25 August 2011 and as further amended and restated on or around the same date as this Deed pursuant to the terms of an amendment and restatement agreement made between, (1) King's Cross Central Limited Partnership as the Limited Partnership, (2) KCC Nominee 1 (WTS) Limited and KCC Nominee 2 (WTS) Limited as Guarantors and (3) KCC Nominee 1 (R2) Limited, KCC Nominee 1 (MGS) Limited, KCC Nominee 1 (Coal Drops) Limited, KCC Nominee 2 (R2) Limited, KCC Nominee 2 (MGS) Limited and KCC Nominee 2 (Coal Drops) Limited as the Additional Guarantors and (4) the Lender,

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

**"Intellectual Property"** means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of each Chargor in, or relating to

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist),

**"Party"** means a party to this Deed,

**"Real Property"** means all real property now or in future belonging to any Chargor, or in which any Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of schedule 2 (*Details of Security Assets*)),

**"Receivables"** means all present and future book debts and other debts, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever), together with

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
- (b) all proceeds of any of the foregoing,

**"Related Rights"** means, in relation to any Charged Security

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

**"Secured Obligations"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Obligor to the Lender under or pursuant to any Finance Document (including all monies covenanted to be paid under 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, and

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which the Lender (acting reasonably) is satisfied that

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

## 1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of clause 1 2 (*Construction*) of the Facility Agreement (other than clause 1 2(c)) apply to this Deed as though they were set out in full in this Deed, except that references to "*this Agreement*" will be construed as references to this Deed
- (b) Unless a contrary indication appears, any reference in this Deed to
  - (i) a "**Chargor**", the "**Lender**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
  - (ii) "**this Deed**", the "**Facility Agreement**", any other "**Finance Document**" or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as 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 any Obligor or provides for further advances), and
  - (iii) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Obligor
- (c) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed must be complied with at all times during the Security Period
- (d) The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (e) If the Lender reasonably considers that an amount paid by any Obligor to the Lender under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (f) 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 Joint and several

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

#### **1.4 Third party rights**

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

#### **1.5 Delivery**

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed

### **2. COVENANT TO PAY**

#### **2.1 Covenant to pay**

Each Chargor, as principal obligor and not merely as surety, covenants in favour of the Lender that it will pay and discharge the Secured Obligations from time to time when they fall due

#### **2.2 Default interest**

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 on a daily basis

- (a) at the rate and in the manner agreed in the Finance Document under which such amount is payable, or
- (b) (in the absence of such agreement) at the Default Rate from time to time. In such a case default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender considers appropriate

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

#### **3.1 Nature of security**

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

- (a) in favour of the Lender,
- (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

#### **3.2 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)

#### 4. FIXED SECURITY

##### 4.1 Fixed charges

Each Chargor 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
  - (i) the Real Property specified in part 1 of schedule 2 (*Details of Security Assets*), and
  - (ii) all other Real Property (if any) at the date of this Deed vested in, or charged to, such Chargor (not charged by clause 4 1(a)(i)),
- (b) by way of first fixed charge
  - (i) all other Real Property and all interests in Real Property (not charged by clause 4 1(a)),
  - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, and
  - (iii) the proceeds of sale of all Real Property,
  - (iv) the benefit of any rental deposit given or charged to the Chargor by any occupier of any Real Property,
- (c) by way of first fixed charge all plant and machinery (not charged by clause 4 1(a) or 4 1(b)) and the benefit of all contracts, licences and warranties relating to the same,
- (d) by way of first fixed charge
  - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4 1(c)), and
  - (ii) the benefit of all contracts, licences and warranties relating to the same,
- (e) by way of first fixed charge all Charged Securities, together with all Related Rights from time to time accruing to those Charged Securities,
- (f) by way of first fixed charge
  - (i) all bank accounts of such Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts,

together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,
- (g) by way of first fixed charge the Intellectual Property,

- (h) to the extent that any Assigned Asset is not effectively assigned under clause 4 2 (*Security assignments*), by way of first fixed charge such Assigned Asset,
- (i) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed)
  - (i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of such Chargor or the use of any of its assets,
  - (ii) each Hedging Agreement and each other agreement supplementing or amending or replacing or novating the same, and all rights and remedies in connection with them and all proceeds and claims arising from them,
  - (iii) all building contracts, appointments of professionals, collateral warranties and all rights in respect of any of them, and
  - (iv) any letter of credit issued in favour of such Chargor and all bills of exchange and other negotiable instruments held by it, and
- (j) by way of first fixed charge all of the goodwill and uncalled capital of such Chargor

#### **4.2 Security assignments**

Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to

- (a) all Insurances, and
- (b) all other Receivables (not otherwise assigned under this clause 4 2)

To the extent that any Assigned Asset described in clause 4 2(a) 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 such Chargor to any proceeds of such Insurances

#### **4.3 Notice of assignment and/or charge**

Immediately upon the obtaining of any Insurance or the execution of any Lease after the date of this Deed) each Chargor shall, in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by insurers*) or in such other form as the Lender shall (acting reasonably) agree

#### **4.4 Assigned Assets**

The Lender 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

## **5. FLOATING CHARGE**

Each Chargor charges and agrees to charge by way of first floating charge all of its present and future assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 4 1 (*Fixed charges*), clause 4 2 (*Security assignments*) or any other provision of this Deed

## **6. CONVERSION OF FLOATING CHARGE**

### **6.1 Conversion by notice**

The Lender may, by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of such Chargor specified in the notice if an Event of Default has occurred and is continuing

### **6.2 Small companies**

The floating charge created under this Deed by any Chargor 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 such Chargor

### **6.3 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
  - (i) such Chargor creates (or attempts or purports to create) any Security on or over the relevant Security Asset without the prior written consent of the Lender, or
  - (ii) 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 a Chargor which are subject to a floating charge if an administrator is appointed in respect of such Chargor or the Lender receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

### **6.4 Partial conversion**

The giving of a notice by the Lender pursuant to clause 6 1 (*Conversion by notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or any other right of the Lender

## **7. CONTINUING SECURITY**

### **7.1 Continuing security**

The Debenture 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

**7.2 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 which the Lender may at any time hold for any Secured Obligation

**7.3 Right to enforce**

This Deed may be enforced against each or any Chargor without the Lender first having recourse to any other right, remedy, guarantee or Security held by or available to it

**8. LIABILITY OF CHARGORS RELATING TO SECURITY ASSETS**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender 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

**9. ACCOUNTS**

No monies at any time standing to the credit of any account (of any type and however designated) of any Chargor with the Lender or in which any Chargor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than the Lender or being the subject of any Security other than as contemplated by this Deed

**10. REPRESENTATIONS**

**10.1 General**

Each Chargor makes the representations and warranties set out in this clause 10 to the Lender

**10.2 Ownership of Security Assets**

Each Chargor is the legal owner of all of the Security Assets identified against its name in schedule 2 (*Details of Security Assets*)

**10.3 Real Property**

Part 1 of schedule 2 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is legally owned by each Chargor at the date of this Deed

**10.4 Time when representations made**

- (a) All the representations and warranties in this clause 10 are made by each Chargor on the date of this Deed and (except for those in clause 10.3 (*Real Property*)) are also deemed to be made by each Chargor
  - (i) on the date of each Utilisation Request and each Utilisation Date, and
  - (ii) on the first day of each Interest Period



- (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

## **11. UNDERTAKINGS BY THE CHARGORS**

### **11.1 Negative pledge and disposals**

No Chargor shall do or agree to do any of the following without the prior written consent of the Lender

- (a) create or permit to subsist any Security on any Security Asset except with the prior written consent of the Lender, or
- (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 as expressly permitted under the Facility Agreement)

### **11.2 Deposit of documents and notices**

Each Chargor shall.

- (a) unless the Lender otherwise confirms in writing, deposit with the Lender
  - (i) all deeds and documents of title relating to the Security Assets, and
  - (ii) all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of a Chargor,(each of which the Lender may hold throughout the Security Period), and
- (b) immediately on request by the Lender, affix to any of the Chargors' plant, machinery, fixtures, fittings and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form reasonably required by the Lender)

### **11.3 Insurance**

- (a) Each Chargor shall at all times comply with its obligations as to insurance and the proceeds of insurance contained in the Facility Agreement (and in particular, clause 21 24 (*Insurance*) of the Facility Agreement)
- (b) Each Chargor shall, subject to the rights of the Lender under clause 11 3(c), diligently pursue its rights under the Insurances
- (c) In relation to the proceeds of Insurances all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied
  - (i) in accordance with the Facility Agreement, or
  - (ii) after any notice has been given or rights exercised under clause 25 20 (*Acceleration*) of the Facility Agreement, in permanent reduction of the Secured Obligations

## 11.4 Dealings with Receivables and operation of Collection Accounts

- (a) Each Chargor shall
- (i) without prejudice to clause 11.1 (*Negative pledge and disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Lender, sell, assign, charge, factor or discount or in any other manner deal with any Receivable,
  - (ii) collect all Receivables promptly in the ordinary course of trading, and
  - (iii) immediately upon receipt pay all monies which it receives in respect of the Receivables into
    - (A) such specially designated account(s) with the Lender as the Lender may from time to time direct, or
    - (B) such other account(s) with such other bank as the Lender may from time to time direct,(each such account(s) together with all additions to or renewals or replacements thereof (in whatever currency) being a "Collection Account") and
  - (iv) pending such payment, hold all monies so received upon trust for the Lender,
- provided that clauses 11.4(a)(ii) to 11.4(a)(iv) will not take effect unless and until the Lender gives a written notice to that effect, which notice may not be given until a Default has occurred
- (b) Subject to the terms of the Facility Agreement and clause 11.4(a), each Chargor shall deal with the Receivables (both collected and uncollected) and the Collection Accounts in accordance with any directions given in writing from time to time by the Lender and, in default of and subject to such directions, in accordance with this Deed
  - (c) No Chargor shall withdraw, attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Collection Account without the prior written consent of the Lender and the Lender shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer
  - (d) Each Chargor shall deliver to the Lender such information as to the amount and nature of its Receivables as the Lender may from time to time reasonably require (taking into account the requirements of the Finance Documents)

## 12. POWER TO REMEDY

### 12.1 Power to remedy

If at any time a Chargor does not comply with any of its obligations under the Finance Documents, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall after not less than 14 days' notice to the Chargors be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the

property of such Chargor) which are necessary or desirable, after expiry of such notice period, to rectify that default.

## **12.2 Mortgagee in possession**

The exercise of the powers of the Lender under this clause 12 shall not render it liable as a mortgagee in possession

## **12.3 Monies expended**

The relevant Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by the Lender (both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*)

# **13. WHEN SECURITY BECOMES ENFORCEABLE**

## **13.1 When enforceable**

This Debenture 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

## **13.2 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

## **13.3 Enforcement**

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

# **14. ENFORCEMENT OF SECURITY**

## **14.1 General**

For the purposes of all rights and 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 Debenture Security

## **14.2 Powers of leasing**

The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with section 99 or 100 of the Act

## **14.3 Powers of the Lender**

- (a) At any time after the Debenture Security becomes enforceable (or if so requested by any Chargor by written notice at any time), the Lender may without further notice (unless required by law)

- (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
  - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Chargor, and/or
  - (iii) 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
  - (iv) exercise (in the name of any Chargor and without any further consent or authority of such Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them
- (b) The Lender is not entitled to appoint a Receiver in respect of any Security Assets of any Chargor 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 such Chargor

#### **14.4 Redemption of prior mortgages**

At any time after the Debenture Security has become enforceable, the Lender may

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

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

#### **14.5 Privileges**

- (a) Each Receiver and the Lender 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
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargors under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226)) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 14 5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken

into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

#### **14.6 No liability**

- (a) Neither the Lender nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) 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 14 6(a), neither the Lender 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

#### **14.7 Protection of third parties**

No person (including a purchaser) dealing with the Lender or any Receiver or Delegate will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which the Lender 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 the Lender or to the Receiver is to be applied

### **15. RECEIVER**

#### **15.1 Removal and replacement**

The Lender 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

#### **15.2 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)

#### **15.3 Remuneration**

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

#### **15.4 Payment by Receiver**

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

#### **15.5 Agent of Chargors**

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor 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. The Lender shall incur no liability (either to such Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **16. POWERS OF RECEIVER**

#### **16.1 General powers**

Any Receiver shall have

- (a) all the powers which are conferred on the Lender by clause 14.3 (*Powers of the Lender*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers.

#### **16.2 Additional powers**

In addition to the powers referred to in clause 16.1 (*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 any Chargor 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, and, without limitation:
  - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of any Chargor,
  - (ii) 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), and

- (iii) 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 any Chargor 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 relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Chargor,
- (g) to take any such proceedings (in the name of any of the relevant Chargors 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 the Lender 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 any Chargor 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
  - (i) 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,
  - (ii) 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
  - (iii) use the name of any Chargor for any of the above purposes

## **17. APPLICATION OF PROCEEDS**

### **17.1 Application**

All monies received by the Lender or any Receiver under or in connection with this Deed or the Security Assets after the Debenture Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Debenture 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 the Lender or any Receiver or Delegate, 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 in accordance with clause 17.3 (*Appropriation and suspense account*), and
- (c) *thirdly*, in payment of any surplus to any Chargor or other person entitled to it

### **17.2 Contingencies**

If the Debenture 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), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Lender may determine)

### **17.3 Appropriation and suspense account**

- (a) Subject to clause 17.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by any Chargor
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate (if any) as the Lender may determine without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full

## **18. SET-OFF**

### **18.1 Set-off rights**

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by any Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Lender by any other Chargor) against any obligation (whether or not matured) owed by the Lender to such Chargor, regardless of the place of payment, booking branch or currency of either obligation
- (b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 18.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by a Chargor under any Finance Document against any



obligation (whether or not matured) owed by the Lender to such Chargor, regardless of the place of payment, booking branch or currency of either obligation

- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation

## **18.2 Application of monies in the Accounts**

The Lender is irrevocably authorised at any time (whether or not a Default has occurred) to apply any monies in any Account in accordance with the Facility Agreement

## **18.3 Time deposits**

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which any Chargor has with the Lender at a time within the Security Period when

- (a) this Debenture 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 the Lender in its absolute discretion considers appropriate unless the Lender otherwise agrees in writing

## **19. DELEGATION**

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

## **20. FURTHER ASSURANCES**

### **20.1 Further action**

Each Chargor shall (and the Company shall procure that each other Chargor shall) at its own expense, immediately do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for.

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document,
- (b) facilitating the realisation of any Security Asset,
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender or any Receiver or Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law, or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or

similar to the Security intended to be created by or pursuant to this Deed or any other Security Document

This includes

- (i) the re-execution of this Deed or such Security Document,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee, and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient

## **20.2 Finance Documents**

Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents

## **20.3 Specific security**

Without prejudice to the generality of clause 20.1 (*Further action*), each Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*))

## **21. POWER OF ATTORNEY**

Each Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of the Debenture Security has occurred which such Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*) or, if no Event of Default is continuing, which such Chargor has failed to take after not less than seven days' notice requiring such action. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

## **22. CURRENCY CONVERSION**

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

## **23. CHANGES TO THE PARTIES**

### **23.1 Chargors**

No Chargor may assign any of its rights or obligations under this Deed

### **23.2 Lender**

The Lender may assign or transfer or grant participations in all or any part of its rights under this Deed in accordance with the Facility Agreement. Each Chargor shall, immediately upon being requested to do so by the Lender, enter into such documents as may reasonably be necessary or desirable to effect such assignment or transfer.

## **24. MISCELLANEOUS**

### **24.1 New accounts**

- (a) If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for any Chargor. 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.
- (b) As from that time all payments made to the Lender 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.

### **24.2 Tacking**

- (a) The Lender shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

### **24.3 Articles of association**

Each Chargor certifies that the Debenture Security does not contravene any of the provisions of the articles of association of that Chargor.

### **24.4 Land Registry**

- (a) Each Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Lender) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

*"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [◆] 20[◆] in favour of [◆] referred to in the charges register or their conveyancer."*

- (b) Each Chargor
- (i) authorises the Lender to make any application which the Lender deems appropriate for the designation of this Deed, the Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003,
  - (ii) shall use its best endeavours to assist with any such application made by or on behalf of the Lender, and
  - (iii) shall notify the Lender in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Facility Agreement or any other Finance Document following its designation as an exempt information document
- (c) No Chargor shall make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document
- (d) Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Debenture Security

#### **24.5 Protective clauses**

- (a) Each Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of each Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by the Lender which would otherwise have reduced, released or prejudiced this Debenture Security or any surety liability of a Chargor (whether or not known to it or to the Lender)
- (b) Clause 17 (*Guarantee and indemnity*) of the Facility Agreement applies in relation to this Deed as if references to the obligations referred to in such clauses respectively were references to the obligations of each Chargor under this Deed

### **25. NOTICES**

#### **25.1 Facility Agreement**

Subject to clause 25.2 (*Notices through Limited Partnership*)

- (a) clause 31 (*Notices*) of the Facility Agreement is incorporated into this Deed as if fully set out in this Deed, and
- (b) the address and fax numbers of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Facility Agreement or this Deed

## **25.2 Notices through Limited Partnership**

- (a) All communications and documents from the Chargors shall be sent through the Limited Partnership and all communications and documents to the Chargors may be sent through the Limited Partnership
- (b) Any communication or document made or delivered to the Limited Partnership in accordance with this clause 25 will be deemed to have been made or delivered to each of the Chargors

## **26. CALCULATIONS AND CERTIFICATES**

Any certificate of or determination by the Lender specifying the amount of any Secured Obligation due from the Chargors (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargors of the matters to which it relates

## **27. 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

## **28. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Lender, 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. AMENDMENTS AND WAIVERS**

Any provision of this Deed may be amended only if the Lender and the Chargors or the Limited Partnership on their behalf so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender 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

## **30. 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

## **31. RELEASE**

### **31.1 Release**

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

### **31.2 Reinstatement**

Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **32. GOVERNING LAW**

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

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

### SCHEDULE 1: THE CHARGORS

| Company name                | Registered number | Registered office                                  |
|-----------------------------|-------------------|--|
| KCC Nominee 1 (MGS) Limited | 08290840          | 5 Albany Courtyard, Piccadilly,<br>London, W1J 0HF |
| KCC Nominee 2 (MGS) Limited | 08291908          | 5 Albany Courtyard, Piccadilly,<br>London, W1J 0HF |

## **SCHEDULE 2: DETAILS OF SECURITY ASSETS**

### **Part 1: Real Property**

| <b>Registered land</b> |                |                            |                     |
|------------------------|----------------|----------------------------|---------------------|
| <b>Chargor</b>         | <b>Address</b> | <b>Administrative Area</b> | <b>Title number</b> |
|                        |                |                            |                     |



### SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To [Insert name and address of insurer]

Dated [◆] 20[◆]

Dear Sirs

RE: [DESCRIBE INSURANCE POLICIES] DATED [◆] 20[◆] BETWEEN (1) YOU AND (2) [◆] (THE "CHARGOR")

- 1 We give notice that, by a debenture dated [◆] 20[◆] (the "Debenture"), we have [assigned] to [◆] (the "Lender") all our present and future right, title and interest in and to the policies described above (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies
- 2 We irrevocably authorise and instruct you from time to time
  - (a) to disclose to the Lender at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Lender may from time to time request,
  - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Lender,
  - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Lender from time to time,
  - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction), and
  - (e) to send copies of all notices and other information given or received under the Policies to the Lender
- 3 We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Lender's interest as first loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above
- 4 We are not permitted to receive from you, otherwise than through the Lender, any amount in respect of or on account of the sums payable to us from time to time under the Policies [in excess of £[◆]] or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Lender
- 5 This notice may only be revoked or amended with the prior written consent of the Lender
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that

- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice,
- (b) you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Lender promptly if you should do so in future,
- (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Lender, and
- (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without prior notification to the Lender

7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law

Yours faithfully

\_\_\_\_\_  
for and on behalf of  
[Name of Chargor]

[On copy]

To [◆ ]  
as Lender  
[ADDRESS]

Copy to [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms We confirm and agree to the matters set out in paragraph [6] in the above notice

\_\_\_\_\_  
for and on behalf of  
[◆ ]

Dated [◆ ] 20[◆]

EXECUTION PAGES

THE CHARGORS

Executed as a deed, but not delivered until the )  
first date specified on page 1, by KCC )  
NOMINEE 1 (MGS) LIMITED acting by: )

Director

Director Name

AUBYN JAMES SUGDEN PROWER

Witness signature

Witness name.

SHARON ALLEN

Witness address

Executed as a deed, but not delivered until the )  
first date specified on page 1, by KCC )  
NOMINEE 2 (MGS) LIMITED acting by )

Director

Director Name

AUBYN JAMES SUGDEN PROWER

Witness signature

Witness name

SHARON ALLEN

Witness address

**THE LENDER**

Signed by \_\_\_\_\_ for )  
and on behalf of **BARCLAYS BANK PLC** )  
\_\_\_\_\_ )

Signature \_\_\_\_\_

**Address:**

Barclays Bank PLC  
6th Floor  
PO Box 3333  
One Snowhill  
Snowhill Queensway  
Birmingham  
B3 2WN

**Facsimile No:** 0121 480 5513

**Attention:** Chris Parker