



**Registration of a Charge**

Company Name: **PREMIER BIKES (DIDCOT) LTD**

Company Number: **08505313**



XC3B85U8

Received for filing in Electronic Format on the: **11/05/2023**

**Details of Charge**

Date of creation: **04/05/2023**

Charge code: **0850 5313 0007**

Persons entitled: **MERINO MANAGEMENT LTD (AS SECURITY TRUSTEE)**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **STEVENS & BOLTON LLP**



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

Company number: 8505313

Charge code: 0850 5313 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th May 2023 and created by PREMIER BIKES (DIDCOT) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th May 2023 .

Given at Companies House, Cardiff on 15th May 2023

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



**Companies House**



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

# STEVENS & BOLTON

DATED 4 MAY 2023

**(1) PREMIER BIKES (DIDCOT) LTD (AS THE COMPANY)**

**(2) MERINO MANAGEMENT LTD (AS THE SECURITY TRUSTEE)**

## DEBENTURE

This Debenture is subject to the terms of the Intercreditor Deed as referred to in this Debenture

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THIS DEBENTURE is made on **4 May** 2023 between:

- (1) **PREMIER BIKES (DIDCOT) LTD**, a private limited company incorporated in England and Wales with company number 08505313 and whose registered office is at Corner House Garage, Wootton, Abingdon, OX13 6BS (the "**Company**"); and
- (2) **MERINO MANAGEMENT LTD**, a private limited company incorporated in England and Wales with company number 07369689 and whose registered office is at Milestone House, Millbrook, Guildford, England, GU1 3YA, acting in its capacity as security trustee for the Secured Parties (the "**Security Trustee**").

IT IS AGREED AS FOLLOWS:

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

Unless otherwise provided in this Debenture, terms defined in the Loan Note Instrument shall have the same meaning where used in this Debenture. In addition, in this Debenture, unless the context otherwise requires, the following words shall have the following meanings:

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

**Charged Assets** means all the property, undertaking and assets of the Company for the time being subject to the Security created by this Debenture (and references to the Charged Assets include references to any part of them);

**Delegate** means any delegate, agent, attorney or co-trustee appointed by the Security Trustee;

**Floating Charge Assets** means all the assets for the time being subject to the floating charge created by this Debenture (and references to the Floating Charge Assets include references to any part of them);

**Guarantor** means Premier Bikes (Didcot) Ltd, a private limited company incorporated in England and Wales with registered number 08505313 and whose registered office is at Corner House Garage, Wootton, Abingdon, OX13 6BS, being the Guarantor as defined under the Loan Note Instrument;

**Intellectual Property Rights** means any present or future interests owned by the Company relating to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow 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 licences and all applications and rights to use such assets of the Company (which may now or in the future subsist);

**Intercreditor Deed** means the intercreditor deed to be entered into on or about the date of this Debenture between (1) Shawbrook Bank Limited (as Senior Lender as defined thereunder), (2) the persons named in therein as the Initial Noteholders, (3) the persons

named therein as the Vendors, (4) the Security Trustee, (5) the Company and (6) the Guarantor;

**Loan Note Instrument** means the instrument made on or about the date of this Debenture between the Loan Note Issuer and the Company (as Guarantor as defined thereunder) constituting the up to £300,000 in aggregate 11% Fixed Rate Guaranteed Secured Loan Notes 2028 to be issued by the Loan Note Issuer;

**Loan Note Issuer** means Delaine Limited, a private limited company incorporated in England and Wales with company number 14504411 and whose registered office is at Milestone House, Millbrook, Guildford, England, GU1 3YA;

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

**Obligor** means the Loan Note Issuer or the Company;

**Party** means a party to this Debenture;

**Permitted Security** means:

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Company;
- (b) any netting or set-off arrangement entered into by the Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (c) any payment or close out netting or set-off arrangement pursuant to any foreign exchange or hedging transaction entered into by the Company for the purpose of:
  - (i) hedging any risk to which any member of the Group is exposed in its ordinary course of trading; or
  - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,
 but excluding, in each case, any Security under a credit support arrangement in relation to a hedging transaction;
- (d) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;
- (e) any Security permitted under the terms of the Intercreditor Deed; and
- (f) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under paragraphs (a) to (e) above) does not exceed £25,000 (or its equivalent in any other currency or currencies);

**Real Property** means:

- (a) any freehold, leasehold or immovable property now or in the future owned by the Company or in which the Company has an interest from time to time; and

- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property;

**Receivables** means all actual or contingent book debts and other debts, receivables, rentals, royalties, fees, VAT, monetary claims and other amounts now and in the future due or owing to the Company, together with the benefit of all claims, rights, guarantees, security and remedies relating thereto and all proceeds of any of the foregoing;

**Receiver** has the meaning given to that term in Clause 9.3.1;

**Secured Obligations** means:

- (a) all present and future monies, liabilities and obligations of any kind which may now or at any time in the future be due, owing or incurred by the Company or any other Obligor to any Secured Party (in any currency or currencies, whether present or future, actual or contingent, and whether incurred solely or jointly, as principal or surety and/or in any other capacity) including, without limitation, under the terms of the Loan Note Instrument;
- (b) all costs, charges and legal expenses which the Company is liable to pay pursuant to Clause 12.2 of this Debenture; and
- (c) interest as set out in Clause 12.3;

**Secured Parties** has the meaning given to that term in the Security Trust Deed;

**Security** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**Security Trust Deed** means the security trust deed dated on or around the date of this Debenture and made between, among others, the Security Trustee and the Company;

**VAT** means:

- (a) any value added tax imposed by the VAT Act;
- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere; and

**VAT Act** means the Value Added Tax Act 1994.

## 1.2 Interpretation

1.2.1 In this Debenture (unless the context requires otherwise) any reference to:

- (a) the "**Company**", the "**Security Trustee**", any "**Secured Party**" or any other person shall be construed so as to include his or its personal representatives, successors in title, permitted assigns and permitted transferees;
- (b) "**assets**" includes any present and future properties, rights and revenues of every description;
- (c) an Event of Default is "**continuing**" if it has not been waived by a Special Resolution within the meaning of the Loan Note Instrument;
- (d) "**this Debenture**" or any other instrument, agreement or document shall be construed as a reference to this Debenture or other instrument, agreement or

document as amended, novated, supplemented, extended or restated (however fundamentally, including any amendment providing for any increase in the amount of any liability);

- (e) **"including"** or **"includes"** means including or includes without limitation and where the context permits, **"other"** and **"otherwise"** are illustrative and shall not limit the sense of the words preceding them;
- (f) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (g) **"owned"** includes having legal or equitable title to or a right to have legal or equitable title transferred;
- (h) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (i) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (j) **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Company;
- (k) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (l) a time of day is a reference to London time;
- (m) any gender includes a reference to the other genders;
- (n) the singular includes a reference to the plural and vice versa; and
- (o) the requirement or the consent (or cognate term) of the Security Trustee shall be deemed to be in the absolute discretion of the Security Trustee except where expressed to be otherwise.

1.2.2 Clause headings are for ease of reference only.

1.2.3 References in this Debenture to the **"Secured Obligations"** include obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Company. In addition, references in this Debenture to the **"Secured Obligations"** shall be construed so as to include (i) any increase or reduction in any amount due, owing or incurred by any Obligor to any Secured Party and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made to the Company, (iii) any rescheduling of any indebtedness due, owing or incurred by the Company or any other Obligor to any Secured Party, whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing.

1.2.4 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any loan agreement or side letters between the Company and any Secured Party are incorporated into this Debenture.

1.2.5 The Parties intend that this Debenture shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.



1.2.6 All security and dispositions made or created, and all obligations and undertakings contained, in this Debenture to, in favour of, or for the benefit of the Security Trustee are made, created and entered into in favour of the Security Trustee as security trustee for the Secured Parties from time to time on the terms of the Security Trust Deed.

1.2.7 The security constituted by this Debenture becoming “**enforceable**” shall mean that the security created under this Debenture has become enforceable under Clause 8.1.

### 1.3 **Intercreditor Deed**

The terms of this Debenture are subject in all respects to the terms of the Intercreditor Deed and the ranking and priority of the Security intended to be created or conferred on the Security Trustee by or pursuant to this Debenture shall be governed by and determined in accordance with the terms of the Intercreditor Deed. If there is any inconsistency between any of the provisions of this Debenture and the provisions of the Intercreditor Deed, the provisions of the Intercreditor Deed shall prevail.

## 2 **COVENANT TO PAY**

### 2.1 **Covenant to pay**

The Company hereby covenants with the Security Trustee, subject to the terms of the Intercreditor Deed, that it will pay and discharge the Secured Obligations from time to time owing or incurred from or by it to the Secured Parties when they fall due.

### 2.2 **Potential invalidity**

Neither the covenant to pay in Clause 2.1 nor the Security constituted by this Debenture shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

### 2.3 **Further advances**

This Debenture secures further advances made by any Secured Party from time to time.

## 3 **GRANT OF SECURITY**

### 3.1 **Legal mortgage**

The Company hereby charges to the Security Trustee by way of first legal mortgage all Real Property in which the Company holds an interest.

### 3.2 **Fixed charges**

The Company hereby charges to the Security Trustee by way of first fixed charge the following assets (wherever located) now or in the future vested in or belonging to the Company or in which it from time to time has an interest:

3.2.1 all other Real Property not effectively mortgaged or charged by Clause 3.1, together with all licences to enter upon or use such land and the proceeds of sale of all Real Property;

3.2.2 all plant, machinery, fixtures, fittings, furniture computers, vehicles, office equipment and other equipment not effectively mortgaged or charged by Clauses 3.1 or 3.2.1, and all rights, title and interest under any agreements, licences and warranties relating to any of the foregoing, including in respect of their purchase, lease, hire purchase or maintenance;

3.2.3 all goodwill and uncalled capital of the Company;

- 3.2.4 all stocks, shares, loan capital and other securities, all dividends, distributions and other income paid or payable upon the foregoing and all rights, money or property accruing or offered at any time in relation to the foregoing;
- 3.2.5 any money standing to the credit of any present or future account of the Company with a bank or financial institution;
- 3.2.6 all Intellectual Property Rights;
- 3.2.7 all Receivables;
- 3.2.8 any assets expressed to be assigned under Clause 3.4 which are not effectively assigned under Clause 3.4; and
- 3.2.9 the benefit of all agreements, licences, consents and authorisations relating to the business and/or assets of the Company not otherwise charged under this Clause or assigned under Clause 3.4.

### 3.3 **Floating charge**

The Company hereby charges to the Security Trustee by way of floating charge:

- 3.3.1 all the present and future undertaking, property, assets and rights of the Company (wherever located) not otherwise effectively mortgaged, charged or assigned pursuant to Clauses 3.1 and 3.2 above and Clause 3.4 below; and
- 3.3.2 all its assets situated in Scotland.

### 3.4 **Security assignments**

The Company hereby assigns to the Security Trustee by way of security all of its present and future right, title and interest in and to all insurance policies held by or in favour of the Company or in which the Company has an interest and all claims under and proceeds payable to the Company in respect of such insurance policies.

### 3.5 **Nature of security**

All security created pursuant to this Debenture is created in favour of the Security Trustee with full title guarantee (in accordance with the Law of Property (Miscellaneous Provisions) Act 1994) as continuing security for the payment of the Secured Obligations.

### 3.6 **Notices**

The Company shall promptly after a request by the Security Trustee give written notice to:

- 3.6.1 the relevant insurers of the assignment of the Company's rights and interest in and under its insurance policies pursuant to this Debenture, and/or
- 3.6.2 any bank, financial institution or other person with whom the Company has an account of the charging of the Company's rights and interests under such accounts, and, in each case, use its reasonable endeavours to procure that each addressee of such notice promptly provides an acknowledgement of the Security Trustee's interest to the Security Trustee. The Company shall obtain the Security Trustee's prior approval of the form of any notice or acknowledgement to be used under this Clause 3.6.

### 3.7 **Title documents**

- 3.7.1 Subject always to Clause 3.7.2 below and the terms of the Intercreditor Deed or any Senior Security Document (as defined under the Intercreditor Deed) entitling any other person to hold the same, the Company shall promptly after a request by the Security Trustee deposit with the Security Trustee (and the Security Trustee shall during the continuance of this security be entitled to hold):
  - (a) all deeds and documents of title relating to the Charged Assets as the Security Trustee may from time to time reasonably require; and

- (b) all certificates relating to the shares, securities and investments forming part of the Charged Assets and such instruments of transfer in blank and other documents as the Security Trustee may from time to time reasonably require.

3.7.2 This Clause 3.7 shall not apply for so long as the Senior Lender Liabilities (as defined in the Intercreditor Deed) are outstanding.

## 4 **CONVERSION OF FLOATING CHARGE**

### 4.1 **Conversion by notice**

Notwithstanding anything express or implied in this Debenture, if the Security Trustee considers (in its sole discretion) that any Floating Charge Assets are in jeopardy, the Security Trustee may at any time thereafter and as permitted by applicable law, by notice to the Company, convert the floating charge created by this Debenture with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the Company specified in such notice (but without prejudice to the Security Trustee's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Security Trustee whatsoever).

### 4.2 **Automatic conversion**

Notwithstanding anything express or implied in this Debenture (save as set out under Clause 4.4 below), and without prejudice to any law which may have similar effect, if:

- 4.2.1 the Company creates or attempts to create any Security (other than any Permitted Security) or any trust in favour of another person over any Floating Charge Asset;
- 4.2.2 the Company disposes or attempts to dispose of any Floating Charge Asset other than in the ordinary course of its trading; or
- 4.2.3 a receiver is appointed over all or any of the Floating Charge Assets or an administrator is appointed in respect of the Company or the Security Trustee receives notice of an intention to appoint such an administrator,

the floating charge created by this Debenture will automatically and immediately (without notice) be converted into a fixed charge over all the Floating Charge Assets or, in the case of Clauses 4.2.1 and 4.2.2, over the relevant Floating Charge Asset.

### 4.3 **Assets acquired after floating charge conversion**

Any asset acquired by the Company after any conversion into a fixed charge of the floating charge created under this Debenture which, but for such conversion, would be subject to a floating charge, shall be charged to the Security Trustee by way of first fixed charge.

### 4.4 **Moratorium**

Unless section A52(4) Insolvency Act 1986 allows, the floating charge created by this Debenture may not be converted into a fixed charge solely by reason of:

- 4.4.1 the obtaining of a moratorium; or
- 4.4.2 anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),
- 4.4.3 under Part A1 Insolvency Act 1986.

## 5 **REPRESENTATIONS AND WARRANTIES**

The Company represents and warrants to the Security Trustee on the date of this Debenture as follows:

### 5.1 **Ownership of Charged Assets**

The Company is the sole legal and beneficial owner of all of the Charged Assets except as permitted under the terms of the Loan Note Documents.

### 5.2 **No Security**

The Charged Assets are not subject to any Security other than Permitted Security.

### 5.3 **Avoidance of security**

No Security expressed to be created pursuant to this Debenture is liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise.

## 6 **COVENANTS**

### 6.1 **Negative Pledge**

The Company shall not except for any Permitted Security, or as permitted by the Intercreditor Deed or with the prior consent of the Security Trustee:

- 6.1.1 create or purport to create or permit to subsist any Security on or in relation to the Charged Assets;
- 6.1.2 (other than any Floating Charge Assets in the ordinary course of its trading) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of any interest in any Charged Assets; or
- 6.1.3 create or grant any interest in the Charged Assets in favour of a third party.

### 6.2 **Land Registry restriction**

6.2.1 The Company consents to an application being made by the Security Trustee to the Land Registrar for the following restriction to be registered against its title to any Real Property charged pursuant to this Debenture.

"No disposition of the registered estate by the proprietor of the registered estate is to be registered or noted 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, if appropriate, signed on such proprietor's behalf by its conveyancer".

- 6.2.2 The Security Trustee covenants with the Company that it shall perform its obligations to make advances under any loan or facility agreement entered into between the Security Trustee and the Company (including any obligation to make available further advances).
- 6.2.3 If the title to any Real Property is not registered at the Land Registry, the Company shall ensure that no person (other than itself or any other person to the extent contemplated by the Intercreditor Deed) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of such Real Property, without the prior written consent of the Security Trustee.

### 6.3 **Protection of Charged Assets**

6.3.1 The Company shall not without the prior written consent of the Security Trustee or except as permitted under the terms of the Intercreditor Deed or any Loan Note Document:

- (a) do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Debenture; or

- (b) enter into any onerous or restrictive obligations affecting the whole or any part of the Charged Assets or create or permit to arise any overriding interest, easement or right in or over the whole or any part of any Real Property which, in each case, would jeopardise or otherwise materially prejudice the security held by the Security Trustee or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Debenture.

6.3.2 The Company shall comply in all material respects with all obligations under any law, regulation, order or instrument at any time applicable to the Charged Assets if failure to so comply would jeopardise or otherwise materially prejudice the security held by the Security Trustee or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Debenture.

#### 6.4 **Receivables**

The Company shall not, except as permitted under the terms of the Intercreditor Deed, or any Loan Note Document or as otherwise agreed by the Security Trustee from time to time, release, exchange, compound, set-off, charge, assign, sell, factor, discount, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Receivables.

### 7 **POWER TO REMEDY**

If the Company fails to perform any of its obligations under this Debenture, the Security Trustee may (without the prejudice to any of its other rights under this Debenture) take any such action as it may deem appropriate to remedy such failure (including taking out or renewing insurance or effecting repairs) and may recover the expenses so incurred from the Company on demand, and the exercise of such rights by the Security Trustee shall not render it liable as mortgagee in possession. The Company irrevocably authorises the Security Trustee to do all such things (including entering the Real Property) as are necessary or desirable for that purpose.

### 8 **POWERS OF THE SECURITY TRUSTEE AND ENFORCEMENT**

#### 8.1 **Enforcement**

8.1.1 This Debenture shall become immediately enforceable if:

- (a) the Company or any other Obligor fails in making due payment of any of the Secured Obligations at any time;
- (b) an Event of Default occurs and is continuing;
- (c) the floating charge created by this Debenture shall be converted into a fixed charge in respect of any assets mortgaged, charged and/or assigned pursuant to any such Security Document; or
- (d) any step is taken in relation to the appointment of a liquidator, administrator, receiver, administrative receiver or similar officer or a moratorium, winding-up or voluntary arrangement in respect of the Company or any other Obligor.

8.1.2 When this Debenture is enforceable, the power of sale and other powers conferred by section 101 of the LPA will be immediately exercisable without the restrictions contained in the LPA as to the giving of notice or otherwise with respect to the whole or any part of the Charged Assets. After the security constituted by this Debenture

has become enforceable, the Security Trustee may (in its absolute discretion) enforce all or any part of the security in any manner it sees fit.

## 8.2 **Secured Obligations deemed due**

For the purposes of all powers implied by statute, the Secured Obligations will be deemed to have become due and payable on the date of this Debenture, and sections 93, 103 and 109 of the LPA shall not apply.

## 8.3 **Statutory powers**

The statutory powers of leasing conferred on the Security Trustee will be extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases, vary or reduce sums payable under leases and grant options as the Security Trustee may think fit and without the need to comply with sections 99 and 100 of the LPA.

## 8.4 **Prior Security**

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

8.4.1 redeem any prior Security, or procure its transfer to itself; and

8.4.2 settle any account of the holder of any prior Security.

The settlement of any such account shall be conclusive and binding on the Company. All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Company to the Security Trustee on demand.

## 8.5 **Right of appropriation**

To the extent that any of the Charged Assets constitute "financial collateral", and this Debenture and the obligations of the Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), the Security Trustee and any Receiver or Delegate shall have the right, at any time after the security constituted by this Debenture has become enforceable, to appropriate all or any of those Charged Assets in or towards the payment and/or discharge of the Secured Obligations in such order as the Security Trustee or any Receiver or Delegate in its absolute discretion may from time to time determine. The value of any Charged Assets appropriated in accordance with this Clause shall be the price of those Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Trustee or any Receiver or Delegate may reasonably select. The Company agrees that the methods of valuation provided for in this Clause are commercially reasonable.

# 9 **ADMINISTRATOR, RECEIVER, LIABILITY**

## 9.1 **Appointment of administrator**

At any time after the security created pursuant to this Debenture has become enforceable, the Security Trustee shall be entitled to appoint an administrator under paragraph 14 of Schedule B1 to the Insolvency Act 1986.

## 9.2 **Qualifying floating charge**

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

### 9.3 Powers of the Security Trustee

At any time after the security created pursuant to this Debenture has become enforceable or at the request of the Company, the Security Trustee may:

- 9.3.1 appoint any person or persons to be a receiver or an administrative receiver (if permissible) or a receiver and manager or receivers and managers of all or any part of the Charged Assets and/or of the income of the Charged Assets ("**Receiver**"); and
- 9.3.2 exercise any of the powers conferred on mortgagees by the LPA (as amended or extended by this Debenture) and/or any of the powers that are conferred by this Debenture on a Receiver (in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver),

and for these purposes the Company authorises the Security Trustee to opt to charge VAT under schedule 10 paragraph 2(1) of the VAT Act on behalf of the Company in respect of the Real Property.

### 9.4 Remuneration of Receiver/agent of Company

- 9.4.1 The Security Trustee may from time to time determine the remuneration of the Receiver and may remove the Receiver and appoint another in his place. If at any time there is more than one Receiver of all or any part of the Charged Assets or the income of the Charged Assets, each Receiver shall have the power to act individually.
- 9.4.2 Any Receiver shall be the Company's agent and the Company alone shall be responsible for his acts and omissions and for his remuneration.
- 9.4.3 Any exercise of powers by a Receiver may be on behalf of the Company, the directors of the Company or the Receiver.

### 9.5 Powers of Receiver

Any Receiver appointed by the Security Trustee shall have the powers set out in the LPA and in Schedule 1 to the Insolvency Act 1986, the powers which are conferred on the Security Trustee under this Debenture, all powers conferred by any other law conferring powers on receivers, and the power to do each of the following matters:

- 9.5.1 to take possession of, collect and get in all or any part of the Charged Assets and/or the income thereon and for that purpose to take any proceedings in the Company's name or otherwise as he shall think fit;
- 9.5.2 to carry on or concur in carrying on the Company's business and manage the Charged Assets;
- 9.5.3 to borrow and raise money and to redeem any existing Security on the security of all or any part of the Charged Assets;
- 9.5.4 to sell, let and/or terminate or otherwise dispose of or to accept surrenders of leases or tenancies of or to grant options and licences over, all or any part of the Charged Assets, in such manner and on such terms as he thinks fit;
- 9.5.5 to take, continue or defend any proceedings and enter into any agreement, arrangement or compromise which the Security Trustee or he shall think fit in respect of the Charged Assets and/or the income thereon;
- 9.5.6 to make and effect all repairs, improvements and alterations to the Charged Assets and to insure such assets as he thinks fit;
- 9.5.7 to appoint such managers, officers, agents and professional advisers as he shall think fit, at such salaries as the Receiver may determine;
- 9.5.8 to sever and sell separately any fixtures or fittings from any Real Property without the consent of the Company;

- 9.5.9 to call up any of the Company's uncalled capital;
- 9.5.10 to promote the formation of a subsidiary company or companies of the Company, so that such subsidiary may purchase, lease, license or otherwise acquire interests in all or any part of the Charged Assets;
- 9.5.11 to operate any rent review clause in respect of any Real Property in relation to which he was appointed and to apply for any new or extended lease;
- 9.5.12 to give valid receipts for all monies;
- 9.5.13 to make such VAT options in relation to any Real Property as he thinks fit;
- 9.5.14 to exercise in relation to each Charged Asset all powers and rights as he would be capable of exercising if he were the absolute owner of such Charged Asset; and
- 9.5.15 to do all other acts and things which he may consider to be incidental or conducive to any of the above powers or which he considers to be necessary or desirable for the realisation of any Charged Asset, and to use the name of the Company for any of the above purposes.

#### 9.6 **Application of proceeds**

Any moneys received under this Debenture shall be applied:

- 9.6.1 **first**, in satisfaction of all costs, charges and expenses properly incurred and payments properly made by the Security Trustee or the Receiver and of the remuneration of the Receiver;
- 9.6.2 **secondly**, in or towards satisfaction of the Secured Obligations in accordance with order set out in Clause 3 (*Application of proceeds*) of the Security Trust Deed; and
- 9.6.3 **thirdly**, the surplus (if any) shall be paid to the Company or to any other person or persons entitled to it.

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

#### 9.7 **Suspense account**

All monies received by the Security Trustee or any Receiver under or in connection with this Debenture (including monies received at a time when no amounts are due in respect of the Secured Obligations) may at the discretion of the Security Trustee or such Receiver be credited to a suspense account for so long as the Security Trustee or the Receiver thinks fit without the Security Trustee or Receiver having any obligation to apply such monies or any part of them in or towards the discharge of any of the Secured Obligations.

#### 9.8 **No liability**

- 9.8.1 Neither the Security Trustee nor any Receiver shall be liable in respect of the Charged Assets or any part thereof, or for any loss or damage arising out of the exercise or the attempted or purported exercise of any of its powers or the failure to exercise any of its powers, or for any other reason whatsoever, and whether as mortgagee in possession or on any other basis.
- 9.8.2 Notwithstanding any of the provisions of this Debenture, the Company shall remain liable to perform all obligations assumed by it in relation to the Charged Assets, and neither the Security Trustee nor any Receiver shall be obliged to perform any such obligation or make any payment in respect thereof.

#### 9.9 **No duty to enquire**

No purchaser or other person shall be obliged or concerned to enquire:

- 9.9.1 whether the Secured Obligations have become payable;



- 9.9.2 whether any right of the Security Trustee or any Receiver to exercise any of its powers has arisen or become exercisable or not;
- 9.9.3 whether any sums remain due from the Company to the Security Trustee;
- 9.9.4 how any money paid to the Security Trustee or a Receiver is to be applied, or
- 9.9.5 as to the propriety of the exercise or purported exercise of such powers.

**9.10 Conclusive discharge to purchasers**

The receipt of the Security Trustee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee and every Receiver may do so for such consideration, in such manner and on such terms as it or he thinks fit.

**9.11 Moratorium**

Unless section A52(4) Insolvency Act 1986 allows, the Security Trustee is not entitled to appoint a Receiver solely by reason of:

- 9.11.1 the obtaining of a moratorium; or
- 9.11.2 anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),
- 9.11.3 under Part A1 Insolvency Act 1986.

**10 FURTHER ASSURANCE**

- 10.1 The Company shall, at its own expense, immediately do all acts and execute all documents as the Security Trustee or a Receiver may reasonably specify (and in such form as the Security Trustee or a Receiver may reasonably require) for:

- 10.1.1 creating, perfecting or protecting the security intended to be created by this Debenture;
- 10.1.2 facilitating the realisation of any Charged Asset;
- 10.1.3 facilitating the exercise of any rights, powers and remedies exercisable by the Security Trustee or any Receiver in respect of any Charged Asset or under this Debenture; and
- 10.1.4 creating and perfecting security in favour of the Security Trustee over any property and assets of the Company located in any jurisdiction outside England and Wales.

- 10.2 The action that may be required under Clause 10.1 above includes (without limitation):

- 10.2.1 the re-execution of this Debenture;
- 10.2.2 the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property; and
- 10.2.3 the giving of any notice, order or direction and the making of any filing or registration, which, in any such case, the Security Trustee or a Receiver may think expedient.

**11 POWER OF ATTORNEY**

The Company by way of security irrevocably appoints the Security Trustee and any Receiver jointly and severally as its attorney, with full power of substitution and delegation, for it and in its name and on its behalf and as its act and deed or otherwise, to execute any documents and do any acts and things which the Company is required to execute and do under this Debenture, and/or which the attorney may deem necessary or desirable in exercising any of the powers, authorities and discretions conferred on the Security Trustee or any Receiver.

The Company ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause.

## **12 PAYMENTS, COSTS AND INDEMNITY**

### **12.1 Payments without deduction**

All amounts due by the Company to the Security Trustee pursuant to this Debenture shall be paid in full without any set-off, abatement, cross claim, deduction or withholding of any kind other than as required by law. If the Company is compelled by law to make any deduction or withholding from any sum payable under this Debenture the sum payable by the Company shall be increased to an amount which (after making any deduction or withholding) leaves an amount equal to the amount which would have been due if no any deduction or withholding had been required.

### **12.2 Indemnity**

The Company shall indemnify the Security Trustee for all costs, charges and legal expenses (on a full indemnity basis) charged or incurred by the Security Trustee or by any Receiver:

12.2.1 in connection with preparing, executing or enforcing this Debenture;

12.2.2 in exercising any power or any of its rights under this Debenture or any other security held by the Security Trustee from time to time;

12.2.3 as a result of or in connection with anything done or omitted to be done in the exercise or purported exercise of the powers contained in this Debenture;

12.2.4 as a result of or in connection with the Charged Assets or the use of occupation of them by any person; or

12.2.5 as a result of any breach by the Company of its obligations under this Debenture.

### **12.3 Interest**

The Company shall pay interest on any amounts due under this Debenture calculated day by day from demand until full discharge to the satisfaction of the Security Trustee (as well after as before judgment) at such rate as may from time to time have been agreed between the Security Trustee and the Company in relation thereto, and in default of such agreement at the rate of four per cent (4%) per annum above the Bank of England's published Bank Rate from time to time, provided that in relation to such costs, charges, expenses and remuneration as are mentioned in Clause 12.2, interest shall accrue and be payable as from the dates on which the same are incurred by the Security Trustee or by any such Receiver or become due to such Receiver under the terms of his appointment without the necessity for any demand being made for payment thereof.

## **13 NOTICES**

### **13.1 Communications in writing**

13.1.1 Any demand, notice, consent or communication to be made or given by or to the Company or the Security Trustee under or in connection with this Debenture shall be made in writing and, unless otherwise stated, may be made by letter or e-mail.

13.1.2 Any demand on the Company shall be validly made whether or not it contains an accurate statement of the amount of the Secured Obligations.

**13.2 Addresses**

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

13.2.1 in the case of the Company, that identified with its signature below; and

13.2.2 in the case of the Security Trustee, that identified with its signature below,

or any substitute address or e-mail address (or department or officer) as the Party may notify to the other Party by not less than five Business Days' notice.

**13.3 Delivery**

13.3.1 Any communication or document made or delivered by one Party to another Party under or in connection with this Debenture will only be effective:

(a) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or

(b) if by e-mail, when actually received in readable form,

and, if a particular department or officer is specified as part of its address details provided under Clause 13.2, if addressed to that department or officer.

13.3.2 Any communication or document which becomes effective, in accordance with Clause 13.3.1 above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following Business Day.

**14 GENERAL****14.1 Continuing and independent security**

This Debenture shall be:

14.1.1 a continuing security to the Security Trustee and shall extend to the ultimate balance of the Secured Obligations, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part, and secures present and future advances from time to time;

14.1.2 without prejudice and in addition to any other security for the Secured Obligations (whether by way of mortgage, equitable charge or otherwise) which the Security Trustee may hold now or hereafter on all or any part of the Charged Assets;

14.1.3 in addition to any rights, powers and remedies at law available to the Security Trustee; and

14.1.4 enforceable against the Company without the Security Trustee first having recourse to any other right, remedy, guarantee or security held by or available to it.

**14.2 New accounts**

If the Security Trustee receives notice of any subsequent charge or other interest affecting any part of the Charged Assets, the Security Trustee may open a new account for the Company. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received notice, and as from that time all payments made by the Company to the Security Trustee shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Company to the Security Trustee at the time when it received notice as specified above.

**14.3 Delay**

No failure or delay by the Security Trustee in the exercise of any of its rights under this Debenture or at law shall operate or be construed as a waiver. No waiver of any of the Security Trustee's rights shall preclude any further or other exercise of that right or of any other right.

**14.4 Indulgence**

The Security Trustee may give time or other indulgence, or make any other arrangement, variation or release with any person in respect of the Secured Obligations, and the Company may enter into any other security or guarantee for the Secured Obligations, in each case without derogating from the Company's liabilities or the Security Trustee's rights under this Debenture.

**14.5 Liability not discharged**

The Company's liability under this Debenture in respect of the Secured Obligations shall not be discharged, prejudiced or affected by any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is or becomes wholly or partially illegal, void or unenforceable on any ground, or any other act or omission which but for this Clause might have discharged, or otherwise prejudiced or affected the liability of the Company.

**14.6 Avoidance of payments**

If the Security Trustee considers that an amount paid to it may be avoided or otherwise set aside on the liquidation or administration of the Company then that amount shall not be considered to have been irrevocably paid for the purposes of this Debenture. Any release, discharge or settlement between the Company and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee in respect of the Secured Obligations being avoided, reduced or ordered to be refunded pursuant to any law, and despite any such release, discharge or settlement the Security Trustee may retain this Debenture and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Assets, for such period as the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund.

**14.7 Waiver of set-off rights by Company**

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

**14.8 Delegation**

The Security Trustee may delegate in any manner to any person, any right, power or discretion exercisable by it under this Debenture upon any terms which it may think fit. The Security Trustee shall not be in any way liable or responsible for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate.

**14.9 Perpetuity Period**

If the rule against perpetuities applies to any trust created by this Debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

**14.10 Certificates**

Any certificate of or determination by the Security Trustee specifying the amount of any Secured Obligations due from the Company shall be, in the absence of manifest error, conclusive evidence against the Company of the matters to which it relates.

**14.11 Trustee Act 2000**

The Company and the Security Trustee agree that the Security Trustee shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

**14.12 Amendments**

The provisions of this Debenture may be amended only if the Security Trustee and the Company so agree in writing and any breach of this Debenture may be waived only if the Security Trustee so agrees in writing.

**15 PARTIAL INVALIDITY**

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability 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.

**16 THIRD PARTY RIGHTS**

No provision of this Debenture shall be enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person (except any Receiver or Delegate) who is not a Party. Notwithstanding any term of this Debenture, the consent of any person who is not a Party is not required to rescind or vary this Debenture at any time.

**17 ASSIGNMENT AND TRANSFER**

**17.1 Assignment by the Security Trustee**

The Security Trustee may assign or transfer the whole or any part of the Security Trustee's rights and/or obligations under this Debenture to any person without the consent of the Company. The Company shall promptly upon request by the Security Trustee enter into such documents as may be necessary or desirable to effect such assignment or transfer.

**17.2 Assignment by the Company**

The Company may not assign any of its rights, or transfer any of its obligations, under this Debenture or enter into any transaction which would result in any of those rights or obligations passing to another person.

**18 COUNTERPARTS**

This Debenture 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 Debenture.

**19 GOVERNING LAW**

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

## 20 JURISDICTION


- 20.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "**Dispute**").
- 20.2 The Company and the Security Trustee agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly that neither will argue to the contrary.

**Executed as a deed and delivered on the date set out at the beginning of this document.**

## EXECUTION PAGE TO DEBENTURE


### THE COMPANY

EXECUTED as a DEED by **PREMIER** )  
**BIKES (DIDCOT) LTD** acting by the )  
director named opposite in the presence )  
of the witness identified below: )  
)

  
(Director Signature)

Name: Mark Colley

Title: Director

  
(Witness Signature)

Witness Name: **Zip Jila**


Witness Address: 

Witness Occupation: **Solicitor**

Witness Confirmation: I confirm that I was physically present when the individual named above signed this Debenture

Company's address details for the purposes of this Debenture:

Address: Corner House Garage, Wootton, Abingdon, OX13 6BS

E-mail: 

Attention: Mark Colley

## EXECUTION PAGE TO DEBENTURE

### THE SECURITY TRUSTEE

EXECUTED as a DEED by **MERINO** )  
**MANAGEMENT LTD** acting by the )  
director named opposite in the presence )  
of the witness identified below: )  
)



(Director Signature)

Name: Mark Colley

Title: Director



(Witness Signature)

**Zip Jila**

Witness Name:

Witness Address:



Witness Occupation: **Solicitor**

Witness Confirmation: I confirm that I was physically present when the individual named above signed this Debenture

Security Trustee's address details for the purposes of this Debenture:

Address: Milestone House, Millbrook, Guildford, England, GU1 3YA

E-mail:



Attention: Mark Colley