

MR01

Particulars of a charge



Companies House

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

You can use the WebFiling service to file this form online.
Please go to 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 MR01

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form must be delivered to the Registrar for registration
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
scanned and placed on the public record

SATURDAY



A2EFN0QZ

A09

10/08/2013

#154

COMPANIES HOUSE

1 Company details

Company number ☒ 0 8 5 9 8 4 3 0

Company name in full ☒ East Farm Ventures Limited

For official use

1

→ **Filling 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 ☒ 0 6 / 0 8 / 2 0 1 3

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 ☒ Daniel Bernard Rooke

Name ☒ Penelope Jane Rooke

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

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4	Description	
Description	<p>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</p> <p>- all estates and interests in all Property (including covenants, rights, claims and guarantees and the benefit of all easements)</p> <p>- 'Property' means any freehold and/or leasehold land and buildings from time to time owned or occupied by East Farm Ventures Limited</p>	<p>Continuation page Please use a continuation page if you need to enter more details</p>
5	Fixed charge or fixed security	
✓	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
6	Floating charge	
/	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> Yes</p>	
7	Negative Pledge	
)	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	

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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

Hermanns Smith LLC

X

Solicitors for the chargees.

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

MRO1

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
Joshua Beavers

Company name
Henmans Freeth LLP

Address
5000 Oxford Business Park South

Post town
Oxford

County/Region
Oxfordshire

Postcode
OX4 2BH

Country
United Kingdom

DX
45418 COWLEY

Telephone
01865 781000



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 or email 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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number' 8598430

Charge code: 0859 8430 0001


The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th August 2013 and created by EAST FARM VENTURES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th August 2013.

Dt.

Given at Companies House, Cardiff on 14th August 2013



We certify this to be a true copy of the original
Henmans Freeth LLP Date 08/08/2013


Tom WALKER
SOLICITOR.

Debenture

- (1) East Farm Ventures Limited
- (2) Daniel Bernard Rooke
- (3) Penelope Jane Rooke

Dated 6th August 2013

This **Debenture** is made on the

6th

day of

August

2013

Between:

- (1) **East Farm Ventures Limited** a company incorporated and registered in England and Wales with company number 08598430 whose registered office is at 186 High Street, Winslow, Buckingham, Buckinghamshire MK18 3DQ (the **Company**)
 - (2) **Daniel Bernard Rooke** of Coldharbour Cottage, Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QE (**Mr Rooke**);
 - (3) **Penelope Jane Rooke** of Coldharbour Cottage, Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QE (**Mrs Rooke**),
- (Mr and Mrs Rooke each a **Mortgagee**, together the **Mortgagees**)

1 Interpretation

1.1 In this deed the following expressions have the following meanings

Administrator	an administrator appointed under the Insolvency Act 1986
Business	the business or businesses and operations carried on by the Company from time to time
Business Day	a day (not being a Saturday or a Sunday) on which clearing banks are open for general banking business in London
Charged Property	the assets and undertaking charged or assigned by clause 3
D and P	D and P Luxury-Toilets Limited, a company incorporated and registered in England and Wales with company number 05969071 whose registered office is at Coldharbour Cottage, Off Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QG
Encumbrance	includes any mortgage, charge (fixed or floating), pledge, lien and any other arrangement or interest (whether by way of assignment, trust, title retention or otherwise) which has the effect of creating security or payment priority
Environment	the natural and man-made environment and all or any of air, water and land, including air within buildings and air within other natural or man-made structures above or below ground
Environmental Law	all laws, regulations, directives, statutes, subordinate legislation, common law and other national and local laws, judgments, orders, instructions or awards of any court or

	competent authority and all codes of practice and guidance notes which relate to the Environment or human health or the health of animals or plants
Expenses	all expenses (on a full indemnity basis) incurred by an Administrator of the Company in carrying out his statutory functions and that Administrator's remuneration, and (b) all expenses (on a full indemnity basis) including legal and valuation fees, from time to time paid or incurred by the Mortgagee or any Receiver at any time in connection with the Charged Property or the Obligations or in taking, perfecting or enforcing this deed or in exercising any right or power under this deed or otherwise together with VAT upon such expenses where appropriate and Interest from the date they are incurred
Interest	interest at the rate of 4% per annum above the base lending rate of HSBC Bank plc from time to time
Lease	any letting, underlease or sub-lease and any tenancy, licence or other agreement for possession or occupation
Licences	all licences, consents, certificates, registrations, permits or other similar matters required in connection with the Company's property, assets, undertaking and the Business
Loan Notes	the Guaranteed Secured Loan Notes 2018 created by the Company and guaranteed by D and P pursuant to the Loan Note Instrument
Loan Note Instrument	the Loan Note Instrument dated on or around the date of this Debenture creating the Loan Notes
Noteholders	the registered holders for the time being of the Loan Notes, the Mortgagees are the first Noteholders
Obligations	<p>(a) all the Company's obligations and liabilities to the Mortgagees or other Noteholders of any kind (whether present or future, actual or contingent and whether as principal or surety or incurred alone or jointly with another) including, without limitation all other sums covenanted to be paid by the Company in this Debenture</p> <p>(b) all the obligations and liabilities of the Company (as buyer) to the Mortgagees (as sellers of the shares in D and P) under</p>

	the Share Purchase Agreement, (whether present or future, actual or contingent) including, without limitation, the due and punctual payment of each Variable Consideration Instalment
Planning Acts	any legislation, directions, notices, bye-laws from time to time in force relating to town and country planning, building and construction
Property	any freehold and/or leasehold land and buildings from time to time owned or occupied by the Company
Receiver	any person appointed as receiver, administrative receiver, manager or receiver and manager
Relevant Currency	in relation to each of the Obligations and Expenses the currency in which it is from time to time expressed
Rents	all rents, profits, income, fees and other sums at any time payable to the Company by any lessee, tenant, licensee or other occupier of the Charged Property except any sums payable in respect of services or insurance provided by the Company
Share Purchase Agreement	a Share Purchase Agreement dated on or around the date of this Debenture under which the Mortgagees sell the entire issued share capital of D and P for consideration which is partly satisfied by the issue of the Loan Notes and which is partly Variable Consideration as defined within such Share Purchase Agreement
Subsidiary Undertaking	has the meaning given by section 1162 of the Companies Act 2006
Tax	any form of taxation, levy, duty, charge, contribution or impost (including any applicable fine, penalty, surcharge or interest) imposed by any local, municipal, governmental, state, federal or other fiscal, revenue, customs and/or excise authority, body or official anywhere in the world
VAT	value added tax or any other tax on added value or on turnover for the time being in force
Variable Consideration Instalment	as defined in the Share Purchase Agreement
Variable Consideration Period	as defined in the Share Purchase Agreement

1 2 In this deed, each reference to -

1 2 1 **Charged Property, Expenses, Obligations or Property** includes a reference to any part of them or it,

1 2 2 **Company** includes a reference to any person deriving title through the Company,

1.2.3 **Mortgagee** includes a reference to any person who claims any title or interest through the Mortgagee or any person to whom the business of the Mortgagee is transferred,

1 2 4 any document (including the Loan Note Instrument and this deed) or a provision of such document includes a reference to such document or provision as supplemented, varied or replaced from time to time,

1 2 5 freehold property includes a reference to property registered (or in the process of registration) as a freehold estate in commonhold land (whether in commonhold units or common parts);

1 2 6 a statutory provision includes a reference to any modification, consolidation or re-enactment of the provision from time to time in force and all subordinate instruments, order or regulations made under it,

1 2 7 the singular includes the plural and vice versa,

1 2 8 a person includes a body corporate, unincorporated association, government, state, partnership or trust (in each case, whether or not having separate legal personality); and

1 2 9 dispose includes charging, selling, leasing, assigning or transferring or agreeing to do any of the same, granting an option or similar right, creating a trust or other equitable interest or sharing or parting with possession or occupation

1.3 General words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things

1 4 Headings in this deed are for convenience only and shall not affect its interpretation

2 **Secured Liabilities**

The Company covenants to:-

2 1 discharge on demand from time to time all of the Obligations,

2 2 pay each the Variable Consideration Instalment during the Variable Consideration Period in accordance with the terms of the Share Purchase Agreement,

2 3 pay to the Mortgagees on demand from time to time the Expenses, and

- 2 4 pay to the Mortgagees on demand from time to time Interest on any amount payable under clauses 2.1, 2 2 and 2 3 from the date of demand

In the case of any of the Obligations which are not (but for this clause 2) due for discharge on demand, the Mortgagees shall not make demand before the due date

3 Security

As a continuing security for the discharge and payment of the Obligations and with full title guarantee, the Company

- 3 1 charges to the Mortgagees by way of legal mortgage all the Property now vested in or charged to the Company, including any Property specified in the Schedule and by way of fixed charge all estates and interests in any Property from time to time vested in or charged to the Company,
- 3 2 assigns to the Mortgagees the benefit of all covenants, rights, claims and guarantees relating to the Company's present and future Property or that Property's construction, use or title and the benefits of all easements serving or relating to such property, subject to reassignment on redemption,
- 3 3 charges to the Mortgagees by way of fixed charge all rights and interests in and claims under all policies of insurance and assurance now or in the future held, to be held or inuring to the Company's benefit and all rights and claims to which the Company is now or may in the future be entitled under any contracts,
- 3 4 charges to the Mortgagees by way of fixed charge all the plant, machinery, fixtures, fittings, vehicles, computers and equipment now and in the future belonging to the Company and assigns to the Mortgagees all right, title and interest of the Company under any agreements (present or future) relating to the purchase, lease or hire purchase of the same, subject to reassignment on redemption,
- 3 5 charges to the Mortgagees by way of fixed charge all the goodwill and uncalled capital of the Company present and future,
- 3 6 charges to the Mortgagees by way of fixed charge all shares, stock and other securities (whether certificated or uncertificated, represented as units or balance in an account within any clearing or settlement system) now and in the future belonging to the Company,
- 3.7 charges to the Mortgagees by way of fixed charge all intellectual property rights now and in the future belonging to the Company,
- 3 8 charges to the Mortgagees by way of fixed charge all present and future bank accounts, cash at bank and credit balances of the Company with the Mortgagees, any bank or any other person and all rights relating to or attaching to them, and
- 3 9 charges to the Mortgagees by way of floating charge all the undertaking and all property, assets and rights of the Company present and future wherever situate not from time to time subject to a mortgage, fixed charge or assignment under this deed

4 Floating Charge

- 4 1 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this deed
- 4 2 The Mortgagees may at any time by written notice to the Company convert the floating charge created by this deed into a fixed charge as regards any of the Charged Property specified in the notice and the floating charge created by this deed will, without notice from the Mortgagee, automatically be converted with immediate effect into a fixed charge
- 4 2 1 in respect of any Charged Property which becomes subject to a fixed charge in favour of any other person other than with the prior written consent of the Mortgagees,
- 4 2 2 in respect of any Charged Property charged under clause 3 9 if and when the Company ceases to carry on business as a going concern,
- 4 2 3 in respect of any Charged Property which is subject to any step by any third party to levy any distress, attachment, execution or other legal process on it, and
- 4 2 4 in respect of all the Charged Property on the making of an order for the compulsory winding up of the Company, on the convening of a meeting for the passing of a resolution for the voluntary winding up of the Company or taking of any step (including the making of an application or the giving of any notice) by the Company or any other person for the appointment of an administrator in respect of the Company
- 4 3 Any mortgage, fixed charge or other fixed security created by the Company in favour of the Mortgagees will have priority over the floating charge created by clause 3 9, unless the Mortgagees state otherwise on or after its creation.
- 5 Restrictions**
- 5 1 The Company will not without the Mortgagees' prior written consent -
- 5 1 1 create or permit to arise or continue any Encumbrance affecting the Charged Property or increase or extend any liability of the Company secured on any of the Charged Property,
- 5 1 2 dispose of the Charged Property charged by clauses 3.1 to 3 7 inclusive and clause 3 8 or, following crystallisation of the floating charge created by clause 3 9, the Charged Property charged by that clause,
- 5 1.3 dispose of the Charged Property charged by clause 3 9 other than in the ordinary course of, and for the purposes of, carrying on its business while the floating charge remains uncrystallised, or
- 5 1 4 grant or accept a surrender of any Lease, or part with or share possession or occupation of, its Property nor vary any Lease or reduce any sum payable under any such Lease nor enter into any onerous or restrictive obligations affecting its Property
- 5 2 The Company applies to the Chief Land Registrar to enter a restriction on the Register of Title of all present and future Property in the following terms "no disposition of the registered estate by the proprietor of the registered estate or

by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of Daniel Rooke and Penny Jane Rooke referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer"

6 Insurance

- 6 1 The Company will to the Mortgagees' reasonable satisfaction keep comprehensively insured for its full reinstatement cost plus VAT (due allowance being made for inflation during the period of insurance and reinstatement) all of the Charged Property which is of an insurable nature in such name and in such offices as the Mortgagees shall in writing approve and on such terms, for such amounts and of such types as would be effected by prudent companies carrying on business similar to the Company (including in respect of environmental pollution, subsidence and terrorism), and on terms requiring the insurers not to cancel the policy without giving at least 14 days' prior notice to the Mortgagees
- 6 2 If any part of the Charged Property is subject to a Lease, then the Company will also insure for three years loss of rent
- 6 3 The Company will have the policies of insurance of the Charged Property endorsed with notice of the Mortgagees' interest and will punctually pay when due all premiums payable in respect of any insurance of the Charged Property and, if required by the Mortgagees, will deliver to the Mortgagees evidence satisfactory to the Mortgagees of payment of such premiums together with a copy of the insurance policies
- 6 4 Subject to the provisions of any Lease of the Charged Property (and without prejudice to any obligation in the policy of insurance or to any other obligation having priority to the obligation imposed by this deed), the Company shall hold in trust for the Mortgagees all monies received by it under any insurance of the Charged Property and at the Mortgagees' option will apply the same in making good the relevant loss or damage or, if any of the Obligations shall have become due and payable, in or towards discharge of such Obligations and in the meantime will pay all such monies into such account as the Mortgagees may specify.
- 6 5 The Company covenants.-
- 6 5 1 to comply with the recommendations and requirements of the insurers, and
- 6 5.2 not to do or allow to be done anything on the Charged Property which might prejudicially affect any insurance policy
- 6 6 If the Company is required under any Lease to insure the Charged Property or to reimburse the landlord any insurance premiums -
- 6 6 1 if the Company fully complies with such requirements, the Company will be deemed to have complied with clauses 6 1 and 6 2 if such insurance, whether by the Company or by the landlord, extends to cover at least the risks required by the Mortgagees in at least the amounts specified in such clauses, and

6 6 2 the Company will on request from the Mortgagees from time to time produce satisfactory evidence of such insurance

6 7 If the Company defaults in its obligations under this clause 6 or at any time after the Mortgagees have demanded repayment of the Obligations or if the Company does not ensure that any landlord insures the Charged Property (where applicable) in accordance with clause 6 6, the Mortgagees or any Receiver may effect insurance as specified in this clause 6 without becoming liable to account as mortgagee in possession and the cost of so doing shall be an Expense

6 8 The Company shall notify the Mortgagees as soon as possible after an event has occurred which is likely to lead to a claim in excess of £25,000 being made under any insurance policy relating to the Charged Property

7 Undertakings by the Company

The Company undertakes with the Mortgagees

7 1 punctually to pay all rents, rates, Taxes, duties, assessments and other outgoings payable in respect of the Company's assets and property and on demand to produce to the Mortgagee the receipt for every such payment,

7 2 to observe and perform all covenants (positive and restrictive), conditions, permissions and stipulations from time to time affecting its Property;

7 3 to keep all buildings, gates, fences, drains, roads, pathways and other works on its property in good and substantial repair and all fixtures and fixed plant and equipment in working order and not to permit its property to suffer depreciation by neglect,

7 4 to permit the Mortgagees and their representatives to enter and view the state and condition of the Charged Property and on default by the Company to effect repairs (without the Mortgagees becoming liable to account as mortgagee in possession),

7 5 to comply with all applicable laws and regulations (including, without limitation, all environmental laws, legislation relating to public health, control and handling of hazardous substances or waste, fire precautions, health and safety at work, product safety and the Planning Acts),

7 6 not to remove or sever any fixed plant or fixture (except for the purpose of renewal or replacement by a fixture of equal or greater value),

7 7 not to make any change of use or carry out any structural or material alteration to any of its Property or do or permit to be done anything which is a "development" within the meaning of the Planning Acts without the prior written consent of the Mortgagees,

7 8 where the Charged Property comprises or is or becomes subject to any Lease, observe and comply with its obligations under and enforce the due observance and performance of all other persons under such Lease and promptly (as landlord) implement all rent reviews,

7 9 to inform the Mortgagees immediately on becoming contractually obliged to complete the purchase of any estate or interest in any Property after the date of this deed,

- 7 10 within 14 days of receiving any order, notice, proposal, demand or other requirement affecting the Charged Property from any competent authority (including any landlord) to give full particulars to the Mortgagees and deliver to the Mortgagees copies of such documents as it may require,
- 7 11 to comply with any requirements or recommendations of any fire officer or other inspector,
- 7 12 where applicable, proceed with and continue the construction of any building or alterations to any building on any of its freehold or leasehold property in a proper manner and with due diligence and to the full satisfaction of the Mortgagees and complete and fit out the same within such time as the Mortgagees shall require,
- 7 13 to collect in the ordinary course of business and in a proper and efficient manner all monies which it receives in respect of any policies of insurance, fees, royalties, income or book or other debts or any other of the rights and claims charged or assigned under clause 3;
- 7 14 to enforce the prompt payment of Rents and to ensure that any tenant, licensee or occupier of any of its property complies with all the terms of any Lease,
- 7.15 to promptly serve all notices and take all action necessary to ensure that all rent reviews imposed by any Lease relating to its property are quickly resolved and to achieve for the Company the best rent reasonably obtainable,
- 7 16 upon request of the Mortgagees from time to time to inform the Mortgagees in writing who is in occupation of each part of its property and upon what terms,
- 7 17 if any Charged Property is leasehold, immediately upon acquiring any extended Lease or the freehold or an interest in the freehold, if required by the Mortgagees, to execute as a deed at the Company's cost a legal charge in favour of the Mortgagees in such form as the Mortgagees may require over such additional interest as security for the Obligations,
- 7 18 to preserve and maintain all intellectual property rights owned or used by the Company,
- 7 19 to maintain the Company's centre of main interest (COMI) for the purposes of the EU Regulation on Insolvency Proceedings 2000 in the United Kingdom,
- 7 20 to take out, renew and maintain all Licences,
- 7 21 to notify the Mortgagees immediately if
 - 7.21.1 any creditor executes diligence against the Company or if any distress or execution is levied or enforced against the Company or any third party debt order or freezing order is made or served on the Company, or
 - 7 21 2 any steps (including the making of any application or the giving of any notice) are taken by any person (including the Company) in relation to the administration, receivership, winding up or dissolution of the Company,
- 7 22 to not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of its properties (or any part of its properties) or create or permit to arise any overriding interest as specified in

Schedule 1 or Schedule 3 to the Land Registration Act 2002 affecting any such properties,

7 23 to ensure that

7 23.1 the conduct of the Business, including the use, maintenance and operation of its Property and the receipt, storage, treatment, shipment, removal and disposal of waste, hazardous or toxic materials and other environmental contaminants, at all times complies with Environmental Law,

7 23 2 no hazardous or toxic materials, substances, pollutants, contaminants or wastes are at any time released into the Environment or deposited, discharged or disposed of at or near any of its property except in accordance with all permits or consents required by Environmental Law,

7 23 3 the Mortgagees are immediately informed in writing of the Company receiving or becoming aware of:-

(a) any notice of non-compliance with any Environmental Law,

(b) any notice which results or may result in a modification, suspension or revocation of any authorisation under any Environmental Law,

(c) any order imposing a responsibility or liability requiring any work, repair, construction or expenditure with respect to the Business or to the Charged Property or requiring remedial action; or

(d) any actual or threatened claim, order, proceeding or investigation in relation to any Environmental Law,

7.23 4 it takes such action as the Mortgagees shall require to prevent pollution or damage to the Environment and as soon as reasonably practicable after demand, to provide such specialist reports on Environmental matters as the Mortgagees shall reasonably require; and

7 24 generally not to do or cause or permit to be done anything to lessen the value or marketability of the Charged Property

8 Powers of the Mortgagees

8 1 The Mortgagees may without restriction grant or accept surrenders of Leases of the Charged Property or any part of it and grant or vary or reduce any sum payable under any Lease

8 2 Section 103 of the Law of Property Act 1925 shall not apply and the Mortgagees may exercise their power of sale and other powers under that or any other Act or this deed at any time after the date of this deed provided that the Mortgagees will not exercise any of such powers until payment of all or any part of the Obligations has been demanded or a Receiver has been appointed but this proviso will not affect a purchaser or put a purchaser upon inquiry whether such demand or appointment has been validly made

8 3 At any time after

- 8.3.1 any of the Loan Notes shall have become due and repayable to the Noteholders in accordance with the terms of the Loan Note Instrument,
- 8.3.2 any step or proceeding has been taken for the appointment of an Administrator, liquidator or provisional liquidator or with a view to seeking a moratorium or a voluntary arrangement in respect of the Company;
- 8.3.3 if requested by the Company;
- 8.3.4 breach or non-compliance by the Company of or with any of the provisions of this deed and which, if capable of remedy, is not remedied to the satisfaction of the Mortgagees (acting reasonably) within 10 Business Days of the date of the Company's receipt of a notice specifying the breach and requiring its remedy

the Mortgagees may appoint by writing, insofar as permitted by law, any person or persons to be a Receiver of all or any of the Charged Property or an Administrator or Administrators and the security created by this deed shall in any of such events become immediately enforceable

- 8.4 The Mortgagees may, to the extent permitted by law, remove a Receiver or Receivers from all or any of the Charged Property of which they are the Receivers, fix and pay the fees of a Receiver and substitute any Receiver, but any Receiver shall be the agent of the Company and the Company shall be solely responsible for the Receiver's acts, defaults and remuneration.
- 8.5 Once a Receiver is appointed, the Mortgagees will not be precluded from making any subsequent appointment of a Receiver over any Charged Property, whether or not any Receiver previously appointed continues to act
- 8.6 At any time after the security created by this deed shall have become enforceable in accordance with clause 8.3, all or any of the powers conferred by clause 9.1 may be exercised by the Mortgagees, whether as the Company's attorney or not, without first appointing a Receiver or notwithstanding any such appointment
- 8.7 The Mortgagees will not be liable to account to the Company as mortgagee in possession for any money not actually received by the Mortgagees and if the Mortgagees or any Receiver take possession of the Charged Property it or he may at any time relinquish such possession (whether it or he relinquishes such possession in whole or in part)
- 8.8 If the Company is in default of any of its obligations under this deed, the Mortgagees or any Receiver may perform such obligation and take such action as is necessary to make good the default without becoming liable to account as a mortgagee in possession and the cost of so doing shall be an Expense
- 8.9 Section 93(1) of the Law of Property Act 1925 shall not apply to this deed

9 Receivers and Administrators

- 9.1 Any Receiver appointed by the Mortgagees shall be a receiver and manager and shall, to the maximum extent possible, have the powers specified in

Schedule 1 to the Insolvency Act 1986 and the following powers exercisable upon such terms and conditions as he thinks fit

- 9 1 1 to take possession of and generally to manage the Charged Property,
- 9 1 2 to enter into, carry into effect, complete, deliver, perform, repudiate, rescind or vary any deed, contract or arrangement to which the Company is or is to be a party,
- 9 1 3 to carry out on any Property or on any other property which it may in his opinion be necessary or desirable to work upon, any new works or complete any unfinished works of building, reconstruction, maintenance, furnishing of equipment and to apply for and obtain all planning permissions, building regulation approvals and other permissions, consents or licences as may be necessary or desirable for such purposes and to effect and/or carry out any development, building or other works,
- 9.1 4 to purchase or acquire any land or other property and purchase, acquire, grant or release any interest in or right over land or other property and enter into, take or release the benefit of covenants (positive or restrictive) binding on or benefiting the Property;
- 9.1 5 to sell, lease, licence, surrender or accept surrenders of any Leases deal with or dispose of the Charged Property without restriction including power to dispose of any fixtures separately from the land;
- 9 1.6 to complete any transaction by executing deeds or documents in the name of or on behalf of the Company,
- 9 1 7 to insure the Charged Property and any works and effect indemnity insurance or other similar insurance and obtain bonds or give commitments, guarantees, indemnities and security,
- 9 1 8 to call up any uncalled capital of the Company with all the powers conferred by the Articles of Association of the Company in relation to calls,
- 9 1 9 to engage, rely on the advice of and dismiss advisers, consultants, officers, managers, agents, workmen and others,
- 9 1.10 to purchase materials, tools, equipment, goods or supplies;
- 9 1 11 to bring, continue or defend any claim, dispute, action or legal proceedings and enter into any arrangement or compromise,
- 9.1.12 to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- 9 1 13 to make any elections for VAT purposes; and
- 9 1 14 to do any other acts which he may consider to be incidental or conducive to any of his powers or to the realisation of the Charged Property

- 9 2 In the case of joint Receivers and Administrators any power may be exercised jointly or severally
- 9 3 Any moneys received under the powers conferred by this deed will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority
- 9 3 1 in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Mortgagees and/or the Receiver or Administrator including the remuneration of any Receiver or Administrator,
- 9 3 2 in or towards satisfaction of the Obligations as provided for in the Loan Note Instrument or otherwise in whatever order the Mortgagees may require;
- 9 3 3 as to the surplus (if any) to the person(s) entitled to it
- provided that the Receiver or Administrator may retain any moneys in his hands for so long as he thinks fit and the Mortgagee may, without prejudice to any other rights it may have at any time and from time to time place and keep for such time as the Mortgagees may think fit any moneys received, recovered or realised under or by virtue of this deed to or at a separate or suspense account to the credit either of the Company or of the Mortgagees as the Mortgagees think fit without any intermediate obligation on the Mortgagees' part to apply such moneys or any part of such moneys in or towards the discharge of the Obligations
- 9 4 Subject to clause 9 3, any moneys received or realised by the Mortgagees from the Company or a Receiver under this deed or any Administrator may be applied by the Mortgagee to any item of account or liability or transaction in such order or manner as the Mortgagees may determine
- 10 Protection of purchasers and power of attorney**
- 10 1 No purchaser or other person shall be obliged or concerned to see or enquire whether the right of the Mortgagees, any Receiver or any Administrator to exercise any of the powers conferred by this deed has arisen or become exercisable nor be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers
- 10 2 The receipt of the Mortgagees, any Receiver or any Administrator shall be an absolute discharge and the payer shall not be obliged to see the application of the monies paid to either of them
- 10 3 Neither the Mortgagees nor any Receiver shall be liable to the Company in respect of any loss or damage arising out of the exercise or the attempted, purported or failure to exercise any of their respective powers or arising out of any valuation or report relating to the Charged Property
- 10 4 The Company by way of security irrevocably appoints the Mortgagees and any Receiver or Administrator severally to be the attorney for the Company (with full power of substitution and delegation) in the Company's name and on the Company's behalf and as the Company's act and deed to sign or execute all such deeds, instruments and documents and do all such acts and things as

may be required by the Mortgagee or any Receiver or Administrator pursuant to this deed or the exercise of any of their powers

11 Appropriation, set-off and restriction

- 11 1 Subject to clause 11 2, the Mortgagees may apply all payments received in respect of the Obligations in or towards discharge of such part of the Obligations as provided for in the Loan Note Instrument or otherwise as the Mortgagees decide.
- 11 2 The Mortgagees may open a new account upon the Mortgagees receiving actual or constructive notice of any charge or interest affecting the Charged Property and whether or not the Mortgagees opens any such account no payment received by the Mortgagees after receiving such notice shall (if followed by any payment out of or debit to the relevant account) be appropriated towards or have the effect of discharging the Obligations outstanding at the time of receiving such notice
- 11 3 The Mortgagees shall be entitled at any time or times without notice (both before and after demand) to set off any liability of the Company to the Mortgagees or the Noteholders against any liability of the Mortgagees or the Noteholders to the Company (in either case whether actual or contingent, present or future and irrespective of the branch or office, currency or place of payment) and may for such purpose convert or exchange any currency

12 Protection of security

- 12 1 This deed shall be a continuing security and shall extend to cover the ultimate balance due from the Company to the Mortgagees and/or the Noteholders notwithstanding that there may have been at any time a balance to the credit of the Company on any account of the Company or any other matter or thing
- 12 2 This deed is in addition to any other rights or security, present or future, held by the Mortgagees from the Company or any other person for the Obligations and shall not merge with or prejudice or be prejudiced by any such rights or security or any other contractual or legal rights of the Mortgagees. Such rights or security may be enforced in whatever order the Mortgagees decide.
- 12 3 No security or payment which may be avoided or adjusted under any law relating to insolvency or similar legislation binding on the Company in whatever jurisdiction and no release, settlement or discharge given or made by the Mortgagees on the faith of any such security or payment shall prejudice or affect the rights of the Mortgagees to recover from the Company (including the right to recover any monies refunded under the Insolvency Act 1986 and any costs payable by it or incurred in connection with any such process) or to enforce the security created by or pursuant to this deed to the full extent of the Obligations. Any such release, settlement or discharge will be deemed to have been made upon the condition that it will become entirely void if the security or payment on the faith of which it was made or given is at any time avoided (in whole or in part)

13 Further assurance

The Company will at its own cost at the Mortgagees' or any Receiver's request execute any deed or document and take any action required by the Mortgagees or any Receiver to perfect or protect this security or its priority or further to secure on the Charged Property the Obligations or for facilitating the realisation of the Charged Property or the exercise of any rights or powers of the Mortgagee or any Receiver or for establishing the nature or extent of the Charged Property

14 Arrangements with the Company and others

The Mortgagees may without releasing or affecting the security created by this deed do any of the following -

- 14 1 allow to the Company or any other person any time or indulgence,
- 14 2 grant to the Company or any other person any new or increased facility or loan and increase any rate of interest or charge,
- 14 3 enter into, renew, vary or end any agreement or arrangement with or liability of the Company or any other person,
- 14 4 renew, vary, refrain from enforcing or release any present or future security or guarantee which the Mortgagee holds from the Company or any other person, and
- 14 5 compound with the Company or any other person

15 Currency

- 15 1 The Company's liability under this deed is to discharge the Obligations in the Relevant Currency

- 15.2 If at any time the Mortgagees receive a payment (including by set-off) referable to any of the Obligations from any source in a currency other than the Relevant Currency, then -

- 15 2 1 such payment shall take effect as a payment to the Mortgagees of the amount in the Relevant Currency which the Mortgagees are able to purchase (after deduction of any relevant costs) with the amount of the payment so received in accordance with its usual practice, and

- 15 2 2 if such payment is made under a court order and is treated by clause 15 2 1 as a payment of an amount which falls short of the relevant liability of the Company expressed in the Relevant Currency, the Company as a separate and independent obligation shall on demand from time to time indemnify the Mortgagees against such shortfall and pay Interest on such shortfall from the date of such payment to the date on which the shortfall is paid

- 15 3 If as a result of sterling joining Economic and Monetary Union and where the Relevant Currency is sterling, an amount is paid to the Mortgagee in euro, such payment shall be deemed made in the Relevant Currency if made in immediately available, freely transferable cleared funds and shall be made to

such account as the Mortgagee may specify and this deed shall be subject to such consequential changes as the Mortgagee reasonably decides are necessary

16 Payments to be made without deduction

16 1 All sums payable by the Company shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Mortgagees may designate. All such payments shall be made in full without set-off of any sum owing by the Mortgagees to the Company or counter-claim and free and clear of any deduction of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.

16 2 If at any time the Company is required by law to make any deduction or withholding from any payment due from the Company to the Mortgagees, the Company shall simultaneously pay to the Mortgagees whatever additional amount is necessary to ensure that the Mortgagees receive and retain a net sum equal to the payment it would have received had no deduction or withholding been made.

17 Certificates

A certificate signed by the Mortgagees as to the amount due or owing from the Company shall be conclusive evidence against the Company, except in the case of obvious error.

18 Prior charges

If there is any Encumbrance which ranks in priority to the security created by this deed and the person with the benefit of such Encumbrance does anything to enforce it, the Mortgagees, any Administrator or any Receiver may repay the monies owed under that Encumbrance or arrange for it to be transferred to the Mortgagee and the costs of doing so shall be an Expense.

19 Notices

19 1 All notices or demands must be in writing.

19 2 Any notice or demand to the Company may be sent by prepaid post, facsimile transmission or delivered to the Company at its registered office or the Company's last known place of business (or, if more than one, any one of such places). Notices or demands to the Company may also be delivered to one of its officers.

19 3 Any notice to the Mortgagees must be sent by prepaid post or delivered to the Mortgagees at their addresses as set out in this deed unless they have communicated another address to the Company in which case it must be sent to the last address so communicated.

19 4 A notice or demand by the Mortgagees sent by post will be deemed served on the day after posting (but, if to another country, three days after posting) and if sent by facsimile transmission shall be deemed to have been given when sent provided a transmission report is received and if delivered, when delivered.

20 Representations and warranties

The Company represents and warrants to the Mortgagees that -

- 20 1 it has the appropriate power and authority to carry on the Business, own its assets and property and enter into and comply with the Obligations,
- 20 2 it is duly constituted and validly existing under the laws of the country in which it is incorporated,
- 20 3 the obligations expressed as being assumed by it under this deed are and will remain legal and valid obligations which are enforceable against it,
- 20 4 none of the provisions, covenants and obligations contained in this deed contravenes any of the provisions of its Memorandum or Articles of Association or other constitutional documents nor will this deed or its performance infringe any law or obligation binding upon it;
- 20.5 it has complied with every formality and obtained every licence or consent and satisfied every other requirement (statutory or otherwise) which may be necessary to procure the effectiveness of this deed,
- 20 6 the Charged Property is not subject to any Encumbrance other than the charges contained in this deed, and
- 20 7 all information given by the Company to the Mortgagees in connection with the Charged Property was when given and is now true, accurate and comprehensive in all material respects

21 Law and jurisdiction

- 21 1 This deed is governed by and will be construed in accordance with English law
- 21 2 The Company irrevocably submits to the non-exclusive jurisdiction of the English courts.

22 Assignment and transfer

- 22.1 The successors in title of the parties shall have the benefit of and be subject to this deed.
- 22.2 The Mortgagees may at any time dispose of or deal in any manner with or without notice to any other person all or any part of its rights, beneficial interests or benefits under this deed.
- 22 3 The Company shall not dispose of any one or more of its rights, beneficial interests and/or obligations under this deed
- 22.4 The Mortgagees may give such information relating to the Company, its affairs or this deed as it thinks fit to any of its associated companies and to any third party proposing to take an assignment and/or transfer from the Mortgagees and/or to enter into contractual relations with the Mortgagees with respect to this deed

23 Indemnity

The Company will indemnify the Mortgagees on demand against any loss or expense (including legal fees) sustained or incurred as a result either of a failure by the Company to perform any of its obligations under this deed or of any representation or warranty made in this deed having been incorrect when made

24 Waiver

- 24.1 No failure to exercise or any delay in exercising any right or remedy under this deed shall operate as a waiver of it or of any other right or remedy under it. No single or partial exercise of any such right or remedy shall prevent any further or other exercise of it or the exercise of any other right or remedy
- 24.2 Any waiver given by the Mortgagees must be in writing and expressly stated by the Mortgagees to be a waiver. Such waiver will only apply to the specific events or circumstances to which it is stated to relate, and not to any other events or circumstances, past or future

25 Severance

- 25.1 If any provision of this deed shall be found by any court or authority of competent jurisdiction to be invalid or unenforceable, such provision shall be severed from the remainder of this deed which remain in full force and effect to the extent permitted by law
- 25.2 If any provision of this deed is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were reduced in application, the provision in question shall apply with such modification as may be necessary to make it valid

26 Miscellaneous

- 26.1 Interest will be calculated both before and after judgment on the basis agreed with the Company, or if none has been agreed, on a daily basis and on the basis of a 365 day year and be compounded quarterly
- 26.2 The charges contained in this deed are made for securing further advances by the Noteholders and the Company applies to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future Property of the Company
- 26.3 The Company agrees that the Mortgagees may from time to time seek from any person having dealings with the Company such information about the Company and its affairs as the Mortgagees may think fit and authorises and requests any such person to provide that information to the Mortgagees and agrees to provide such further authority for this purpose as the Mortgagees may from time to time require
- 26.4 The terms of the Loan Note Instrument are incorporated into this deed to the extent required for any purported disposition of the Charged Property (or any part of it) contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

IN WITNESS whereof this deed was duly signed as a deed and delivered on the date which first appears on page 1

The Schedule

EXECUTED as a DEED by
East Farm Ventures Limited

acting by
Name . JOHN FRANCIS CURTIS

.....
Director 

in the presence of
Witness' signature



Name

.....

Address

Elizabeth Sally Ann Perkins
..... SOLICITOR
WILKINS SOLICITORS LLP
LINCOLN HOUSE
6 CHURCH STREET
AYLESBURY
..... HP20 2QS

SIGNED as a DEED by
Daniel Bernard Rooke
in the presence of:

.....

Witness' signature

.....

Name.

.....

Address

.....

.....

.....

SIGNED as a DEED by
Penelope Jane Rooke
in the presence of:

.....

Witness' signature

.....

Name

.....

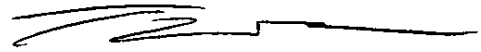
Address:

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We certify this to be a true copy of the original
Henmans Freeth LLP Date...08/08/2013



TOM WALKER
SOLICITOR

Debenture

- (1) East Farm Ventures Limited
- (2) Daniel Bernard Rooke
- (3) Penelope Jane Rooke

Dated 6th August 2013

This **Debenture** is made on the 6th day of August 2012

Between:

- (1) **East Farm Ventures Limited** a company incorporated and registered in England and Wales with company number 08598430 whose registered office is at 186 High Street, Winslow, Buckingham, Buckinghamshire MK18 3DQ (the **Company**)
- (2) **Daniel Bernard Rooke** of Coldharbour Cottage, Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QE (**Mr Rooke**),
- (3) **Penelope Jane Rooke** of Coldharbour Cottage, Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QE (**Mrs Rooke**),
(Mr and Mrs Rooke each a **Mortgagee**, together the **Mortgagees**)

1 Interpretation

1.1 In this deed the following expressions have the following meanings

Administrator	an administrator appointed under the Insolvency Act 1986
Business	the business or businesses and operations carried on by the Company from time to time
Business Day	a day (not being a Saturday or a Sunday) on which clearing banks are open for general banking business in London
Charged Property	the assets and undertaking charged or assigned by clause 3
D and P	D and P Luxury-Toilets Limited, a company incorporated and registered in England and Wales with company number 05969071 whose registered office is at Coldharbour Cottage, Off Winchbottom Lane, High Wycombe, Buckinghamshire HP10 9QG
Encumbrance	includes any mortgage, charge (fixed or floating), pledge, lien and any other arrangement or interest (whether by way of assignment, trust, title retention or otherwise) which has the effect of creating security or payment priority
Environment	the natural and man-made environment and all or any of air, water and land, including air within buildings and air within other natural or man-made structures above or below ground
Environmental Law	all laws, regulations, directives, statutes, subordinate legislation, common law and other national and local laws, judgments, orders, instructions or awards of any court or

competent authority and all codes of practice and guidance notes which relate to the Environment or human health or the health of animals or plants

Expenses

all expenses (on a full indemnity basis) incurred by an Administrator of the Company in carrying out his statutory functions and that Administrator's remuneration, and (b) all expenses (on a full indemnity basis) including legal and valuation fees, from time to time paid or incurred by the Mortgagee or any Receiver at any time in connection with the Charged Property or the Obligations or in taking, perfecting or enforcing this deed or in exercising any right or power under this deed or otherwise together with VAT upon such expenses where appropriate and Interest from the date they are incurred

Interest

interest at the rate of 4% per annum above the base lending rate of HSBC Bank plc from time to time

Lease

any letting, underlease or sub-lease and any tenancy, licence or other agreement for possession or occupation

Licences

all licences, consents, certificates, registrations, permits or other similar matters required in connection with the Company's property, assets, undertaking and the Business

Loan Notes

the Guaranteed Secured Loan Notes 2018 created by the Company and guaranteed by D and P pursuant to the Loan Note Instrument

Loan Note Instrument

the Loan Note Instrument dated on or around the date of this Debenture creating the Loan Notes

Noteholders

the registered holders for the time being of the Loan Notes, the Mortgagees are the first Noteholders

Obligations

- (a) all the Company's obligations and liabilities to the Mortgagees or other Noteholders of any kind (whether present or future, actual or contingent and whether as principal or surety or incurred alone or jointly with another) including, without limitation all other sums covenanted to be paid by the Company in this Debenture
- (b) all the obligations and liabilities of the Company (as buyer) to the Mortgagees (as sellers of the shares in D and P) under

	the Share Purchase Agreement, (whether present or future, actual or contingent) including, without limitation, the due and punctual payment of each Variable Consideration Instalment
Planning Acts	any legislation, directions, notices, bye-laws from time to time in force relating to town and country planning, building and construction
Property	any freehold and/or leasehold land and buildings from time to time owned or occupied by the Company
Receiver	any person appointed as receiver, administrative receiver, manager or receiver and manager
Relevant Currency	in relation to each of the Obligations and Expenses the currency in which it is from time to time expressed
Rents	all rents, profits, income, fees and other sums at any time payable to the Company by any lessee, tenant, licensee or other occupier of the Charged Property except any sums payable in respect of services or insurance provided by the Company
Share Purchase Agreement	a Share Purchase Agreement dated on or around the date of this Debenture under which the Mortgagees sell the entire issued share capital of D and P for consideration which is partly satisfied by the issue of the Loan Notes and which is partly Variable Consideration as defined within such Share Purchase Agreement
Subsidiary Undertaking	has the meaning given by section 1162 of the Companies Act 2006
Tax	any form of taxation, levy, duty, charge, contribution or impost (including any applicable fine, penalty, surcharge or interest) imposed by any local, municipal, governmental, state, federal or other fiscal, revenue, customs and/or excise authority, body or official anywhere in the world
VAT	value added tax or any other tax on added value or on turnover for the time being in force
Variable Consideration Instalment	as defined in the Share Purchase Agreement
Variable Consideration Period	as defined in the Share Purchase Agreement

1 2 In this deed, each reference to -

1 2 1 **Charged Property, Expenses, Obligations or Property** includes a reference to any part of them or it,

1 2 2 **Company** includes a reference to any person deriving title through the Company,

1 2 3 **Mortgagee** includes a reference to any person who claims any title or interest through the Mortgagee or any person to whom the business of the Mortgagee is transferred,

1 2 4 any document (including the Loan Note Instrument and this deed) or a provision of such document includes a reference to such document or provision as supplemented, varied or replaced from time to time,

1 2 5 freehold property includes a reference to property registered (or in the process of registration) as a freehold estate in commonhold land (whether in commonhold units or common parts),

1 2 6 a statutory provision includes a reference to any modification, consolidation or re-enactment of the provision from time to time in force and all subordinate instruments, order or regulations made under it,

1 2 7 the singular includes the plural and vice versa,

1 2 8 a person includes a body corporate, unincorporated association, government, state, partnership or trust (in each case, whether or not having separate legal personality), and

1 2 9 dispose includes charging, selling, leasing, assigning or transferring or agreeing to do any of the same, granting an option or similar right, creating a trust or other equitable interest or sharing or parting with possession or occupation

1 3 General words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things

1 4 Headings in this deed are for convenience only and shall not affect its interpretation

2 **Secured Liabilities**

The Company covenants to -

2 1 discharge on demand from time to time all of the Obligations,

2 2 pay each the Variable Consideration Instalment during the Variable Consideration Period in accordance with the terms of the Share Purchase Agreement,

2 3 pay to the Mortgagees on demand from time to time the Expenses, and

- 2 4 pay to the Mortgagees on demand from time to time Interest on any amount payable under clauses 2 1, 2 2 and 2 3 from the date of demand

In the case of any of the Obligations which are not (but for this clause 2) due for discharge on demand, the Mortgagees shall not make demand before the due date

3 Security

As a continuing security for the discharge and payment of the Obligations and with full title guarantee, the Company

- 3 1 charges to the Mortgagees by way of legal mortgage all the Property now vested in or charged to the Company, including any Property specified in the Schedule and by way of fixed charge all estates and interests in any Property from time to time vested in or charged to the Company,
- 3 2 assigns to the Mortgagees the benefit of all covenants, rights, claims and guarantees relating to the Company's present and future Property or that Property's construction, use or title and the benefits of all easements serving or relating to such property, subject to reassignment on redemption,
- 3 3 charges to the Mortgagees by way of fixed charge all rights and interests in and claims under all policies of insurance and assurance now or in the future held, to be held or insuring to the Company's benefit and all rights and claims to which the Company is now or may in the future be entitled under any contracts,
- 3 4 charges to the Mortgagees by way of fixed charge all the plant, machinery, fixtures, fittings, vehicles, computers and equipment now and in the future belonging to the Company and assigns to the Mortgagees all right, title and interest of the Company under any agreements (present or future) relating to the purchase, lease or hire purchase of the same, subject to reassignment on redemption,
- 3 5 charges to the Mortgagees by way of fixed charge all the goodwill and uncalled capital of the Company present and future,
- 3 6 charges to the Mortgagees by way of fixed charge all shares, stock and other securities (whether certificated or uncertificated, represented as units or balance in an account within any clearing or settlement system) now and in the future belonging to the Company,
- 3 7 charges to the Mortgagees by way of fixed charge all intellectual property rights now and in the future belonging to the Company,
- 3 8 charges to the Mortgagees by way of fixed charge all present and future bank accounts, cash at bank and credit balances of the Company with the Mortgagees, any bank or any other person and all rights relating to or attaching to them, and
- 3 9 charges to the Mortgagees by way of floating charge all the undertaking and all property, assets and rights of the Company present and future wherever situate not from time to time subject to a mortgage, fixed charge or assignment under this deed

4 Floating Charge

- 4 1 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this deed
- 4 2 The Mortgagees may at any time by written notice to the Company convert the floating charge created by this deed into a fixed charge as regards any of the Charged Property specified in the notice and the floating charge created by this deed will, without notice from the Mortgagee, automatically be converted with immediate effect into a fixed charge
- 4 2 1 in respect of any Charged Property which becomes subject to a fixed charge in favour of any other person other than with the prior written consent of the Mortgagees,
- 4 2 2 in respect of any Charged Property charged under clause 3 9 if and when the Company ceases to carry on business as a going concern,
- 4 2 3 in respect of any Charged Property which is subject to any step by any third party to levy any distress, attachment, execution or other legal process on it, and
- 4 2 4 in respect of all the Charged Property on the making of an order for the compulsory winding up of the Company, on the convening of a meeting for the passing of a resolution for the voluntary winding up of the Company or taking of any step (including the making of an application or the giving of any notice) by the Company or any other person for the appointment of an administrator in respect of the Company
- 4 3 Any mortgage, fixed charge or other fixed security created by the Company in favour of the Mortgagees will have priority over the floating charge created by clause 3 9, unless the Mortgagees state otherwise on or after its creation

5 Restrictions

- 5 1 The Company will not without the Mortgagees' prior written consent -
- 5 1 1 create or permit to arise or continue any Encumbrance affecting the Charged Property or increase or extend any liability of the Company secured on any of the Charged Property,
- 5 1 2 dispose of the Charged Property charged by clauses 3 1 to 3 7 inclusive and clause 3 8 or, following crystallisation of the floating charge created by clause 3 9, the Charged Property charged by that clause,
- 5 1 3 dispose of the Charged Property charged by clause 3 9 other than in the ordinary course of, and for the purposes of, carrying on its business while the floating charge remains uncrystallised, or
- 5 1 4 grant or accept a surrender of any Lease, or part with or share possession or occupation of, its Property nor vary any Lease or reduce any sum payable under any such Lease nor enter into any onerous or restrictive obligations affecting its Property
- 5 2 The Company applies to the Chief Land Registrar to enter a restriction on the Register of Title of all present and future Property in the following terms "no disposition of the registered estate by the proprietor of the registered estate or

by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of Daniel Rooke and Penny Jane Rooke referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer"

6 Insurance

- 6 1 The Company will to the Mortgagees' reasonable satisfaction keep comprehensively insured for its full reinstatement cost plus VAT (due allowance being made for inflation during the period of insurance and reinstatement) all of the Charged Property which is of an insurable nature in such name and in such offices as the Mortgagees shall in writing approve and on such terms, for such amounts and of such types as would be effected by prudent companies carrying on business similar to the Company (including in respect of environmental pollution, subsidence and terrorism), and on terms requiring the insurers not to cancel the policy without giving at least 14 days' prior notice to the Mortgagees
- 6 2 If any part of the Charged Property is subject to a Lease, then the Company will also insure for three years loss of rent
- 6 3 The Company will have the policies of insurance of the Charged Property endorsed with notice of the Mortgagees' interest and will punctually pay when due all premiums payable in respect of any insurance of the Charged Property and, if required by the Mortgagees, will deliver to the Mortgagees evidence satisfactory to the Mortgagees of payment of such premiums together with a copy of the insurance policies
- 6 4 Subject to the provisions of any Lease of the Charged Property (and without prejudice to any obligation in the policy of insurance or to any other obligation having priority to the obligation imposed by this deed), the Company shall hold in trust for the Mortgagees all monies received by it under any insurance of the Charged Property and at the Mortgagees' option will apply the same in making good the relevant loss or damage or, if any of the Obligations shall have become due and payable, in or towards discharge of such Obligations and in the meantime will pay all such monies into such account as the Mortgagees may specify
- 6 5 The Company covenants -
- 6 5 1 to comply with the recommendations and requirements of the insurers, and
- 6 5 2 not to do or allow to be done anything on the Charged Property which might prejudicially affect any insurance policy
- 6 6 If the Company is required under any Lease to insure the Charged Property or to reimburse the landlord any insurance premiums -
- 6 6 1 if the Company fully complies with such requirements, the Company will be deemed to have complied with clauses 6 1 and 6 2 if such insurance, whether by the Company or by the landlord, extends to cover at least the risks required by the Mortgagees in at least the amounts specified in such clauses, and

- 6 6 2 the Company will on request from the Mortgagees from time to time produce satisfactory evidence of such insurance
- 6 7 If the Company defaults in its obligations under this clause 6 or at any time after the Mortgagees have demanded repayment of the Obligations or if the Company does not ensure that any landlord insures the Charged Property (where applicable) in accordance with clause 6 6, the Mortgagees or any Receiver may effect insurance as specified in this clause 6 without becoming liable to account as mortgagee in possession and the cost of so doing shall be an Expense
- 6 8 The Company shall notify the Mortgagees as soon as possible after an event has occurred which is likely to lead to a claim in excess of £25,000 being made under any insurance policy relating to the Charged Property

7 Undertakings by the Company

The Company undertakes with the Mortgagees

- 7 1 punctually to pay all rents, rates, Taxes, duties, assessments and other outgoings payable in respect of the Company's assets and property and on demand to produce to the Mortgagee the receipt for every such payment,
- 7 2 to observe and perform all covenants (positive and restrictive), conditions, permissions and stipulations from time to time affecting its Property,
- 7 3 to keep all buildings, gates, fences, drains, roads, pathways and other works on its property in good and substantial repair and all fixtures and fixed plant and equipment in working order and not to permit its property to suffer depreciation by neglect,
- 7 4 to permit the Mortgagees and their representatives to enter and view the state and condition of the Charged Property and on default by the Company to effect repairs (without the Mortgagees becoming liable to account as mortgagee in possession),
- 7 5 to comply with all applicable laws and regulations (including, without limitation, all environmental laws, legislation relating to public health, control and handling of hazardous substances or waste, fire precautions, health and safety at work, product safety and the Planning Acts),
- 7 6 not to remove or sever any fixed plant or fixture (except for the purpose of renewal or replacement by a fixture of equal or greater value),
- 7 7 not to make any change of use or carry out any structural or material alteration to any of its Property or do or permit to be done anything which is a "development" within the meaning of the Planning Acts without the prior written consent of the Mortgagees,
- 7 8 where the Charged Property comprises or is or becomes subject to any Lease, observe and comply with its obligations under and enforce the due observance and performance of all other persons under such Lease and promptly (as landlord) implement all rent reviews,
- 7 9 to inform the Mortgagees immediately on becoming contractually obliged to complete the purchase of any estate or interest in any Property after the date of this deed,

- 7 10 within 14 days of receiving any order, notice, proposal, demand or other requirement affecting the Charged Property from any competent authority (including any landlord) to give full particulars to the Mortgagees and deliver to the Mortgagees copies of such documents as it may require,
- 7 11 to comply with any requirements or recommendations of any fire officer or other inspector,
- 7 12 where applicable, proceed with and continue the construction of any building or alterations to any building on any of its freehold or leasehold property in a proper manner and with due diligence and to the full satisfaction of the Mortgagees and complete and fit out the same within such time as the Mortgagees shall require,
- 7 13 to collect in the ordinary course of business and in a proper and efficient manner all monies which it receives in respect of any policies of insurance, fees, royalties, income or book or other debts or any other of the rights and claims charged or assigned under clause 3,
- 7 14 to enforce the prompt payment of Rents and to ensure that any tenant, licensee or occupier of any of its property complies with all the terms of any Lease,
- 7 15 to promptly serve all notices and take all action necessary to ensure that all rent reviews imposed by any Lease relating to its property are quickly resolved and to achieve for the Company the best rent reasonably obtainable,
- 7 16 upon request of the Mortgagees from time to time to inform the Mortgagees in writing who is in occupation of each part of its property and upon what terms,
- 7 17 if any Charged Property is leasehold, immediately upon acquiring any extended Lease or the freehold or an interest in the freehold, if required by the Mortgagees, to execute as a deed at the Company's cost a legal charge in favour of the Mortgagees in such form as the Mortgagees may require over such additional interest as security for the Obligations,
- 7 18 to preserve and maintain all intellectual property rights owned or used by the Company,
- 7 19 to maintain the Company's centre of main interest (COMI) for the purposes of the EU Regulation on Insolvency Proceedings 2000 in the United Kingdom,
- 7 20 to take out, renew and maintain all Licences,
- 7 21 to notify the Mortgagees immediately if
 - 7 21 1 any creditor executes diligence against the Company or if any distress or execution is levied or enforced against the Company or any third party debt order or freezing order is made or served on the Company, or
 - 7 21 2 any steps (including the making of any application or the giving of any notice) are taken by any person (including the Company) in relation to the administration, receivership, winding up or dissolution of the Company,
- 7 22 to not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of its properties (or any part of its properties) or create or permit to arise any overriding interest as specified in

Schedule 1 or Schedule 3 to the Land Registration Act 2002 affecting any such properties,

7 23 to ensure that

7 23 1 the conduct of the Business, including the use, maintenance and operation of its Property and the receipt, storage, treatment, shipment, removal and disposal of waste, hazardous or toxic materials and other environmental contaminants, at all times complies with Environmental Law,

7 23 2 no hazardous or toxic materials, substances, pollutants, contaminants or wastes are at any time released into the Environment or deposited, discharged or disposed of at or near any of its property except in accordance with all permits or consents required by Environmental Law,

7 23 3 the Mortgagees are immediately informed in writing of the Company receiving or becoming aware of -

(a) any notice of non-compliance with any Environmental Law,

(b) any notice which results or may result in a modification, suspension or revocation of any authorisation under any Environmental Law,

(c) any order imposing a responsibility or liability requiring any work, repair, construction or expenditure with respect to the Business or to the Charged Property or requiring remedial action, or

(d) any actual or threatened claim, order, proceeding or investigation in relation to any Environmental Law,

7 23 4 it takes such action as the Mortgagees shall require to prevent pollution or damage to the Environment and as soon as reasonably practicable after demand, to provide such specialist reports on Environmental matters as the Mortgagees shall reasonably require, and

7 24 generally not to do or cause or permit to be done anything to lessen the value or marketability of the Charged Property

8 Powers of the Mortgagees

8 1 The Mortgagees may without restriction grant or accept surrenders of Leases of the Charged Property or any part of it and grant or vary or reduce any sum payable under any Lease

8 2 Section 103 of the Law of Property Act 1925 shall not apply and the Mortgagees may exercise their power of sale and other powers under that or any other Act or this deed at any time after the date of this deed provided that the Mortgagees will not exercise any of such powers until payment of all or any part of the Obligations has been demanded or a Receiver has been appointed but this proviso will not affect a purchaser or put a purchaser upon inquiry whether such demand or appointment has been validly made

8 3 At any time after

- 8 3 1 any of the Loan Notes shall have become due and repayable to the Noteholders in accordance with the terms of the Loan Note Instrument,
- 8 3 2 any step or proceeding has been taken for the appointment of an Administrator, liquidator or provisional liquidator or with a view to seeking a moratorium or a voluntary arrangement in respect of the Company,
- 8 3 3 if requested by the Company,
- 8 3 4 breach or non-compliance by the Company of or with any of the provisions of this deed and which, if capable of remedy, is not remedied to the satisfaction of the Mortgagees (acting reasonably) within 10 Business Days of the date of the Company's receipt of a notice specifying the breach and requiring its remedy

the Mortgagees may appoint by writing, insofar as permitted by law, any person or persons to be a Receiver of all or any of the Charged Property or an Administrator or Administrators and the security created by this deed shall in any of such events become immediately enforceable

- 8 4 The Mortgagees may, to the extent permitted by law, remove a Receiver or Receivers from all or any of the Charged Property of which they are the Receivers, fix and pay the fees of a Receiver and substitute any Receiver, but any Receiver shall be the agent of the Company and the Company shall be solely responsible for the Receiver's acts, defaults and remuneration
- 8 5 Once a Receiver is appointed, the Mortgagees will not be precluded from making any subsequent appointment of a Receiver over any Charged Property, whether or not any Receiver previously appointed continues to act
- 8 6 At any time after the security created by this deed shall have become enforceable in accordance with clause 8 3, all or any of the powers conferred by clause 9 1 may be exercised by the Mortgagees, whether as the Company's attorney or not, without first appointing a Receiver or notwithstanding any such appointment
- 8 7 The Mortgagees will not be liable to account to the Company as mortgagee in possession for any money not actually received by the Mortgagees and if the Mortgagees or any Receiver take possession of the Charged Property it or he may at any time relinquish such possession (whether it or he relinquishes such possession in whole or in part)
- 8 8 If the Company is in default of any of its obligations under this deed, the Mortgagees or any Receiver may perform such obligation and take such action as is necessary to make good the default without becoming liable to account as a mortgagee in possession and the cost of so doing shall be an Expense
- 8 9 Section 93(1) of the Law of Property Act 1925 shall not apply to this deed

9 Receivers and Administrators

- 9 1 Any Receiver appointed by the Mortgagees shall be a receiver and manager and shall, to the maximum extent possible, have the powers specified in

Schedule 1 to the Insolvency Act 1986 and the following powers exercisable upon such terms and conditions as he thinks fit

- 9 1 1 to take possession of and generally to manage the Charged Property,
- 9 1 2 to enter into, carry into effect, complete, deliver, perform, repudiate, rescind or vary any deed, contract or arrangement to which the Company is or is to be a party,
- 9 1 3 to carry out on any Property or on any other property which it may in his opinion be necessary or desirable to work upon, any new works or complete any unfinished works of building, reconstruction, maintenance, furnishing of equipment and to apply for and obtain all planning permissions, building regulation approvals and other permissions, consents or licences as may be necessary or desirable for such purposes and to effect and/or carry out any development, building or other works,
- 9 1 4 to purchase or acquire any land or other property and purchase, acquire, grant or release any interest in or right over land or other property and enter into, take or release the benefit of covenants (positive or restrictive) binding on or benefiting the Property,
- 9 1 5 to sell, lease, licence, surrender or accept surrenders of any Leases deal with or dispose of the Charged Property without restriction including power to dispose of any fixtures separately from the land,
- 9 1 6 to complete any transaction by executing deeds or documents in the name of or on behalf of the Company,
- 9 1 7 to insure the Charged Property and any works and effect indemnity insurance or other similar insurance and obtain bonds or give commitments, guarantees, indemnities and security,
- 9 1 8 to call up any uncalled capital of the Company with all the powers conferred by the Articles of Association of the Company in relation to calls,
- 9 1 9 to engage, rely on the advice of and dismiss advisers, consultants, officers, managers, agents, workmen and others,
- 9 1 10 to purchase materials, tools, equipment, goods or supplies,
- 9 1 11 to bring, continue or defend any claim, dispute, action or legal proceedings and enter into any arrangement or compromise,
- 9 1 12 to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- 9 1 13 to make any elections for VAT purposes, and
- 9 1 14 to do any other acts which he may consider to be incidental or conducive to any of his powers or to the realisation of the Charged Property

9 2 In the case of joint Receivers and Administrators any power may be exercised jointly or severally

9 3 Any moneys received under the powers conferred by this deed will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority

9 3 1 in or towards satisfaction of all costs, charges and expenses incurred and payments made by the Mortgagees and/or the Receiver or Administrator including the remuneration of any Receiver or Administrator,

9 3 2 in or towards satisfaction of the Obligations as provided for in the Loan Note Instrument or otherwise in whatever order the Mortgagees may require,

9 3 3 as to the surplus (if any) to the person(s) entitled to it

provided that the Receiver or Administrator may retain any moneys in his hands for so long as he thinks fit and the Mortgagee may, without prejudice to any other rights it may have at any time and from time to time place and keep for such time as the Mortgagees may think fit any moneys received, recovered or realised under or by virtue of this deed to or at a separate or suspense account to the credit either of the Company or of the Mortgagees as the Mortgagees think fit without any intermediate obligation on the Mortgagees' part to apply such moneys or any part of such moneys in or towards the discharge of the Obligations

9 4 Subject to clause 9 3, any moneys received or realised by the Mortgagees from the Company or a Receiver under this deed or any Administrator may be applied by the Mortgagee to any item of account or liability or transaction in such order or manner as the Mortgagees may determine

10 Protection of purchasers and power of attorney

10 1 No purchaser or other person shall be obliged or concerned to see or enquire whether the right of the Mortgagees, any Receiver or any Administrator to exercise any of the powers conferred by this deed has arisen or become exercisable nor be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers

10 2 The receipt of the Mortgagees, any Receiver or any Administrator shall be an absolute discharge and the payer shall not be obliged to see the application of the monies paid to either of them

10 3 Neither the Mortgagees nor any Receiver shall be liable to the Company in respect of any loss or damage arising out of the exercise or the attempted, purported or failure to exercise any of their respective powers or arising out of any valuation or report relating to the Charged Property

10 4 The Company by way of security irrevocably appoints the Mortgagees and any Receiver or Administrator severally to be the attorney for the Company (with full power of substitution and delegation) in the Company's name and on the Company's behalf and as the Company's act and deed to sign or execute all such deeds, instruments and documents and do all such acts and things as

may be required by the Mortgagee or any Receiver or Administrator pursuant to this deed or the exercise of any of their powers

11 Appropriation, set-off and restriction

- 11 1 Subject to clause 11 2, the Mortgagees may apply all payments received in respect of the Obligations in or towards discharge of such part of the Obligations as provided for in the Loan Note Instrument or otherwise as the Mortgagees decide
- 11 2 The Mortgagees may open a new account upon the Mortgagees receiving actual or constructive notice of any charge or interest affecting the Charged Property and whether or not the Mortgagees opens any such account no payment received by the Mortgagees after receiving such notice shall (if followed by any payment out of or debit to the relevant account) be appropriated towards or have the effect of discharging the Obligations outstanding at the time of receiving such notice
- 11 3 The Mortgagees shall be entitled at any time or times without notice (both before and after demand) to set off any liability of the Company to the Mortgagees or the Noteholders against any liability of the Mortgagees or the Noteholders to the Company (in either case whether actual or contingent, present or future and irrespective of the branch or office, currency or place of payment) and may for such purpose convert or exchange any currency

12 Protection of security

- 12 1 This deed shall be a continuing security and shall extend to cover the ultimate balance due from the Company to the Mortgagees and/or the Noteholders notwithstanding that there may have been at any time a balance to the credit of the Company on any account of the Company or any other matter or thing
- 12 2 This deed is in addition to any other rights or security, present or future, held by the Mortgagees from the Company or any other person for the Obligations and shall not merge with or prejudice or be prejudiced by any such rights or security or any other contractual or legal rights of the Mortgagees. Such rights or security may be enforced in whatever order the Mortgagees decide
- 12 3 No security or payment which may be avoided or adjusted under any law relating to insolvency or similar legislation binding on the Company in whatever jurisdiction and no release, settlement or discharge given or made by the Mortgagees on the faith of any such security or payment shall prejudice or affect the rights of the Mortgagees to recover from the Company (including the right to recover any monies refunded under the Insolvency Act 1986 and any costs payable by it or incurred in connection with any such process) or to enforce the security created by or pursuant to this deed to the full extent of the Obligations. Any such release, settlement or discharge will be deemed to have been made upon the condition that it will become entirely void if the security or payment on the faith of which it was made or given is at any time avoided (in whole or in part)

13 Further assurance

The Company will at its own cost at the Mortgagees' or any Receiver's request execute any deed or document and take any action required by the Mortgagees or any Receiver to perfect or protect this security or its priority or further to secure on the Charged Property the Obligations or for facilitating the realisation of the Charged Property or the exercise of any rights or powers of the Mortgagee or any Receiver or for establishing the nature or extent of the Charged Property

14 Arrangements with the Company and others

The Mortgagees may without releasing or affecting the security created by this deed do any of the following -

- 14 1 allow to the Company or any other person any time or indulgence,
- 14 2 grant to the Company or any other person any new or increased facility or loan and increase any rate of interest or charge,
- 14 3 enter into, renew, vary or end any agreement or arrangement with or liability of the Company or any other person,
- 14 4 renew, vary, refrain from enforcing or release any present or future security or guarantee which the Mortgagee holds from the Company or any other person, and
- 14 5 compound with the Company or any other person

15 Currency

- 15 1 The Company's liability under this deed is to discharge the Obligations in the Relevant Currency
- 15 2 If at any time the Mortgagees receive a payment (including by set-off) referable to any of the Obligations from any source in a currency other than the Relevant Currency, then -
 - 15 2 1 such payment shall take effect as a payment to the Mortgagees of the amount in the Relevant Currency which the Mortgagees are able to purchase (after deduction of any relevant costs) with the amount of the payment so received in accordance with its usual practice, and
 - 15 2 2 if such payment is made under a court order and is treated by clause 15 2 1 as a payment of an amount which falls short of the relevant liability of the Company expressed in the Relevant Currency, the Company as a separate and independent obligation shall on demand from time to time indemnify the Mortgagees against such shortfall and pay Interest on such shortfall from the date of such payment to the date on which the shortfall is paid
- 15 3 If as a result of sterling joining Economic and Monetary Union and where the Relevant Currency is sterling, an amount is paid to the Mortgagee in euro, such payment shall be deemed made in the Relevant Currency if made in immediately available, freely transferable cleared funds and shall be made to

such account as the Mortgagee may specify and this deed shall be subject to such consequential changes as the Mortgagee reasonably decides are necessary

16 Payments to be made without deduction

- 16 1 All sums payable by the Company shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Mortgagees may designate. All such payments shall be made in full without set-off of any sum owing by the Mortgagees to the Company or counter-claim and free and clear of any deduction of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law.
- 16 2 If at any time the Company is required by law to make any deduction or withholding from any payment due from the Company to the Mortgagees, the Company shall simultaneously pay to the Mortgagees whatever additional amount is necessary to ensure that the Mortgagees receive and retain a net sum equal to the payment it would have received had no deduction or withholding been made.

17 Certificates

A certificate signed by the Mortgagees as to the amount due or owing from the Company shall be conclusive evidence against the Company, except in the case of obvious error.

18 Prior charges

If there is any Encumbrance which ranks in priority to the security created by this deed and the person with the benefit of such Encumbrance does anything to enforce it, the Mortgagees, any Administrator or any Receiver may repay the monies owed under that Encumbrance or arrange for it to be transferred to the Mortgagee and the costs of doing so shall be an Expense.

19 Notices

- 19 1 All notices or demands must be in writing.
- 19 2 Any notice or demand to the Company may be sent by prepaid post, facsimile transmission or delivered to the Company at its registered office or the Company's last known place of business (or, if more than one, any one of such places). Notices or demands to the Company may also be delivered to one of its officers.
- 19 3 Any notice to the Mortgagees must be sent by prepaid post or delivered to the Mortgagees at their addresses as set out in this deed unless they have communicated another address to the Company in which case it must be sent to the last address so communicated.
- 19 4 A notice or demand by the Mortgagees sent by post will be deemed served on the day after posting (but, if to another country, three days after posting) and if sent by facsimile transmission shall be deemed to have been given when sent provided a transmission report is received and if delivered, when delivered.

20 Representations and warranties

The Company represents and warrants to the Mortgagees that:-

- 20 1 it has the appropriate power and authority to carry on the Business, own its assets and property and enter into and comply with the Obligations,
- 20 2 it is duly constituted and validly existing under the laws of the country in which it is incorporated,
- 20 3 the obligations expressed as being assumed by it under this deed are and will remain legal and valid obligations which are enforceable against it,
- 20 4 none of the provisions, covenants and obligations contained in this deed contravenes any of the provisions of its Memorandum or Articles of Association or other constitutional documents nor will this deed or its performance infringe any law or obligation binding upon it,
- 20 5 it has complied with every formality and obtained every licence or consent and satisfied every other requirement (statutory or otherwise) which may be necessary to procure the effectiveness of this deed,
- 20 6 the Charged Property is not subject to any Encumbrance other than the charges contained in this deed, and
- 20 7 all information given by the Company to the Mortgagees in connection with the Charged Property was when given and is now true, accurate and comprehensive in all material respects

21 Law and jurisdiction

- 21 1 This deed is governed by and will be construed in accordance with English law
- 21 2 The Company irrevocably submits to the non-exclusive jurisdiction of the English courts

22 Assignment and transfer

- 22 1 The successors in title of the parties shall have the benefit of and be subject to this deed
- 22 2 The Mortgagees may at any time dispose of or deal in any manner with or without notice to any other person all or any part of its rights, beneficial interests or benefits under this deed
- 22 3 The Company shall not dispose of any one or more of its rights, beneficial interests and/or obligations under this deed
- 22 4 The Mortgagees may give such information relating to the Company, its affairs or this deed as it thinks fit to any of its associated companies and to any third party proposing to take an assignment and/or transfer from the Mortgagees and/or to enter into contractual relations with the Mortgagees with respect to this deed

23 Indemnity

The Company will indemnify the Mortgagees on demand against any loss or expense (including legal fees) sustained or incurred as a result either of a failure by the Company to perform any of its obligations under this deed or of any representation or warranty made in this deed having been incorrect when made

24 Waiver

24 1 No failure to exercise or any delay in exercising any right or remedy under this deed shall operate as a waiver of it or of any other right or remedy under it. No single or partial exercise of any such right or remedy shall prevent any further or other exercise of it or the exercise of any other right or remedy.

24 2 Any waiver given by the Mortgagees must be in writing and expressly stated by the Mortgagees to be a waiver. Such waiver will only apply to the specific events or circumstances to which it is stated to relate, and not to any other events or circumstances, past or future.

25 Severance

25 1 If any provision of this deed shall be found by any court or authority of competent jurisdiction to be invalid or unenforceable, such provision shall be severed from the remainder of this deed which remain in full force and effect to the extent permitted by law.

25 2 If any provision of this deed is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were reduced in application, the provision in question shall apply with such modification as may be necessary to make it valid.

26 Miscellaneous

26 1 Interest will be calculated both before and after judgment on the basis agreed with the Company, or if none has been agreed, on a daily basis and on the basis of a 365 day year and be compounded quarterly.

26 2 The charges contained in this deed are made for securing further advances by the Noteholders and the Company applies to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future Property of the Company.

26 3 The Company agrees that the Mortgagees may from time to time seek from any person having dealings with the Company such information about the Company and its affairs as the Mortgagees may think fit and authorises and requests any such person to provide that information to the Mortgagees and agrees to provide such further authority for this purpose as the Mortgagees may from time to time require.

26 4 The terms of the Loan Note Instrument are incorporated into this deed to the extent required for any purported disposition of the Charged Property (or any part of it) contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

IN WITNESS whereof this deed was duly signed as a deed and delivered on the date which first appears on page 1

EXECUTED as a DEED by
East Farm Ventures Limited
acting by
Name

Director

in the presence of
Witness' signature

Name

Address

SIGNED as a DEED by
Daniel Bernard Rooke
in the presence of

Witness' signature

Name

Address

JB

JOSHUA BEAVERS

43 PERRY'S LANE
WROUGHTON, SWINDON.
WILTS. SN4 9AZ

Daniel Bernard Rooke
by his Attorney
(MARCOON JAVID SADER)

SIGNED as a DEED by
Penelope Jane Rooke
in the presence of

Witness' signature

Name

Address

JB

JOSHUA BEAVERS

43 PERRY'S LANE
WROUGHTON, SWINDON
WILTS SN4 9AZ

Penelope Jane Rooke
by her Attorney
(MARCOON JAVID SADER)