

MR01

Particulars of a charge

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IRIS Laserform

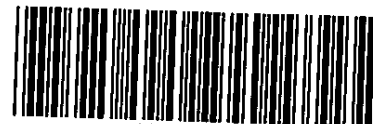
A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFil
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 the charge is
instrument Use form MR01

SATURDAY



A33

A392P5OX

31/05/2014

#75

COMPANIES HOUSE

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



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

1

Company details

Company number 0 8 8 8 8 4 5 4

Company name in full Parkside Properties 1 Ltd (the "Chargor")

2

For official use

→ **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 d2 d7 m0 m5 y2 y0 y1 y4

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 Lloyds Bank PLC (the "Lender")

Name

Name

Name

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

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

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4

Description

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

Continuation page

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

Description

1) The Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations (as defined in the Debenture), charges as security in favour of the Lender its interests in the following assets.

(a) By way of first legal mortgage, all its Property and all other interests in its Property.

Property means the property owned by the Chargor as specified in Schedule 1 (Details of Property) together with (in every case) all proceeds of sale deriving from any such Property, the benefit of all covenants given in respect of such Property and any monies paid or payable in respect of such covenants

(b) By way of first fixed charge, all its Property (but excluding any Property made subject to a valid legal mortgage under clause 3.1(a) above), all other interests in its Property, and any rights under any licence or . continued

5

Fixed charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to Section 7

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

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8

Trustee statement ①

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X Dwf Lwf

X

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

MR01

Particulars of a charge



Presenter information

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

Contact name Adam Russell

Company name DWF LLP

Address 1 Scott Place

2 Hardman Street

Post town Manchester

County/Region

Postcode M 3 3 A A

Country

DX DX 14313 Manchester

Telephone 0161 603 5000



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

MR01 - continuation page

Particulars of a charge

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>other agreement or document which gives the Chargor a right to enter upon or use land wherever situated.</p> <p>c) To the extent that the Intellectual Property is incapable for any reason of being effectively assigned pursuant to clause 2 below by way of first fixed charge, all Intellectual Property (if any)</p> <p>Intellectual Property means all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trade marks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered, owned by the Chargor or in which the Chargor has an interest from time to time, and the benefit of the Chargor's applications and rights to use such assets, throughout the world now and in the future</p> <p>2) As further continuing security for the payment of the Secured Obligations the Chargor assigns (to the fullest extent capable of assignment) to the Lender all its rights, title and interest in the Intellectual Property (if any) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which any Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property, but in the case of any such assignment of Intellectual Property the Lender shall grant to the Chargor a licence to use such Intellectual Property in the ordinary course of its business and for so long as no Event of Default (as defined in the Debenture) exists and is continuing upon such terms as may be specified by the Lender</p>



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8888454

Charge code: 0888 8454 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th May 2014 and created by PARKSIDE PROPERTIES 1 LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st May 2014.

Dx

Given at Companies House, Cardiff on 5th June 2014



Companies House



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



27 MAY 2014

(1) PARKSIDE PROPERTIES 1 LTD

and

(2) LLOYDS BANK PLC

Certified to be a true copy of the
original DWF LLP

DWF LLP

Scott Place

2 Hardman Street

Manchester

M3 3AA

Dated 30/05/2014

DEBENTURE

DWF LLP
1 Scott Place
2 Hardman Street
Manchester
M3 3AA

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EXECUTION VERSION

THIS DEED is dated 27 MAY 2014

BETWEEN

- (1) **PARKSIDE PROPERTIES 1 LTD** a company incorporated in England and Wales with company number 08888454 whose registered office is 2nd Floor, Parkgates, Sedgley Park Road, Prestwich, Manchester, M25 0TL (the **Chargor**), and
- (2) **LLOYDS BANK PLC** (the **Lender**)

TERMS AGREED

1 Interpretation

1.1 Incorporation of Terms defined in the Facility Agreement

Except where this deed expressly states otherwise, each term used in this deed which is defined in the Facility Agreement (including in the Schedules hereto) has the same meaning as in the Facility Agreement and shall be construed in accordance with the Facility Agreement

1.2 Expressly defined terms

In this deed

Bank Balances means the accounts and all monies (including interest) from time to time standing to the credit of any and all present or future accounts which the Chargor has, or has an interest in, with any bank, financial institution, or other person (including the accounts specified in Schedule 1 (Bank Accounts) and any other cash cover or suspense account established pursuant to any of the Finance Documents), and all debts represented by any such accounts

Charged Contracts means each of the contracts brief particulars of which are set out in Schedule 2 (Charged Contracts) and any Occupational Lease entered into after the date of this deed

Charged Debts means all book and other debts and all other rights and claims charged to the Lender under this deed

Chargor's Intellectual Property means the Intellectual Property owned by the Chargor from time to time

Collection Account means such specially designated account with the Lender or such other account with such other bank as the Lender may from time to time direct for the purposes of clause 7.8 (Collection of Book Debts, etc)

Delegate means any delegate, agent, attorney or trustee appointed by the Lender

EXECUTION VERSION

Default Rate	means the rate specified in clause 8.4 of the Facility Agreement and if there is no such definition two per cent per annum above the highest rate of Interest ordinarily applicable to the Secured Obligations from time to time
Discharge Date	means the date with effect from which the Lender confirms to the Chargor that all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all relevant commitments of the Lender are cancelled
Distribution Rights	means <ul style="list-style-type: none">(a) all dividends, distributions, interest and other income paid or payable on the relevant Investment or Shares,(b) all shares or other property derived from the relevant Investment or Shares (whether by way of conversion, consolidation, subdivision, substitution, redemption, bonus, preference, option or otherwise), and(c) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to the relevant Investment or Shares
Enforcement Party	means any of the Lender, a Receiver or a Delegate
Event of Default	means the occurrence of any of the events or circumstances defined in the Facility Agreement as an Event of Default but shall also include any breach by the Chargor of or non-compliance by the Chargor with the provisions of this deed
Expenses	means all fees, discounts, commissions and other banking or service charges, legal and other professional fees, premiums, costs or expenses, in each case calculated on a full indemnity basis and together with VAT, incurred by any Enforcement Party in connection with the Secured Assets, the preparation, negotiation and creation of this deed, taking, perfecting, enforcing or exercising any power under this deed, the appointment of any Receiver or Delegate, the breach of any provision of this deed and / or the protection, realisation or enforcement of this deed, and includes the costs of transferring to the Lender or the Receiver any security ranking in priority to the security constituted by this deed, or the amount required to be paid to secure the unconditional and irrevocable discharge of such security, or any of the foregoing as the context shall

	require
Facility Agreement	means a term loan property investment facility agreement dated on or around the date of this deed and made between, inter alia, (1) the Chargor and (2) the Lender as the same may be varied, amended, modified, supplemented or replaced
Fixtures	means any fixtures (but excluding landlord's fixtures), fittings, fixed plant or machinery from time to time situated on or forming part of the Property
Floating Charge Asset	means, at any time, all of the Secured Assets which are at that time the subject of the floating charge created under this deed
Group	means any group of companies for the time being comprising the Chargor, its Subsidiaries and any other Subsidiary of such company
Insurances	means all contracts or policies of insurance of whatever nature which from time to time are taken out or maintained by or on behalf of the Chargor or (to the extent of its relevant interest) in which the Chargor has an interest
Insurance Proceeds	means the proceeds of any insurance claim received by the Chargor, after deduction of any reasonable expenses incurred in relation to the relevant claim and payable by the Chargor to any person which is not a member of the Group together with the benefit of all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of the Chargor's ownership of the Insurances and all interest on any of the foregoing
Insolvency Act	means Insolvency Act 1986
Intellectual Property	means all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trade marks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered, owned by the Chargor or in which the Chargor has an interest from time to time, and the benefit of the Chargor's applications and rights to use such assets, throughout the world now and in the future
Investment	means any negotiable instrument, certificate of deposit, debenture, share, unit in any unit trust or other investment (as specified for the purposes of Section 22 of the Financial Services and Markets Act 2000 as at the date of this deed) now or in the future owned by the Chargor including (save where the

	context otherwise requires) the Shares
Interest	means interest at the rate provided and calculated and compounded as agreed in accordance with the Facility Agreement both before and after judgement from time to time
LPA	means Law of Property Act 1925
Obligor	means the Chargor and each other Obligor as defined in the Facility Agreement
Party	means a party to this deed
Property	<p>means the Real Property from time to time owned by the Chargor or in which the Chargor has an interest (including the Real Property specified in Schedule 3 (Details of Property)) together with (in every case) all proceeds of sale deriving from any such Real Property, the benefit of all covenants given in respect of such Real Property and any monies paid or payable in respect of such covenants</p> <p>Any reference to Property includes a reference to each separate property of which particulars are set out in Schedule 3 (Details of Property) and to any part or parts of such property</p>
Real Property	means any freehold, leasehold or immovable property and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any such property
Receiver	means any one or more receivers and managers or (if the Lender so specifies in the relevant appointment) receivers appointed by the Lender pursuant to this deed in respect of the Chargor or in respect of the Secured Assets or any of them
Secured Assets	means the assets charged, assigned or otherwise the subject of any security created by or pursuant to this deed and includes any part or parts of such assets
Secured Obligations	means all indebtedness and all obligations or liabilities of any kind which may now or at any time in the future be due, owing or incurred by Obligors to the Lender in both its capacity as Lender and as Hedge Counterparty including under the Finance Documents, whatever their nature or basis, in any currency or currencies and however they are described together with Interest and Expenses
Security Period	means the period beginning on the date of this deed and ending on the Discharge Date
Shares	means all shares (if any) specified in Schedule 5 (Shares) and also all other stocks, shares, debentures, bonds, warrants,

coupons or other securities now or in the future owned by the Chargor from time to time or any in which it has an interest

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999

Transaction Documents means any management agreement relating to the Property and all acquisition documents and transfers relating to the Property and all other contracts, deeds and/or agreements, including any declaration of trust, any trust deed or partnership agreement relating to the Property now and in the future

1.3 Construction

In this deed

(a) any reference to

- (i) the word **assets** includes present and future property, revenue, rights and interests of every kind,
- (ii) the word **guarantee** includes any guarantee or indemnity and any other financial support (including any participation or other assurance against loss and any deposit or payment) in respect of any person's indebtedness,
- (iii) the word **indebtedness** includes any obligation for the payment or repayment of money, whatever the nature or basis of the relevant obligation (and whether present or future, actual or contingent),
- (iv) the word **law** includes law established by or under statute, constitution, treaty, decree, regulation or judgment, common law and customary law, and the word **lawful** and similar words and phrases are to be construed accordingly,
- (v) the word **person** includes any individual, company, corporation, firm, government, state or any agency of a state and any association, partnership or trust (in each case, whether or not it has separate legal personality),
- (vi) the word **regulation** includes all guidelines, official directives, regulations, requests and rules (in each case, whether or not having the force of law) of any governmental, inter-governmental or supranational agency, body or department or of any regulatory or other authority or organisation (whether statutory or non-statutory, governmental or non-governmental),
- (vii) the word **security** includes any assignment by way of security, charge, lien, mortgage, pledge or other security interest securing any obligation of any person and any other agreement or arrangement having a similar effect,
- (viii) the word **set-off** includes analogous rights and obligations in other jurisdictions, and

- (ix) the word **tax** includes any tax, duty, impost or levy and any other charge or withholding of a similar nature (including any interest or penalty for late payment or non-payment),
- (b) where something (or a list of things) is introduced by the word **including**, or by the phrase **in particular**, or is followed by the phrase "or otherwise", the intention is to state an example (or examples) and not to be exhaustive (and the same applies when other similar words or phrases are used),
- (c) each reference to the **Chargor**, the **Lender**, any **Party** or **Obligors** includes its successors in title and its permitted assignees or permitted transferees,
- (d) unless this deed expressly states otherwise or the context requires otherwise, (a) each reference in this deed to any provision of any statute or of any subordinate legislation means, at any time, the relevant provision as in force at that time (even if it has been amended or re-enacted since the date of this deed) and (b) each reference in this deed to any provision of any statute at any time includes any subordinate legislation made pursuant to or in respect of such provisions as in force at such time (whether made before or after the date of this deed and whether amended or re-enacted since the date of this deed),
- (e) each reference to this deed (or to any other agreement or deed) means, at any time, this deed (or as applicable such other agreement or deed) as amended, novated, re-stated, substituted or supplemented at that time, provided that the relevant amendment, novation, re-statement, substitution or supplement does not breach any term of this deed or of any of the Finance Documents,
- (f) each reference to the singular includes the plural and vice versa, as the context permits or requires,
- (g) the index and each heading in this deed is for convenience only and does not affect the meaning of the words which follow it,
- (h) each reference to a clause or Schedule is (unless expressly provided to the contrary) to be construed as a reference to the relevant clause of or Schedule to this deed,
- (i) wherever this deed states that the **Chargor** must not take a particular step without the consent of the **Lender**, the **Lender** has discretion whether to give its consent and can impose conditions on any such consent it gives, and
- (j) an Event of Default is **continuing** if it has not been waived

1.4 Third Party Rights

- (a) A person who is not an Enforcement Party has no right under the Third Parties Act to enforce or enjoy the benefit of any term of this deed except to the extent that this deed or any other of the Finance Documents expressly provides for it to do so
- (b) No consent of any person who is not a Party is required to rescind or vary this deed at any time

- (c) This clause 1 4 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Third Parties Act

1 5 Incorporation of other terms

The terms of the other Finance Documents under which the Secured Obligations arise and of any side letters between the Chargor and the Lender relating to the Secured Obligations are incorporated in this deed to the extent required for any purported disposition of the Secured Assets contained in this deed to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

2 Covenant to Pay

2 1 Covenant

The Chargor hereby, as primary obligor and not merely as surety, covenants with the Lender that it will pay, discharge and perform the Secured Obligations when due and demanded and in the manner provided in the Finance Documents

2 2 Default Interest

Any amount which is not paid under this deed on the due date shall bear interest (as well after as before judgment) payable on demand at the Default Rate from time to time from the due date until the date of actual unconditional and irrevocable payment and discharge of such amount in full, save to the extent that interest at such rate on such amount and for such period is charged pursuant to the Finance Documents relevant to that liability and itself constitutes part of the Secured Obligations

3 Charging clause

3 1 Grant of Security

The Chargor, as a continuing security for the payment, discharge and performance of the Secured Obligations, charges as security in favour of the Lender its interests in the following assets

(a) First Legal Mortgage on Specified Land and Buildings

By way of first legal mortgage, all its Property identified in Schedule 3 (Details of Property)

(b) First Fixed Charge on Other Land and Buildings

By way of first fixed charge, all its Property (but excluding any Property made subject to a valid legal mortgage under clause 3 1(a) above), all other interests in its Property, and any rights under any licence or other agreement or document which gives the Chargor a right to enter upon or use land wherever situated

(c) First Fixed Charge on Plant and Machinery

By way of first fixed charge, all plant and machinery (including those items of plant and machinery, if any, listed in Schedule 5 (Specifically identified chattels)), now or in the future owned by it (but not including plant and machinery made subject to a valid legal mortgage or valid fixed charge under clauses 3 1(a) or 3 1(b) above nor any

chattels mentioned in clause 3 1(d) below) and the benefit of all contracts, licences and warranties relating to the same

(d) First Fixed Charge on Other Chattels

By way of first fixed charge, all vehicles, computers (including those vehicles and computers, if any, listed in respect of the Chargor in Schedule 5 (Specifically identified chattels), now or in the future owned by it and its interest in any vehicles and /or computers, in its possession (but not including any such chattels for the time being forming part of the Chargor's stock in trade or work in progress) and the benefit of all contracts, licences and warranties relating to the same

(e) First Fixed Charge on Investments

By way of first fixed charge, all Investments together with all Distribution Rights from time to time accruing to or on such Investments

(f) First Fixed Charge on Insurances

To the extent that the Insurances and/or the Insurance Proceeds are incapable for any reason of being effectively assigned pursuant to clause 3 2(b) (Assignment of Insurances and Insurance Proceeds) but are capable of being effectively charged, by way of first fixed charge, the Insurances applicable to the Chargor and all Insurance Proceeds either now or in the future held by, written in favour of, or payable to the Chargor or in which the Chargor is otherwise interested

(g) First Fixed Charge on Book Debts etc

By way of first fixed charge, all present and future book and other debts, revenues and monetary claims of the Chargor and all rights and claims of whatever nature of the Chargor now or which may at any time be held or enjoyed by it against third parties and against any securities and guarantees in respect of such debts, revenues or claims

(h) First Fixed Charge on Bank Balances

By way of first fixed charge, all of its Bank Balances

(i) First Fixed Charge on Intellectual Property

(To the extent that the Intellectual Property is incapable for any reason of being effectively assigned pursuant to clause 3 2(c) (Assignment of Intellectual Property)) by way of first fixed charge, all Intellectual Property (if any)

(j) First Fixed Charge on Authorisations, Compensation etc

By way of first fixed charge, the benefit of all Authorisations held or utilised by the Chargor in connection with its business or the use of any of its assets (to the extent that such Authorisations are capable of being effectively charged) and the right to recover and receive all compensation which may at any time become payable to it in respect of such Authorisations to the extent permitted by the terms of such Authorisations and save in so far as any such Authorisations are effectively subject to any valid assignment to the Lender pursuant to this deed

(k) **First Fixed Charge on goodwill and uncalled capital**

By way of first fixed charge, all the goodwill and uncalled capital of the Chargor

(l) **First Fixed Charge on Rental Income and guarantees for Rental Income**

To the extent that Rental Income and all guarantees of any nature whatsoever now or at any time enjoyed or held by the Chargor in relation to any Rental Income are incapable for any reason of being effectively assigned pursuant to clause 3 2(d)(Assignment of Rental Income and guarantees for Rental Income), by way of first fixed charge all Rental Income and all guarantees of any nature whatsoever now or at any time enjoyed or held by the Chargor in relation to any Rental Income

(m) **First Fixed Charge on Charged Contracts**

To the extent that Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Charged Contracts are incapable for any reason of being effectively assigned pursuant to clause 3 2(a)(Assignment of Charged Contracts), by way of first fixed charge the Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Charged Contracts

(n) **First Fixed Charge on Hedging Agreements**

To the extent that Hedging Agreements are incapable for any reason of being effectively assigned pursuant to clause 3 2(f) (Assignment of Hedging Agreements), by way of first fixed charge, all its rights and interest in the Hedging Agreements

3 2 Assignment by Way of Security

As further continuing security for the payment of the Secured Obligations the Chargor assigns (to the fullest extent capable of assignment) to the Lender all its rights, title and interest in the following assets

(a) **Assignment of Charged Contracts**

The Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of the Charged Contracts

(b) **Assignment of Insurances and Insurance Proceeds**

The Insurances and the benefit of all Insurance Proceeds

(c) **Assignment of Intellectual Property**

The Intellectual Property (if any) together with all damages, compensation, remuneration, profit, royalties, fees, rent or income which any Chargor may derive from or be awarded or entitled to in respect of such Intellectual Property, but in the case of any such assignment of Intellectual Property the Lender shall grant to the

Chargor a licence to use such Intellectual Property in the ordinary course of its business and for so long as no Event of Default exists and is continuing upon such terms as may be specified by the Lender

(d) **Assignment of Rental Income and guarantees for Rental Income**

All Rental Income and the benefit of all guarantees of any nature whatsoever now at any time enjoyed or held by the Chargor in relation to any Rental Income and the benefit of all personal covenants given by any tenant or occupier of the Property or guarantor of such tenant or occupier

(e) **Assignment of Transaction Documents**

The Transaction Documents together with the benefit of all rights, monies, beneficial interests and advantages of the Chargor therein whether present or future, actual or contingent, including all guarantees, warranties, rights and entitlements to all debts due to the Chargor thereunder and all claims whatsoever of the Chargor in respect thereof including without limitation claims against insurers and third parties from time to time and all rights of action under or in respect of such contracts, deeds and/or agreements and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Chargor may derive from or be awarded or entitled to in respect of any Transaction Documents

(f) **Assignment of Hedging Agreements**

The Hedging Agreements and any and all damages, compensation or income which the Chargor may derive from or be awarded or entitled to in respect of the Hedging Agreements

3.3 Notice of Assignment or Charge

(a) The Chargor shall give notice of each such assignment of its right, title and interest (if any) in and to

- (i) the Insurances and Insurance Proceeds forthwith upon the date of this deed, by sending a notice in the form of Part 1 of Schedule 6 (*Notices*) (with such amendments as the Lender may agree) duly completed to each of the other parties to the Insurances,
- (ii) the Charged Contracts in existence on the date of this deed forthwith upon the date of this deed (except where a Charged Contract is an Occupational Lease when such notices shall be served only after the occurrence of an Event of Default if the Lender so requires) by sending a notice in the form of Part 2 of Schedule 6 (*Notices*) (with such amendments as the Lender may agree) duly completed to each of the other parties to the Charged Contracts, and
- (iii) the Hedging Agreements forthwith upon the date of this deed by sending a notice in the form of Part 2 of Schedule 6 (*Notices*) with such amendments as the Lender may agree) duly completed to each of the other parties to the Hedging Agreements,

and the Chargor shall use its reasonable endeavours to procure that within 14 days of the date of service of each such notice each such other party delivers an acknowledgement to the Lender in the form of the acknowledgement of notice contained in the notice set out in Part 1 of Schedule 6 (Notices) (in the case of the Insurances and Insurance Proceeds) or in the form of the acknowledgement of notice contained in the notice set out in Part 2 of Schedule 6 (Notices) (in the case of each of the Charged Contracts and the Hedging Agreements), in each case with such amendments as the Lender may agree

- (b) Upon the entry into each new Occupational Lease after the date of this deed, the Chargor shall send to the Lender promptly thereafter, a notice of assignment of its rights, title and interest (if any) in and to each such Occupational Lease addressed to each other party to such Occupational Lease in the form set out in Part 2 of Schedule 6 (Notices) (with such amendments as the Lender may agree) The Lender agrees that such notice is required to be served only after the occurrence of an Event of Default if the Lender so requires

3 4 Exercise of rights under Charged Contracts and Transaction Documents

- (a) Whilst no Event of Default exists and is continuing the Lender shall permit the Chargor to exercise its rights under any of the Charged Contracts and Transaction Documents to which it is party, provided that the exercise of those rights in the manner proposed would not result in an Event of Default
- (b) Where an Event of Default exists and is continuing the Chargor shall exercise its rights under any of the Charged Contracts and Transaction Documents in accordance with the instructions of the Lender

3 5 Floating Charge

As further continuing security for the payment to the Lender of the Secured Obligations the Chargor hereby charges in favour of the Lender, by way of first floating charge, all its assets and undertakings whatsoever and wheresoever both present and future not effectively charged by way of legal mortgage or fixed charge pursuant to the provisions of clause 3 1 (Fixed charges) or effectively assigned by way of security pursuant to clause 3 2 (Assignment by way of security)

3 6 Conversion of Floating Charge

The Lender may at any time by notice in writing to the Chargor convert the floating charge created pursuant to clause 3 5 (Floating Charge) into a fixed charge as regards such assets as it shall specify in the notice in the event that

- (a) the Chargor has failed to comply with, or takes or threatens to take any action which in the opinion of the Lender is likely to result in its failing to comply with its obligations under clause 5 (*Negative Pledge and Disposal Restrictions*), or
- (b) the Lender is of the view that
 - (i) such assets are in danger of being seized, or

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- (ii) any legal process or execution is being enforced against such assets, or
- (iii) such assets are otherwise in jeopardy, or
- (iv) steps have been taken which would, in the opinion of the Lender, be likely to lead to the appointment of an administrator in relation to the Chargor (or such administrator has been appointed) or to the winding-up of the Chargor;

and by way of further assurance following such conversion the Chargor shall promptly execute a fixed charge over such assets in such form as the Lender shall reasonably require

3 7 Automatic Conversion of Floating Charge

In addition to any circumstances in which the floating charge created by clause 3 5 (Floating charge) of this deed will crystallise automatically under the general law, and without prejudice to the operation of clause 3 6 (Conversion of floating charge)

- (a) if the Chargor creates (or purports to create) any security on or over any Floating Charge Asset (other than as permitted by the Facility Agreement) without the prior written consent of the Lender such floating charge will automatically, without any notice being given under clause 3 6 (*Conversion of floating charge*) and immediately upon such event occurring, be converted into a fixed charge over the relevant Floating Charge Asset, and
- (b) if the Chargor convenes any meeting of its members to consider a resolution to wind up or not to wind up the Chargor, or if a liquidator, Receiver or administrator or another similar officer is appointed in respect of the Chargor or any of its assets, such floating charge shall in like manner immediately upon the happening of such event be converted into a fixed charge over all the assets which immediately prior to such conversion comprised the Floating Charge Asset

3 8 Continuing Security

All the security granted or created by this deed is to be a continuing security which shall remain in full force and effect notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Chargor or any other person of the whole or any part of the Secured Obligations

3 9 Full Title Guarantee and Implied Covenants

All the security created or given under this deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3 10 Miscellaneous

The fact that no or incomplete details of any particular Secured Assets are included or inserted in any relevant Schedule shall not affect the validity or enforceability of the charges created by this deed

4 Further Assurance

4.1 General

- (a) The Chargor must at its own expense promptly do all such acts and things and execute such documents (including deeds, assignments, transfers, mortgages, charges, notices, instructions, assurances, agreements and instruments) as the Lender may reasonably require in favour of the Lender or its nominee(s)
- (i) to perfect and protect (including against any change in or revised interpretation of any law or regulation) the security created (or intended to be created) under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law, or
 - (ii) to confer on the Lender security over any property or assets of the Chargor located in any jurisdiction equivalent or similar to the security intended to be conferred by or pursuant to this deed, or
 - (iii) (in its absolute discretion) to facilitate the realisation of the assets which are, or are intended to be, the subject of this deed, or
 - (iv) otherwise for enforcing the same or exercising any of the Lender's rights, powers, authorities or discretions under this deed,
- and the Chargor shall take all such action as is available to it (including the making of all filings and registrations and the payment of all fees and taxes) as may be necessary for the creation, perfection, protection, maintenance or enhancement of any security conferred or intended to be conferred on the Lender pursuant to this deed
- (b) Any security document required to be executed by the Chargor pursuant to clause 4.1(a) will be prepared at the cost of the Chargor, and will be in such form and will contain such provisions as the Lender may reasonably require

4.2 Land Registry - Application for Restriction

- (a) In relation to all present and future registered Property (and any other unregistered Property subject to compulsory first registration at the date of this deed) the Chargor is to apply to the Land Registrar to enter on the register against the title number of or to be allocated to the relevant Property) of
- (i) on Land Registry form RX1, a restriction in the following terms
- "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date of this deed] in favour of Lloyds Bank PLC referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its duly authorised officer", and

- (ii) upon receipt of Land Registry form CH2 duly completed by the Lender, notice of an obligation to make further advances
- (b) The Chargor must submit the relevant applications no later than the date of submission of the application for registration of security created by this deed and pay the Expenses incurred in connection with the applications
- (c) The Lender, in its absolute discretion, may make any of the applications referred to in clause 4.2(a) in place of the Chargor. In such a case, the Chargor consents to the entry of the relevant restriction and will pay the Expenses incurred in connection with the application

4.3 Exempt Information Document

- (a) The Chargor must at its own expense do whatever the Lender may reasonably require in connection with
 - (i) any application by the Lender to have this deed designated an exempt information document under Land Registration Rules 2003 rule 136, and
 - (ii) any person's application under Land Registration Rules 2003 rule 137 for disclosure of this deed following its designation as an exempt information document
- (b) The Chargor must notify the Lender in writing
 - (i) before making any application to have this deed designated an exempt information document under Land Registration Rules 2003 rule 136,
 - (ii) as soon as it receives notice of any person's application under Land Registration Rules 2003 rule 137 for disclosure of this deed following its designation as an exempt information document, and
 - (iii) before making any application under Land Registration Rules 2003 rule 138 for removal of any such designation

4.4 Delivery of Deed to Land Registry

The Chargor submitting this deed or any counterpart to the Land Registry must on each occasion also submit a certified copy of this deed and request the return of the original and upon the return of the original it must deliver such original to the Lender

4.5 Registration of Security over Intellectual Property

- (a) The Chargor must, at the request of the Lender and the cost of the Chargor, prepare, execute and lodge for registration, recording and/or filing (as the case may require) all documents and forms necessary for
 - (i) this deed and any other deed executed pursuant to this deed relating to its Intellectual Property (or requisite particulars),

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- (ii) the Lender's interest in the Chargor's Intellectual Property, present and future,
 - (iii) any licences or other interests affecting the Chargor's Intellectual Property, and
 - (iv) any pending or future patents, registered designs, registered trade marks, registered service marks or applications to register any of the same in the name of the Chargor,
- (b) to be registered, recorded or filed (as the case may be) on the relevant register maintained by any relevant patent office or registry whether in the United Kingdom or elsewhere and shall do all acts and things necessary, including payment of fees, to give effect to such registration, recording or filing or to such future grant of patent
- (c) The Chargor must perform its obligations under clause 4 5(a) promptly and efficiently so as to ensure that the particulars of this deed and of the Lender's interest are recorded as soon as practicable after the date of this deed but in any event within 6 months of the date of this deed and in relation to other deeds or any future filings or registrations of other Intellectual Property within 6 months of the date of such other deed, or of the date of such filing, or of the Chargor's obtaining any relevant rights
- (d) The Chargor hereby appoints the Lender to act as its agent, at the Chargor's expense, to prepare all such documents and do all things necessary, in the event that the Chargor fails to comply with its obligations under clause 4 5(a)

5 Negative Pledge and Disposal Restrictions

5 1 Negative pledge

During the Security Period, the Chargor must not create, extend or permit to subsist any security over any of the Secured Assets, nor may it

- (a) sell, transfer or otherwise dispose of any of its assets on terms that they are or may be leased to or re-acquired by any of the Transaction Obligors or by any other member of the Group,
- (b) sell, transfer or otherwise dispose of any of its receivables,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts, or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of borrowing monies or otherwise raising indebtedness (whether actual or contingent and whatever the nature, structure or characteristic of the arrangement or transaction under which the relevant liability arises) or of financing the acquisition of an asset

5 2 Exceptions

Clause 5 1 does not apply

- (a) to the security created or required to be created by this deed,
- (b) to any Security permitted by the Facility Agreement,
- (c) to any security or transaction to which the Lender has given its prior written consent, nor
- (d) to an Occupational Lease to which the Lender has given its prior written consent in accordance with the Facility Agreement

6 Representations and Warranties

The Chargor represents and warrants to the Lender on the date of this deed and on each day during the Security Period on which representations and warranties set out in the Facility Agreement are or are deemed to be made or repeated

6.1 No Intention to Enforce

No person who holds any Security of a kind mentioned in clause 5.2 (Exceptions) over any asset of the Chargor has enforced or given notice of its intention to enforce such Security

6.2 Priority of Security

The mortgages, charges and assignments contained in clause 3 (Charging clause) constitute first priority security over the assets which are expressed to be secured by such mortgages, charges or assignments and those assets are not subject to any Security other than as permitted by the Facility Agreement

6.3 Property

It represents and warrants as set out in Part 2 of Schedule 8 (Property warranties and undertakings)

6.4 Matters affecting Shares

- (a) The Shares specified in Schedule 4 (*Shares*) opposite its name are at the date of this deed the only Shares legally and beneficially owned by it
- (b) It is and will (save as otherwise permitted by the Facility Agreement) remain the sole beneficial owner of the Shares and (save where the Shares have been registered in the name of the Lender or its nominee pursuant to the provisions of this deed and save as otherwise permitted by the Facility Agreement) it and/or its nominee is and will remain the absolute legal owner of the Shares
- (c) The Shares are fully paid and neither the Shares nor the Distribution Rights are subject to any lien, charge, equity, encumbrance, option to purchase or similar rights of any person other than the Lender
- (d) The Lender is entitled to be registered or to require a nominee to be registered as member of each of the relevant companies to which such Shares relate without any

right of the board of directors of any such company to refuse registration or to consent to such registration only subject to satisfaction of conditions

7 Undertakings

The Chargor undertakes to the Lender in the terms of the following provisions of this clause 7, all such undertakings to commence on the date of this deed and to continue throughout the Security Period

7.1 Perform

It will at all times comply with the terms (express or implied) of this deed and of all contracts relating to the Secured Obligations

7.2 Not to Jeopardise Security

It will not do anything or allow anything to be done which may in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the security constituted by this deed or the priority of its ranking as expressed in this deed or in the Intercreditor Agreement

7.3 Maintenance

It will keep the Property and such other Secured Assets in a good and substantial state of repair, working order and condition

7.4 Chattels - Notice of Charge

If so requested by the Lender it will place and maintain on each chattel the value of which exceeds £50,000 and which is subject to a fixed charge under this deed, in a conspicuous place, an identification marking as appears below and not conceal, alter or remove such marking or permit it to be concealed, altered or removed

"Notice of Charge

This [specify the chattel] and additions and ancillary equipment are subject to a first fixed charge in favour of Lloyds Bank PLC "

7.5 Maintain Intellectual Property

(a) It will observe and perform all covenants and stipulations from time to time affecting the Intellectual Property or the mode of user or the enjoyment of the same, make all payments, carry out all registrations or renewals and generally take all such steps as may be necessary to preserve, maintain and renew when necessary or desirable all Intellectual Property

(b) It will not do (or fail to do) anything or permit anything to be done, if that might infringe any Intellectual Property owned or used by it or affect the existence or value of any such Intellectual Property or its right or ability to use it

7.6 Property

It will comply with the provisions of Part 3 of Schedule 8 (Property warranties and undertakings)

7 7 Bank Accounts

It will ensure that throughout the Security Period all its bank accounts are held with Lloyds Bank PLC unless the Lender directs otherwise pursuant to clause 7 8 (Collection of book debt, etc) and that all Rental Income is paid into the Rent Account

7 8 Collection of Book Debts, etc.

It will

- (a) collect (as agent for the Lender) all Charged Debts and pay into such specially designated account with the Lender or such other account with such other bank as the Lender may from time to time direct all money which it shall receive in respect of such Charged Debts forthwith on receipt and pending such payment it will hold all such money upon trust for the Lender;
- (b) not, without the prior written consent of the Lender, charge, factor, discount or assign any of the Charged Debts, in favour of any other person or purport to do so,
- (c) where the Collection Account is not maintained with the Lender but with some other bank or financial institution, and where any other Bank Balances are charged to the Lender pursuant to the provisions of clause 3 1(h) (*First fixed charge on Bank Balances*) but are not maintained with the Lender but with some other bank or financial institution, procure that such other bank or financial institution with whom the Collection Account is maintained or where such other Bank Balances are held has received a notice in the form set out in Schedule 7 (Form of notice to bank operating secured account) and has issued a receipt and confirmation in respect of that notice as provided in such form,
- (d) not, without the prior consent of the Lender, withdraw all or any monies from time to time standing to the credit of the Collection Account or any other Bank Balances charged to the Lender pursuant to the provisions of clause 3 1(h) (*First fixed charge on Bank Balances*)

7 9 Shares and Other Investments

- (a) It will immediately upon receipt of the same deliver to the Lender copies of all material notices, circulars, letters, reports, accounts and other communications with shareholders relating to its holding of the Shares
- (b) It will pay all calls or other payments due and payable in respect of any of the Shares and if it fails to do so the Lender may pay the calls or other payments on its behalf
- (c) Save with the prior written consent of the Lender, it will not
 - (i) take any action by or as a consequence of which the rights attaching to the Shares are altered or diluted or the issued capital of any of the companies whose Shares are charged by this deed increased,
 - (ii) participate in any rights issue relating to the Shares, nor

- (iii) apply for, or consent to, the conversion of any Shares held in certificated form into uncertificated form
- (d) Forthwith upon execution of this deed or upon any subsequent acquisition by it of Shares which are held within CREST or otherwise in uncertificated form, it will provide to the Lender particulars of such Shares in which it is interested and will give such instructions and enter into such documents as the Lender may reasonably require to perfect the security over such Shares created by this deed
- (e) Forthwith upon execution of this deed it will deliver to the Lender (or as it shall direct) all bearer instruments, share certificates and other documents of title to or evidence of ownership of the Investments and/or the Distribution Rights owned by it or in which it has an interest together with (in the case of Shares, other than bearer instruments, held in certificated form) instruments of transfer in respect of each of the same executed in blank (except for the number and class of Shares and the name of the transferor) and left undated
- (f) If it acquires Investments, whether pursuant to its Distribution Rights or for any other reason, after the date of this deed the provisions of clause 7 9(c) and the remaining provisions of this clause 7 9 shall apply to such Investments
- (g) The Lender may at any time following the occurrence of an Event of Default which is continuing complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select, and the Chargor shall procure that such instruments of transfer are forthwith registered in the relevant Company and that share certificates in the name of the Lender and/or its nominee(s) in respect of the Shares to which such instrument of transfer relates are delivered to the Lender as soon as reasonably practicable, but in any event no later than 5 days after the date upon which the Lender has delivered the relevant instrument of transfer
- (h) Until the occurrence of an Event of Default but not thereafter while such Event of Default is continuing
 - (i) the Chargor will be entitled to receive and retain all dividends, distributions, interest and other monies paid on or derived from the Investments, and
 - (ii) will be entitled to exercise all voting and other rights and powers attaching to the Shares, provided that it will not exercise any such voting rights or powers in a manner which would prejudice the value of, or the ability of the Lender to realise, the security created by this deed, and
 - (iii) shall give to the Lender reasonable notice of the manner in which it proposes to exercise the rights and powers referred to in clause 7 9(h)(ii)
- (i) Upon the occurrence of an Event of Default and while it is continuing any dividends, distributions interest or other monies paid on or derived from the Investments will be received by the Chargor on trust for the Lender and paid into a separate account or otherwise dealt with as directed by the Lender, and the Chargor shall if the Lender so

requires thereafter exercise all voting and other rights and powers attaching to the Shares as the Lender shall direct

- (j) At any time when any Investments are registered in the name of the Lender or its nominee and for so long as there is no Event of Default which is continuing the Lender will (so far as is consistent with the security created by this deed) exercise any applicable voting or other rights and powers in accordance with the directions of the Chargor and account to the Chargor for any dividends, payments or other distributions attributable to such Investments, but upon the occurrence of an Event of Default and so long as it is continuing the Lender may exercise or refrain from exercising such voting or other rights and powers as it thinks fit and may retain any such dividends, payments or other distributions, but in any case the Lender will not be under any duty to ensure that any dividend, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee or to verify that the correct amounts are paid or received by it or its nominee or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments

7 10 Charged Contracts and Hedging Agreements

The Chargor will

- (a) perform all its obligations under the Charged Contracts and the Hedging Agreements in a diligent and timely manner,
- (b) not make or agree to make any amendments or modifications to the Charged Contracts or the Hedging Agreements or waive any of its rights under the Charged Contracts or the Hedging Agreements or exercise any right to terminate any of the Charged Contracts or the Hedging Agreements except with the prior written consent of the Lender or as otherwise permitted by the Finance Documents,
- (c) promptly inform the Lender of any material disputes relating to the Charged Contracts or the Hedging Agreements

7 11 Access

It will permit the Lender and its professional advisers, agents and contractors free access at all reasonable times and on reasonable notice (at the risk and cost of the Chargor) to the premises, assets, books, accounts and records of Chargor

7 12 Deposit of Documents

It will promptly at the Lender's request deposit with the Lender (or as the Lender directs)

- (a) all deeds and documents of title relating to the Property including official copies of Land Registry entries, counterpart leases, licences, and any other deeds or

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documents necessary or desirable to assist the Lender to enforce the security created by this deed,

- (b) policies of insurance in respect of which the proceeds of any claims are assigned or charged pursuant to this deed, and
- (c) all such other documents relating to the Secured Assets as the Lender may from time to time reasonably require

7 13 Retention of Documents

The Lender may retain any document delivered to it pursuant to clause 7 12 (Deposit of Documents) or otherwise until the Discharge Date and if, for any reason it ceases to hold any such document before such time, it may by notice to the Chargor require that the relevant document be redelivered to it and the Chargor must promptly comply (or procure compliance) with such notice

7 14 Power to Remedy

If the Chargor fails to comply with any of the covenants and undertakings set out or referred to in clauses 7 1 to 7 13 inclusive and Part 3 of Schedule 8 (Property warranties and undertakings) it will allow (and hereby irrevocably authorises) the Lender and/or such persons as the Lender nominates to take such action (including the making of payments) on behalf of the Chargor as is necessary to ensure that such covenants are complied with

7 15 Expenses

It will pay all Expenses on demand. If it does not do so, the Expenses will bear interest at the Default Rate from and including the date of demand to and including the date of actual payment

7 16 Indemnity

The Chargor will indemnify the Lender and will keep the Lender indemnified against all losses and Expenses incurred by the Lender as a result of a breach by the Chargor of its obligations under clauses 7 1 to 7 12 inclusive and Part 3 of Schedule 8 (Property warranties and undertakings) and in connection with the exercise by the Lender of its rights contained in clause 7 14 above (Power to remedy). All sums the subject of this indemnity will be payable by the Chargor to the Lender on demand and if not so paid will bear interest at the Default Rate. Any unpaid interest will be compounded with Monthly rests

8 Enforceability

For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Obligations shall be deemed to have become due and payable and this deed will become immediately enforceable and the powers of the Lender and any Receiver will become exercisable on the date of this deed, but, as between the Lender and the Chargor, the power of sale shall be exercisable only upon the occurrence of an Event of Default and for so long as it is continuing (unless there has been a request from the Chargor to the Lender for the appointment of a Receiver, in which case it will be exercisable at any time following the making of such request)

9 Enforcement of Security

- 9 1 At any time after the Lender's power of sale has become exercisable, the Lender may without further notice
- (a) appoint one or more than one Receiver in respect of the Secured Assets or any of them and if more than one Receiver is appointed the Receiver may act jointly and severally or individually, or
 - (b) take possession of the Secured Assets, or
 - (c) in its absolute discretion enforce all or any part of the security created by this deed in such other lawful manner as it thinks fit
- 9 2 The Lender may remove the Receiver and appoint another Receiver and the Lender may also appoint an alternative or additional Receiver
- 9 3 The Receiver will, so far as the law permits, be the agent of the Chargor and the Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver. The Lender will not be responsible for any misconduct, negligence or default of the Receiver
- 9 4 The powers of the Receiver will continue in full force and effect following the liquidation of the Chargor
- 9 5 The remuneration of the Receiver may be fixed by the Lender but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Obligations
- 9 6 The Receiver will have the power on behalf and at the cost of the Chargor
- (a) to do or omit to do anything which he considers appropriate in relation to the Secured Assets, and
 - (b) to exercise all or any of the powers conferred on the Receiver or the Lender under this deed or conferred upon administrative receivers by the Insolvency Act (even if he is not an administrative receiver), or upon receivers by the LPA or any other statutory provision (even if he is not appointed under the LPA or such other statutory provision)
- 9 7 Without prejudice to the general powers set out in clause 9 6 a Receiver will also have the powers and discretions set out in Schedule 9 (*Receiver's specific powers*)
- 9 8 The Lender or any Receiver may sever any Fixtures from the Property and sell them apart from the Property without taking possession of the Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Obligations
- 9 9 If the Lender or the Receiver obtains possession of the Property, the Lender or the Receiver may use and remove, store or sell any chattels on the Property, whether or not forming part of the Secured Assets, without being under any liability to the Chargor other than to account for their net proceeds of the sale. All Expenses and liabilities incurred by the Lender or the

Receiver in connection with the removal, storage and sale of such chattels will form part of the Secured Obligations

9 10 If (notwithstanding any representation or warranty to the contrary contained in this deed) there shall be any security affecting the Secured Assets or any of them which ranks in priority to the security created by this deed and the holder of such prior security takes any steps to enforce such security, the Lender or any Receiver may, at its option, take a transfer of, or repay the indebtedness secured by, such security

9 11 The Lender may, at any time after this deed has become enforceable pursuant to clause 8 (*Enforceability*), exercise, to the fullest extent permitted by law, all or any of the powers authorities and discretions conferred on a Receiver by this deed, whether as attorney of the Chargor or otherwise and whether or not a Receiver has been appointed

9 12 The Lender may, in writing, either in its appointment of a Receiver or by subsequent notice to that Receiver, restrict the right of such Receiver to exercise all or any of the powers conferred on Receivers by this deed

9 13 Paragraph 14 of Schedule B1 to the Insolvency Act applies to the floating charges created under this deed

10 **Appropriation**

10 1 In this deed, **financial collateral** has the meaning given to that term in the Financial Collateral Arrangements (No 2) Regulations 2003 (No 3226)

10 2 At any time after an Event of Default has occurred and is continuing, the Lender may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Obligations

10 3 The Lender must attribute a value to the appropriated financial collateral in a commercially reasonable manner

10 4 Where the Lender exercises its rights of appropriation and the value of the financial collateral appropriated differs from the amount of the Secured Obligations, as the case may be, either

- (a) the Lender must account to the Chargor for the amount by which the value of the appropriated financial collateral exceeds the Secured Obligations, or
- (b) the Chargor will remain liable to the Secured Parties for any amount whereby the value of the appropriated financial collateral is less than the Secured Obligations

11 **Application of Proceeds**

11 1 **Recoveries by Receiver**

The proceeds arising from the exercise of the powers of the Receiver will be applied, after the discharge of the remuneration and expenses of the Receiver and all liabilities having priority to the Secured Obligations, in or towards satisfaction of the Secured Obligations in such manner and order as the Lender may determine

11 2 Right of Appropriation

The Lender is entitled to appropriate money and/or assets to Secured Obligations in such manner or order as it thinks fit and any such appropriation shall override any appropriation by the Chargor

11 3 Insurances

All monies received by virtue of any Insurances maintained or effected in respect of the Secured Assets shall be paid to the Lender (or if not paid by the insurers directly to the Lender shall be held on trust for the Lender) and shall (subject as otherwise provided in the Finance Documents) be applied in accordance with the Facility Agreement

11 4 Suspense Account

The Lender may place (for such time as it thinks prudent) any money received by it pursuant to this deed to the credit of a separate or suspense account (without liability to account for interest thereon) for so long and in such manner as the Lender may from time to time determine without having any obligation to apply that money or any part of it in or towards discharge of the Secured Obligations

12 Protection of Third Parties

12 1 No Duty to Enquire

A buyer from, tenant or other person dealing with any Enforcement Party will not be concerned to enquire whether any of the powers which it has exercised or purported to exercise has arisen or become exercisable and may assume that it is acting in accordance with this deed

12 2 Receipt Conclusive

The receipt of the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser of the Secured Assets and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Lender or any Receiver

13 Protection of the Lender

13 1 Lender's Receipts

The Lender shall not be obliged to account to the Chargor, nor to any other person, for anything other than its own actual receipts which have not been distributed or paid to the person entitled (or who the Lender, acting reasonably, believes to be entitled) in accordance with the requirements of this deed

13 2 Exclusion of Liability

- (a) No Enforcement Party will be liable to the Chargor for any expense, loss liability or damage incurred by the Chargor arising out of the exercise of its rights or powers or any attempt or failure to exercise those rights or powers, except for any expense, loss, liability or damage arising from its gross negligence, fraud or wilful misconduct

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- (b) The Chargor may not take any proceedings against any officer, employee or agent of any Enforcement Party in respect of any claim it might have against such Enforcement Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to this deed
- (c) Any officer, employee or agent of any Enforcement Party may rely on this clause 13 under the Third Parties Act

13 3 Effect of Possession

If the Lender or any Receiver enters into possession of the Secured Assets or any of them, this will not oblige either the Lender or the Receiver to account as mortgagee in possession, and if the Lender enters into possession at any time of the Secured Assets or any of them it may at any time at its discretion go out of such possession

13 4 Chargor's Indemnity

The Chargor agrees with the Lender to indemnify the Lender and any Receiver or Delegate on demand against any costs, loss or liability incurred by any of them in respect of

- (a) any exercise of the powers of the Lender or the Receiver or any attempt or failure to exercise those powers, and
- (b) anything done or omitted to be done in the exercise or purported exercise of the powers under this deed or under any appointment duly made under the provisions of this deed

14 Power of Attorney

14 1 Grant of Power

The Chargor irrevocably and by way of security appoints the Lender and each Receiver and any person nominated for the purpose by the Lender or the Receiver (in writing, under hand, signed by an officer of the Lender or by the Receiver) severally to be the attorney of the Chargor (with full power of substitution and delegation) for the purposes set out in clause 14 2 below

14 2 Extent of Power

The power of attorney granted in clause 14 1 above allows the Lender, the Receiver or such nominee, in the name of the Chargor, on its behalf and as its act and deed to

- (a) perfect the security given by the Chargor under this deed, and
- (b) execute, seal and deliver (using the Chargor's seal where appropriate) any document or do any act or thing which the Chargor may, ought or has agreed to execute or do under this deed or which the Lender, the Receiver or such nominee may in their absolute discretion consider appropriate in connection with the exercise of any of the rights, powers, authorities or discretions of the Lender or the Receiver under, or otherwise for the purposes of, this deed

14 3 Ratification

The Chargor covenants with the Lender to ratify and confirm all acts or things made, done or executed by any attorney exercising or purporting to exercise the powers conferred in accordance with this clause 14

15 Application, Variation and Extension of Statutory Provisions

15 1 Application of Statutory Covenants

The covenants set out in sections 2 to 5 of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to bind the Chargor only if, in any case, the relevant covenant imposes upon the Chargor a burden, liability or obligation that would not otherwise arise under this deed

15 2 Conditions Applicable to Power of Sale etc

- (a) For the purposes only of section 101 of the LPA, (but otherwise subject to the provisions of clause 8 (*Enforceability*)), the conditions set out in that section as to when such powers arise do not apply and the Secured Obligations become due and the statutory power of sale and other powers of enforcement arise immediately following the execution of this deed, and
- (b) the Lender and any Receiver may exercise the statutory power of sale conferred by the LPA free from the restrictions imposed by section 103 of the LPA, which shall not apply to this deed

15 3 Extension of Powers of Sale, etc

- (a) The power of sale and the other powers conferred by the LPA or otherwise are extended and varied to authorise the Lender in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do or exercise under this deed
- (b) The Lender and any Receiver shall also have and enjoy all the other powers, privileges, rights and protections conferred by the LPA and the Insolvency Act on mortgagees, receivers or administrative receivers (each as amended and extended by this deed and whether or not a receiver or administrative receiver has been appointed) but so that if there is any ambiguity or conflict between the powers contained in such statutes and those contained in this deed, those contained in this deed shall prevail

15 4 Consolidation of Mortgages

The restriction on the consolidation of mortgages in Section 93 of the LPA does not apply to this deed nor to any security given to the Lender pursuant to this deed

15 5 Powers of Leasing, etc -Chargor

The statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be

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exercisable by the Chargor in relation to the Secured Assets or any part thereof, other than as permitted by the Facility Agreement

15 6 Powers of Leasing, etc

The restrictions on the powers of the Lender or the Receiver to grant leases or to accept the surrender of leases in sections 99 and 100 of the LPA do not apply to this deed

15 7 LPA provisions relating to appointment of Receiver

Section 109(1) of the LPA shall not apply to this deed

15 8 Application of Proceeds

Sections 105, 107(2), 109(6) and 109(8) of the LPA will not apply to the Lender nor to a Receiver appointed under this deed

16 Other Miscellaneous Provisions

16 1 Powers, Rights and Remedies Cumulative

The powers, rights and remedies provided in this deed are in addition to (and not instead of) powers, rights and remedies under law

16 2 Exercise of Powers, Rights and Remedies

If an Enforcement Party fails to exercise any power, right or remedy under this deed or delays its exercise of any power, right or remedy, this does not mean that it waives that power, right or remedy. If an Enforcement Party exercises, or partly exercises, a power, right or remedy once, this does not mean that it cannot exercise such power, right or remedy again, fully or in part

16 3 Discretion

(a) The Lender may decide

(i) whether and, if so, when, how and to what extent (i) to exercise its rights under this deed and (ii) to exercise any other right it might have in respect of the Chargor (or otherwise), and

(ii) when and how to apply any payments and distributions received for its own account under this deed,

and the Chargor has no right to control or restrict the Lender's exercise of this discretion

(b) No provision of this deed will interfere with the Lender's right to arrange its affairs as it may in its absolute discretion decide (nor oblige it to disclose any information relating to its affairs), except as expressly stated

16 4 Set-off and Combination of Accounts

- (a) No right of set-off or counterclaim may be exercised by the Chargor in respect of any payment due to the Lender under this deed
- (b) The Lender may following the occurrence of an Event of Default but only whilst such Event of Default is continuing and without notice to the Chargor
 - (i) combine or consolidate all or any of the Chargor's then existing accounts with, and liabilities to, the Lender;
 - (ii) set off or transfer any sums standing to the credit of any one or more of such accounts, and/or
 - (iii) set-off any other matured obligation owed by the Lender to the Chargor,in or towards satisfaction of any of the Secured Obligations The Lender is to notify the Chargor in writing that such a transfer has been made
- (c) If any amount is in a different currency from the amount against which it is to be set off, the Lender may convert either amount (or both) at any reasonable time and at any reasonable rate

16 5 Power to Establish New Account

If the Lender receives notice of a subsequent mortgage or charge relating to the Secured Assets, it will be entitled to close any account and to open a new account in respect of the closed account If the Lender does not open such new account, it will in any event be treated as if it had done so at the time when it received such notice

16 6 Information

The Chargor authorises the holder of any prior or subsequent security to provide to the Lender, and the Lender to receive from such holder, details of the state of account between such holder and the Chargor

16 7 No Assignment by Chargor

The Chargor must not assign, novate or otherwise deal with its rights or obligations under or interests in this deed, except with the prior written consent of the Lender

16 8 Transfer by Lender

- (a) Save as otherwise provided in the Facility Agreement, the Lender may at any time assign, novate or otherwise deal with any rights or obligations under or interests in this deed
- (b) The Lender may disclose any information about the Chargor, the Secured Assets and/or this deed to any person to whom it proposes to assign, novate or transfer (or has assigned, novated or transferred) any rights or obligations under or interests in this deed, or with whom it proposes to enter into (or has entered into) any other dealings in relation to any such rights, obligations or interests subject to any

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restrictions as to confidentiality set out in the Facility Agreement which shall be extended to apply to this deed

- (c) Any person to whom the benefit of all such rights has been transferred, subject to such obligations, may enforce this deed in the same way as if it had been a Party instead of the Lender

16 9 If the Lender transfers part only of its rights in respect of the Secured Obligations to any person, then this deed shall thereupon be deemed to have been entered into by the Lender for such other person

16 10 Avoidance of Settlements and Other Matters

- (a) Any payment made by the Chargor, or settlement or discharge between the Chargor and the Lender, is conditional upon no security or payment to the Lender by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and accordingly (but without limiting the Lender's other rights under this deed) the Lender shall be entitled to recover from the Chargor the value which the Lender has placed upon such security or the amount of any such payment as if such payment, settlement or discharge had not occurred
- (b) If the Lender, acting reasonably, considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or ordered to be refunded or reduced for the reasons set out in clause 16 10(a), then for the purposes of this deed such amount shall not be considered to have been irrevocably paid

16 11 Further Advances

The Lender confirms that it must perform its obligations to the extent arising under the Finance Documents to make further advances. The security constituted by this deed has been made for securing such further advances

16 12 Waiver of Immunity

To the extent that the Chargor may be entitled in any jurisdiction to claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process of any kind wherever it might originate or to the extent that in any such jurisdiction there may be attributed to the Chargor or its assets such immunity (whether or not claimed), it hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction

16 13 Time Deposits

Without prejudice to the provisions of clause 16 4 (Set-off and combination of accounts), if during the Security Period a time deposit matures on any account which the Chargor holds with the Lender and an Event of Default has arisen which is continuing but no amount of Secured Obligations has fallen due and payable such time deposit shall be renewed for such further maturity as the Lender may in its absolute discretion determine

16 14 Perpetuity Period

The perpetuity period applicable to the trusts created by this deed is 125 years

16 15 Release of Security

On the Discharge Date (but subject to clause 16 10 (Avoidance of settlements and other matters)) the Lender shall at the request and cost of the Chargor execute and do all deeds, acts and things as may be necessary to release the Secured Assets from the security constituted hereby or pursuant hereto

16 16 Currency Provisions

No payment to the Lender (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made unless and until the Lender shall have received payment in full in the currency in which the obligation or liability was incurred and to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency the Lender shall have a further separate cause of action against the Chargor and shall be entitled to enforce the security constituted by this deed to recover the amount of the shortfall

17 Communications

17 1 Each notice, consent and other communication in respect of this deed will be effective only if made by letter or fax, delivered to the relevant address or fax number specified on the execution page(s) of this deed (or to any substitute address or fax number notified in writing by the relevant Party for this purpose) and marked for the attention of the specified department/individual, if applicable Each communication by letter will be effective only if delivered by hand, sent by first class post (if sent from and to an address in the UK) or sent by airmail (if sent from or to an address elsewhere)

17 2 Each communication will become effective as follows (references to times are to times in the place of delivery of the communication)

- (a) a hand-delivered letter will be effective as soon as it is delivered (or, if it is delivered after 5pm or on a day that is not a Business Day, it will be effective at 9am on the next Business Day),
- (b) a letter sent by post from and to an address in the UK or the Isle of Man will be effective at 9am on the second Business Day after it is posted and a letter sent by airmail from or to an address elsewhere will be effective at 9am on the tenth Business Day after it is posted,
- (c) a fax will be effective one hour after the sending fax machine (or other system) generates a confirmation that the communication has been sent in full (or, if this occurs after 5pm or on a day that is not a Business Day, it will be effective at 9am on the next Business Day), and
- (d) each communication to the Lender will become effective only when actually received by the Lender

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18 Governing Law

18 1 Governing Law

This deed and all non-contractual obligations arising under it are governed by English law

18 2 Jurisdiction

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a **Dispute**). Each Party agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and accordingly neither Party will argue to the contrary. This clause 18 2 is for the benefit of the Enforcement Parties only. As a result, no Enforcement Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, each Enforcement Party may take concurrent proceedings in any number of jurisdictions.

19 This Deed

19 1 Consideration

The Chargor has entered into this deed in consideration of the Lender agreeing to provide (or to continue to provide) finance facilities to the Chargor on the terms agreed in the Finance Documents.

19 2 Execution of this Deed - Counterparts

If the Parties execute this deed in separate counterparts, this deed will take effect as if they had all executed a single copy.

19 3 Execution of this Deed - Formalities

This deed is intended to be a deed even if any Party's execution is not in accordance with the formalities required for the execution of deeds.

19 4 Partial Invalidity

- (a) If, at any time, any provision of this deed is or is found to have been illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this does not affect the legality, validity or enforceability of the other provisions of this deed, nor the legality, validity or enforceability of the affected provision under the law of any other jurisdiction.
- (b) If any Party is not bound by this deed (or any part of it) for any reason, this does not affect the obligations of each other Party under this deed (or under the relevant part).

19 5 Inconsistency with Facility Agreement

- (a) Subject to clause 19 5(b), to the extent that there is any inconsistency between the terms of the Facility Agreement and the terms of this Deed, then until such time as all liabilities and obligations of the Chargor under the Facility Agreement are repaid and discharged in full, the terms of the Facility Agreement shall prevail.

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- (b) Clause 19.5(a) shall not apply in respect of any right of the Lender to set off contained in this Deed or in any way affect the enforceability or validity of any Security Interest created pursuant to a Security Document

19.6 Other Security

This deed is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other security or guarantee which the Lender may now or at any time after the date of this deed hold for or in respect of the Secured Obligations

19.7 Ownership of this Deed

This deed and every counterpart is the property of the Lender

This deed is made and delivered as a deed on the date given on page 1

SCHEDULE 1

Bank Accounts

Name or designation of bank account	Number of bank account	Sort Code	Name of bank and branch at which account held

SCHEDULE 2

Charged Contracts

	Brief description of Charged Contract	Date of Charged Contract	Original Parties to Charged Contract	Counterparty to Charged Contract
1	Deed of Warranty of a Project Manager and Employer's Agent	Dated on or about the date of this deed	Monaghans Limited (1) Parkside Properties 1 Ltd and Parkside Properties 2 Ltd (2) MDWE (Killamarsh) Limited (3)	
2	Contractor's Deed of Warranty	Dated on or about the date of this deed	Jessops Construction Limited (1) Parkside Properties 1 Ltd and Parkside Properties 2 Ltd (2)	
3	Deed of Warranty of an Architect	Dated on or about the date of this deed	Harns Partnership Limited (1) Parkside Properties 1 Ltd and Parkside Properties 2 Ltd (2)	
4	Deed of Warranty of a Structural Engineer	Dated on or about the date of this deed	Breakwell Sumner Partnership Limited (1) Parkside Properties 1 Ltd and Parkside Properties 2 Ltd (2)	
5	Deed of Sub Contractor Warranty	Dated on or about the date of this deed	Van Elle Limited (1) Parkside Properties 1 Ltd and Parkside Properties 2 Ltd (2)	
6	Occupational Lease	21 01 2013	MDWE (Killamarsh) Limited (1) Aldi Stores Limited (2)	
7	Occupational Lease	22 11 2013	MDWE (Killamarsh) Limited (1) Sheet Anchor Evolve Limited (2)	

SCHEDULE 3

Details of Property

Description of Property:	Deliberately left blank
Estate:	Deliberately left blank
Title Number:	Deliberately left blank
County and District:	Deliberately left blank

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SCHEDULE 4

Shares

This Schedule has been intentionally left blank

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SCHEDULE 5

Specifically Identified Chattels

This Schedule has been intentionally left blank

SCHEDULE 6

Notices

Part 1 – Notice by way of Assignment

(For attachment by way of Endorsement to the Insurances)

[Please read this Endnote before completing this Schedule]

TO *[name and address of insurer]*

Re: The policies of insurance referred to in the Schedule below (the Policies)

We, Parkside Properties 1 Ltd (the **Chargor**), hereby give you notice that, by a debenture dated [date] (the **Debenture**) and made by the Chargor in favour of Lloyds Bank PLC (the **Lender**), the Chargor has assigned to the Lender, as first priority assignee all of the respective Policies taken out by the Chargor or on its behalf with you as are assignable or as are capable of being assigned by law, and all their right, title and interest under and in respect of the Policies ((including, but not limited to, the benefit of all sums assured by the Policies and all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of the Chargor's ownership of the Policies and all interest on any of the foregoing)) as security for certain obligations now or hereafter owed by the Chargor to the Lender

We hereby irrevocably and unconditionally authorise you

- 1 to name the Lender as co-insured and first loss payee in respect of any claims in excess of £50,000 under such Policies, and
- 2 to issue a letter of undertaking, in the form approved by the Lender, to the Lender and to act on the instructions of the Lender in the manner provided in that letter without any further reference to or authorisation from us

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of acknowledgement of this notice and confirmation that you agree

- A to the terms set out in this notice and to act in accordance with its provisions, and
- B to disclose to the Lender without any reference to or further authority from the Chargor such information relating to the Policies as we may at any time reasonably request,
- C not to cancel or decline renewal of any of the Policies without giving the Lender 30 days prior written notice,
- D not to cancel the Policies, nor allow the Policies to lapse, at the request of the Chargor, without first obtaining the Lender's consent

For and on behalf of

EXECUTION VERSION

Parkside Properties 1 Ltd

By

THE SCHEDULE

The Policies*

***To be completed by the Chargor and approved by the Lender and to include all relevant policies with the named Insurer**

	Policy number	Name and address of insurer	Name and address of broker	Brief description of assets insured	Date of expiry of policy*
1	[number]				
2	[number]				
3	[number]				
4	[number]				
5	[number]				

*Not required if policies are annually renewable
Dated [date]

[to be endorsed on copy notice]

To Lloyds Bank PLC

cc Parkside Properties 1 Ltd

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs A to D (inclusive) above

Signed

for and on behalf of [name of insurer]

Dated [date]

Part 2 – Form of Notice to Counterparties of Charged Contracts/Hedging Agreements

To *[name and address of counterparty]*

Dated *[date]*

Dear Sirs,

[here identify relevant Charged Contract/Hedging Agreement] **[the Contract]** made between (1) Parkside Properties 1 Ltd

(the **Chargor** and (2) *[here insert name of counterparty]*)

We Parkside Properties 1 Ltd hereby notify you that by a debenture dated *[date]* (the **Debenture**) made by the Chargor in favour of Lloyds Bank PLC (the **Lender**), the Chargor has assigned to the Lender as first priority chargee and assignee all of the Chargor's rights, title and interest in the Contract as security for certain obligations now or hereafter owed by the Chargor to the Lender

We further notify and irrevocably and unconditionally instruct and authorise you that

- 1 the Chargor may not agree to amend, modify or terminate the Contract without the prior written consent of the Lender,
- 2 subject to paragraph 1 above, you may continue to deal with the Chargor in relation to the Contract until you receive written notice to the contrary from the Lender. Thereafter the Chargor will cease to have any right to deal with you in relation to the Contract and therefore from that time you should deal only with the Lender;
- 3 you are authorised to disclose information in relation to the Contract to the Lender on request without any enquiry by you as to the justification for such disclosure or reference to or further authority from the Chargor,
- 4 you must pay or release all monies to which the Chargor is entitled under the Contract direct to the Lender to the following account [] (and not to the Chargor) unless the Lender otherwise agrees in writing,
- 5 you must supply copies of all notices and other information under the Contract to the Lender, and
- 6 the provisions of this notice may only be revoked with the written consent of the Lender

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of confirmation that

- A you agree to the terms set out in this notice and to act in accordance with its provisions, and
- B you have not received notice that the Chargor has assigned its rights under the Contract to a third party or created any other interest (whether by way or security or otherwise) in the Contract in favour of a third party

EXECUTION VERSION

The provisions of this notice and all non-contractual obligations arising under it are governed by English law

Yours faithfully,

for and on behalf of

Parkside Properties 1 Ltd

[to be endorsed on copy notice]

To Lloyds Bank PLC

cc Parkside Properties 1 Ltd

We hereby acknowledge receipt of the above notice and confirm our agreement to the matters set out in paragraphs A and B above

Signed

for and on behalf of *[name of counterparty]*

Dated *[date]*

SCHEDULE 7

Form of Notice to Bank Operating Secured Account

To *[name and address of account bank]* (the **Account Bank**)

Dated *[date]*

Dear Sirs,

Re: Account No. *[insert account number]* (the **Account**)

Account Branch *[insert branch name and address]*

Account Holder: Parkside Properties 1 Ltd (the **Chargor**)

We Parkside Properties 1 Ltd hereby notify you that by a debenture dated *[date]* (the **Debenture**) made by the Chargor in favour of Lloyds Bank PLC (the **Lender**) the Chargor has charged to the Lender all its right, title and interest in the monies from time to time standing to the credit of the Account and of any other accounts from time to time maintained with you by the Chargor (the **Charged Accounts**) and to all interest (if any) accruing on the Charged Accounts

We hereby irrevocably and unconditionally authorise and instruct you

- 1 to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Lender and accordingly to pay all or any part of those monies to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect,
- 2 to disclose to the Lender such information relating to the Chargor and the Charged Accounts as the Lender may from time to time request you to provide

We also advise you that

- (a) the Chargor may not withdraw any monies from the Charged Accounts without first having produced to you the prior written consent of the Lender to such withdrawal, and
- (b) the provisions of this Notice may only be revoked or varied with the prior written consent of the Lender

Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Chargor) by way of your confirmation that

- A you agree to act in accordance with the provisions of this notice,
- B you have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party, and
- C you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts

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By counter-signing this notice the Lender confirms that the Chargor may make withdrawals from the Charged Accounts until such time as the Lender shall notify you (with a copy to the Chargor) in writing that such permission is withdrawn. Such permission may be withdrawn or modified by the Lender in its absolute discretion at any time.

The provisions of this notice and all non-contractual obligations arising under it are governed by English law.

Yours faithfully

for and on behalf of
Parkside Properties 1 Ltd

Countersigned by

for and on behalf of
Lloyds Bank PLC

To Lloyds Bank PLC

cc Parkside Properties 1 Ltd

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraphs A, B and C above.

for and on behalf of

[name and address of Account Bank]

Dated [date]

SCHEDULE 8

Property Warranties and Undertakings

Part 1 – Definitions Applicable to Schedule 8

Adverse Property Effect	<p>in the reasonable opinion of the Lender a material and adverse effect on</p> <ul style="list-style-type: none">(a) the value or marketability of the Property,(b) the ability of the Chargor to use the Property for the purposes for which it is currently used, or(c) the validity or enforceability of, or the effectiveness or ranking of the security created or purported to be created by this deed in relation to the Property or the rights or remedies of the Lender under this deed
Certificate on Title	<p>means a certificate of title prepared by DWF LLP Solicitors relating to the Property and addressed to, and capable of being relied upon by, the Lender</p>
Direction	<p>means any notice or order served on or issued to the Chargor by any local or other authority (whether under the Planning Acts or otherwise) in respect of Property</p>
Licensing Acts	<p>means the Licensing Act 2003, the Licensing Act 1964 (to the extent not repealed) the Betting Gaming and Lotteries Act 1963, the Gaming Act 1968 and all other legislation in force for the time being relating to the regulation and sale of alcohol, the provision of entertainment and late night refreshment or the regulation of betting, gaming or lotteries or the location or provision of gaming or amusement machines</p>
Relevant Lease	<p>means any lease, agreement for lease, tenancy, contractual licence or other document which gives the Chargor the right to occupy use or enjoy the Property</p>

Part 2 – Property Warranties

This Part 2 of the Schedule has been intentionally left blank

Part 3 – Property Undertakings

1 No Changes to the Property

It will not without the prior written consent of the Lender or other than as permitted by the Facility Agreement

- 1 1 destroy or remove from the Property any other of the Secured Assets now or at any time after the date of this deed located in or on the Property, nor
- 1 2 enter into negotiations with any competent agency of local or national government with a view to the compulsory acquisition of the Property nor consent to such acquisition, nor
- 1 3 enter into any agreement under section 106 of the Town and Country Planning Act 1990, section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or any other agreement with any local government, planning or regulatory authority to build roads or carry out other works, nor
- 1 4 change the use of the Property or do or suffer to be done anything in relation to the Property which constitutes development (as that expression is defined in the Town and Country Planning Act 1990)

2 Comply with Covenants

It will observe and perform all covenants, agreements, restrictions, stipulations and conditions from time to time affecting its interest in the Property or the mode of user or the enjoyment of it and will promptly pay (or procure that any tenant of any Occupational Lease will pay if applicable) all present and future tax, rates, assessments and outgoings of whatsoever nature imposed upon or payable in respect of the Property, or by the owner or occupier thereof

3 Comply with Authorisations and Statutes

It will observe and comply with the terms of all Authorisations relating to the Property and will not do or allow or omit to be done any act, matter or thing whereby any provisions of, or regulations made under, the Planning Acts or any other statute having application to the Property may be infringed

4 Inspection

It will permit the Lender and/or such person or persons as it nominates at all reasonable times during business hours and on not less than 72 hours' written notice to the Chargor and subject to the Chargor satisfying the entry and notice provisions pursuant to any occupational lease of the Property entered into in accordance with the Facility Agreement (which it will use reasonable endeavours to do promptly following receipt of notice from the Lender) to enter into and upon the Property to view its state and condition and forthwith after service by the Lender (acting reasonably) of notice of any material defect or material want of repair without delay promptly remedy such material defect or material want of repair

5 Disposals of Fixtures

EXECUTION VERSION

It will not, save in accordance with any programme of redevelopment of the Property approved by the Lender, sever or dispose of any Fixtures now or at any time hereafter affixed to the Property otherwise than in the ordinary course of maintenance or replacement

6 Acquisitions

6.1 It will notify the Lender in writing

- (a) as soon as reasonably possible before contracting or otherwise committing itself to purchase any estate or interest in freehold or leasehold property and supply the Lender with such details of the proposed purchase as the Lender may from time to time request, and
- (b) immediately upon completion of its acquisition of any freehold or leasehold property (**Acquired Property**)

6.2 If title to any Acquired Property is, or is required to be, registered at The Land Registry, the Chargor must as soon as reasonably practicable notify the Lender of the relevant title number and will request the Chief Land Registrar to enter a notice of this deed on the Charges Register for the relevant Acquired Property in accordance with clause 4.2 (Land Registry - application for registration), and in the case of any other Acquired Property in England and Wales, unless the title deeds and documents relating thereto have been deposited with the Lender, the Chargor shall apply to register this Deed at the Land Charges Department of The Land Registry, and in every case shall promptly provide all necessary application forms (save as aforesaid) and pay all fees and charges payable in respect of such applications

6.3 Forthwith upon being requested so to do by the Lender, the Chargor must at its own expense execute and deliver to the Lender a legal mortgage (in such form as the Lender may require) in favour of the Lender of any Acquired Property in England and Wales by way of security for payment of the Secured Obligations, and in the case of Acquired Property in any other jurisdiction it will take such steps to grant to the Lender such analogous Security as the Lender shall require and shall comply with any requirements in such jurisdiction for the effective registration or filing of such security

6.4 If the Acquired Property includes any Property held by the Chargor under a Relevant Lease the Chargor will within 21 days of its acquisition serve on each of the other parties to each Relevant Lease a notice of the security constituted by this Deed and shall use its reasonable endeavours to procure that each of such other parties shall countersign the acknowledgement contained in such notice

7 Directions

Within fourteen days after receipt by the Chargor of any Direction served on or issued to it by any local or other authority (whether under the Planning Acts or otherwise) in respect of the Property it will

7.1 give full particulars of the Direction to the Lender and, if so requested by the Lender, produce the Direction or a copy of it to the Lender, and

EXECUTION VERSION

- 7 2 advise the Lender from time to time of the steps taken or proposed to be taken by the Chargor to comply with the terms of the Direction, and
- 7 3 without delay (unless otherwise directed by the Lender) take all reasonable or necessary steps to comply with the Direction, and
- 7 4 at the reasonable request of the Lender (but at the cost of the Chargor) make or join with the Lender in making such objections or representations against or in respect of any proposal contained in the Direction as the Lender reasonably deems expedient in order to protect the Lender's security interest in the Property, and
- 7 5 apply any compensation received as a result of the implementation of the Direction in the reduction of the Secured Obligations or (at the option of the Lender) deposit the same with the Lender upon such terms as to set-off, assignment and/or charge or otherwise as the Lender reasonably requires

8 Licensed Premises

If at any time during the Security Period the Chargor (or any officer or employee of the Chargor) holds any licence or registration certificate or other Authorisation under the Licensing Acts allowing intoxicating liquors to be sold, or the provision of entertainment or late night refreshments or betting or gaming facilities from or the location of gaming or amusement machines on the Property, the Chargor agrees with the Lender

- 8 1 to procure that there shall be obtained, renewed and maintained the proper licence, certificate of registration or other Authorisation in a form acceptable to the Lender and, if requested by the Lender, to produce such licence, certificate or other Authorisation to the Lender;
- 8 2 not to do or omit or allow anything to be done which may prejudice the continued existence or renewal of such licence, certificate or other Authorisation,
- 8 3 as soon as the Chargor becomes aware of anything which is likely to affect the continued existence of such licence, certificate or other Authorisation or result in the conditions to such licence or certificate being varied, to advise the Lender in writing,
- 8 4 so far as it is usual within the trade to do so, to insure, and to keep such licence, certificate or Authorisation insured, against loss, termination or non-renewal and the provisions of clause 22 9 of the Facility Agreement shall apply to such insurance as if they were repeated in this clause 8 4, and
- 8 5 at any time after this deed has become enforceable, the Chargor will upon the request of any Enforcement Party do anything or sign any documents which such Enforcement Party may require to assist in the transfer of such licence, certificate or other Authorisation to any other person

9 Other Business Authorisations

If at any time during the Security Period the Chargor (or any officer or employee of the Chargor) holds any licence, consent or other Authorisation necessary to carry out any operation or business upon the Property, the Chargor agrees with the Lender

EXECUTION VERSION

- 9 1 to procure that there shall be obtained, renewed and maintained the proper licence, certificate of registration or other Authorisation in a form acceptable to the Lender and, if requested by the Lender, to produce such licence, certificate or other Authorisation to the Lender,
- 9 2 not to do or omit or allow anything to be done which may prejudice the continued existence or renewal of such licence, certificate or other Authorisation,
- 9 3 as soon as the Chargor becomes aware of anything which is likely to affect the continued existence of such licence, certificate or other Authorisation or result in the conditions to such licence or certificate being varied, to advise the Lender in writing,
- 9 4 so far as it is usual within the trade to do so, to insure, and to keep such licence, certificate or Authorisation insured, against loss, termination or non-renewal and the provisions of clause 22 9 of the Facility Agreement shall apply to such insurance as if they were repeated in this clause 9 4, and
- 9 5 at any time after this deed has become enforceable, the Chargor will upon the request of any Enforcement Party do anything or sign any documents which such Enforcement Party may require to assist in the transfer of such licence, certificate or other Authorisation to any other person

SCHEDULE 9

Receiver's Specific Powers

The Receiver will have full power and authority

1 Possession

- 1 1 To enter upon, take possession of the Secured Assets
- 1 2 To collect and get in all rents, fees, charges or other income of the Secured Assets

2 Carry on Business

Generally to manage the Secured Assets and to manage or carry on, reconstruct, amalgamate, diversify or concur in carrying on the business of the Chargor or any part of it as he may think fit

3 Sale and Disposal

Without restriction, to sell, charge, grant, vary the terms or accept surrenders of, leases or tenancies of, licences to occupy, or options or franchises over or otherwise deal with and dispose of the Secured Assets or any property acquired in exercise of its powers under this deed

4 Acquisition

- 4 1 to purchase or acquire any land and purchase, acquire or grant any interest in or right over land,
- 4 2 to take a lease or tenancy of any property required or convenient for the business of the Chargor or the exercise of the Receiver's powers under this deed,

5 Leases

To exercise on behalf of the Chargor and without the consent of or notice to the Chargor all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to leasehold property, landlord and tenant, rents, housing or agriculture in respect of the Property

6 Borrowing

For the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this deed and/or for defraying any losses or Expenses which may be incurred by him in their exercise or for any other purpose, to raise or borrow moneys from the Lender or others or incur any other liability on such terms, whether secured or unsecured, as he may think fit, and whether to rank in priority to this security or not

7 Employment etc

To appoint and discharge employees, officers, consultants, advisers, managers, agents, solicitors, accountants or other professionally qualified persons, workmen and others for any of the purposes of this deed or to guard or protect the Secured Assets upon such terms as to

EXECUTION VERSION

remuneration or otherwise as he may think fit and to discharge any such persons appointed by the Chargor prior to his appointment

8 Legal Actions and Compromises

8 1 In the name of the Chargor, to bring, prosecute, enforce, defend and discontinue all such actions, suits and proceedings, in relation to the Chargor, the business of the Chargor or the Secured Assets as in any case he shall think fit

8 2 To settle, adjust, refer to arbitration or expert determination, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or body who is or claims to be a creditor of the Chargor or relating in any way to the Secured Assets

9 Receipts

To give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Secured Assets

10 Works and Maintenance

To obtain Authorisations for and to carry out on the Property any new works or complete any unfinished works of development, building, reconstruction, maintenance, repair, renewal, improvement, furnishing or equipment

11 Contracts

To enter into, vary, cancel or waive any of the provisions of any contracts which he shall in any case think expedient in the interests of the Chargor or the Lender

12 Supplies

To purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit

13 Insurances and Bonds

To insure the Secured Assets, any assets acquired by the Receiver in exercise of his powers, and any business or works, and effect indemnity insurance or other similar insurance, in every case in such amounts, against such risks and with such offices as the Receiver shall think fit, and obtain bonds and give indemnities and security to any bondsmen

14 Severance Rights

To sever fixed plant, machinery or other Fixtures and store, sell or otherwise deal with them separately from the Property to which they may be annexed

15 Chattels

To remove, store, sell or otherwise deal with any chattels located at the Property

EXECUTION VERSION

16 Form Company

- 16 1 To promote or establish any company or to acquire shares in any company (whether as a subsidiary of the Chargor or otherwise) to facilitate the exercise of his powers under this deed
- 16 2 To transfer to any such company all or any of the Secured Assets or other assets acquired by the Receiver in exercise of his powers
- 16 3 To exercise or cause to be exercised all voting and other rights attaching to, and to charge, sell or otherwise transfer any shares in any such company

17 Voting Rights

To exercise all voting and other rights attaching to the Investments and all other stocks, shares and securities owned by the Chargor and comprised in the Secured Assets in such manner as he may think fit

18 Calls

To make, or require the directors of the Chargor to make, calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital, and take action to enforce payment of unpaid calls

19 Transaction

To carry into effect and complete any transaction

20 Redeem Security

To redeem any prior security (or procure the transfer of such security to an Enforcement Party) and settle and pass the accounts of the person entitled to the prior security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver

21 General

Either in the name of the Chargor or in the name of the Receiver to execute documents and do all other acts or things which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation or use of the Secured Assets

SIGNATURE PAGE


EXECUTED as a deed)

By)

PARKSIDE PROPERTIES)

1 LTD acting by a director)
in the presence of a
witness:


Director

Signature of witness: 

Name of witness: Nick GHAZ

Address: 3 St Mary's
Passage Manchester M3 2RD

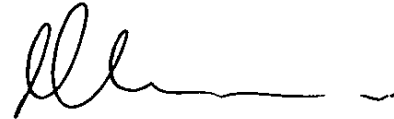

Director KSL

EXECUTED as a deed)

By Ian James Grundy)

As attorney for and on behalf of)

LLOYDS BANK PLC)



Attorney

In the presence of

Signature of witness



Name of witness Adam Russell, Trainee Solicitor

Address DUF LLP, 1 Scott Place, 2 Hardman Street, Manchester,
M3 3AA

Communications to be delivered to:

Address Lloyds Bank Commercial – Real Estate, 8th Floor, 40 Spring Gardens, Manchester
M2 1EN

Fax number 0845 603 6417

Attention Ian Grundy, Associate Director, Transaction Execution