

MR01

Particulars of a charge

2013/13

Laserform

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

You can use the WebFiling service
Please go to www.companieshouse.gov.uk

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is
instrument Use form MR08

WEDNESDAY



A09 *A4Z101EZ* #350
27/01/2016
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. **Do not send the original.**

1 Company details

Company number 0 9 0 2 3 2 6 5
Company name in full SHOEBILL REAL ESTATE ELSTREE GP LIMITED

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 d 2 d 2 m 0 m 1 y 2 y 0 y 1 y 6

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 Close Brothers Limited

Name

Name

Name

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

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

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating 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 company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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



X

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

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record

Contact name Sally Whitney

Company name DLA Piper UK LLP

Address 3 Noble Street

London

Post town

County/Region

Postcode E C 2 V 7 E E

Country

DX DX 33866 Finsbury Square

Telephone 08700 111 111



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

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

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

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



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9023265

Charge code: 0902 3265 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd January 2016 and created by SHOEBILL REAL ESTATE ELSTREE GP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th January 2016.

Dx

Given at Companies House, Cardiff on 29th January 2016



Companies House



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

DATED 22 January 2016

(1) SHOEBILL REAL ESTATE ELSTREE GP LIMITED

(2) CLOSE BROTHERS LIMITED

MORTGAGE DEBENTURE

(All monies on demand)



WE HEREBY CERTIFY THIS TO BE A TRUE COPY
OF THE ORIGINAL

DATE 26 January 2016

SIGNED DLA Piper UK LLP

THIS DEED is made the 22nd day of January 2016

BETWEEN

- (1) **SHOEBILL REAL ESTATE ELSTREE GP LIMITED** (Company Registration Number 09023265) whose registered office is situated at The Broadgate Tower Third Floor, 20 Primrose Street, London EC2A 2RS ("the Mortgagor"), and
- (2) **CLOSE BROTHERS LIMITED** of 10 Crown Place London EC2A 4FT (Company Registration Number 195626 - England) (the "Bank")

BACKGROUND

- (A) The Bank has agreed to provide new banking facilities to the Principal Debtor
- (B) The Mortgagor has agreed to enter into this deed for the purpose of providing credit support to the Bank for the Principal Debtor's liabilities from time to time outstanding to the Bank

NOW THIS DEED WITNESSES as follows

1 INTERPRETATION

- 1.1 In this Deed (and the Schedules hereto) unless there is something in the subject or context inconsistent therewith the following expressions shall have the following meanings

"Agreement for Lease" shall mean all agreements contracts options or undertakings whether now or hereafter in existence for or in relation to the creation of any estate interest or right in or over the Real Property or any part thereof (including without limitation in relation to any lease licence tenancy or right to occupy whether on a fixed term or periodic basis and whether in all cases in respect of the whole or any part of the Real Property),

"Book Debts" shall mean each and all parts of the Charged Property from time to time charged pursuant to Clause 3 1(f),

"Business Day" shall mean a day on (other than a Saturday or Sunday) which the London Interbank Market is open and on which banks are open for general business in London,

"Charged Property" shall mean each and all part(s) of the property rights assets undertaking and income of the Mortgagor from time to time charged or assigned to the Bank (whether by way of fixed or floating charge or assignment) by or pursuant to this Deed,

"Demand" shall mean any demand made by the Bank on the Principal Debtor under the Facility Letter for repayment of all or any part of the Indebtedness,

"Environment" the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media,

"Environmental Law" all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment,

"Facility Letter" shall mean a facility letter dated 16 December 2015 made between the Bank and the Principal Debtor as amended replaced varied restated or novated from time to time,

"Financial Collateral" shall have the meaning given to that expression in the Financial Collateral Regulations,

"Financial Collateral Regulations" the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226),

"Group Company" shall mean any company other than the Mortgagor from time to time within the group of the Mortgagor where "group" bears the meaning as defined in Section 474(1) of the Companies Act 2006,

"Indebtedness" shall mean all or any monies obligations and liabilities whether actual or contingent present or future which are now or may at any time hereafter be or become payable due or owing to the Bank by the Principal Debtor and/or the Mortgagor whether solely or jointly and whether as principal or surety or in respect of which the Principal Debtor and/or the Mortgagor may otherwise be or become liable to the Bank on any account whatsoever including (without prejudice to the generality of the foregoing) the principal amount of all loans or advances made or to be made to or for the accommodation or at the request of the Principal Debtor all fees costs expenses (including legal surveyors valuers and other costs on a full indemnity basis) commission discount charges and other sums incurred by the Bank in relation to the Indebtedness this Deed or any guarantee or security now or hereafter held for the Indebtedness or in enforcing payment whether against the Principal Debtor and/or the Mortgagor or others together with interest (including without limitation, default interest) to the date of repayment (as well after as before any judgment) at such rate or rates as may from time to time be payable under the terms of the Facility Letter References to

the Indebtedness shall include not only the whole but any part thereof,

"Interests in Securities" shall mean each and all parts of the Charged Property from time to time charged pursuant to Clause 3 1(d),

"Planning Acts" shall mean a reference to any act or acts of Parliament for the time being in force and relating to town and country planning,

"Principal Debtor" shall mean Elstree JV LP acting by its general partner Shoebill Real Estate Elstree GP Limited,

"Real Property" shall mean each and all parts of the Charged Property from time to time charged by the Mortgagor pursuant to Clause 3 1(a),

"Rent Account" shall mean the account to be opened for the receipt of Rental Income in accordance with Clause 3 1(j)(ii),

"Rental Income" shall mean the gross rents licence fees and other monies receivable now or at any time hereafter by the Mortgagor in respect of or arising out of any lease of the Real Property or any Agreement for Lease or otherwise without limitation derived by or paid to or received by the Mortgagor in respect of the Real Property (including without limitation all mesne profits) but excluding insurance rents or service charges or the like and any value added tax thereon,

"Security Interest" shall mean any mortgage charge pledge lien hypothecation right of set off right of preference or any security interest (including without limitation title transfer and retention arrangements) whether fixed or floating, legal or equitable whatsoever howsoever created or arising,

"Sterling" shall mean the lawful currency from time to time of the United Kingdom

1 2 In this Deed unless the context otherwise requires

- (a) clause headings are for ease of reference only and shall not affect the construction of this Deed,
- (b) any reference to any agreement or document shall be deemed to refer to the same as amended modified or supplemented from time to time by the parties hereto,
- (c) references to "person" shall mean any person firm body corporate or unincorporated body of persons, an association, a trust or any other entity or organisation including a government or political sub-division or an agency or instrument thereof,

- (d) any reference to the masculine gender shall include the feminine gender and neuter meaning and vice-versa,
 - (e) words importing the singular number only include the plural and vice-versa and where there are two or more persons included in the expression the "Mortgagor" references to the Mortgagor are references to respectively all or any of them as the context may require,
 - (f) where there are two or more persons included in the expression the "Mortgagor" or "Group Company" all assignments, charges, agreements, undertakings, covenants, obligations, warranties and representations given, undertaken, made or assumed by or reference to the Mortgagor or Group Company shall be deemed to have been given undertaken made or assumed by or are references to them jointly and severally and construed accordingly,
 - (g) the expression the "Mortgagor" and the "Principal Debtor" includes the persons deriving title under the Mortgagor and the expression the "Bank" includes its successors in title and assigns,
 - (h) any reference to a Clause or a Schedule is a reference to a clause hereof or a schedule hereto (unless the contrary is stated or the context otherwise requires),
 - (i) references to statutory provisions includes a reference to any subordinate legislation and shall be construed as references to those provisions as respectively amended or re-enacted (whether before or after the date hereof) from time to time and shall include provisions of which they are re-enactments (whether with or without modification) and any reference to "Act" is a reference to the Law of Property Act 1925 as construed in accordance with this sub-clause
- 1 3 This Deed and the Facility Letter shall each constitute independent documents but in addition each and every provision contained in this Deed shall be a part of the Facility Letter as if separately set out therein Each and every provision of the Facility Letter not contained in this Deed shall be part hereof as if separately set out herein To the extent that there is any conflict between any provision contained in the Facility Letter and any provision contained in this Deed the Facility Letter shall prevail
- 1 4 If the Bank considers that an amount is capable of being avoided or otherwise set aside on the liquidation or administration of the Mortgagor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed

- 1 5 A reference in this Deed to a charge or mortgage of any freehold, leasehold or commonhold property includes
- (a) all buildings and fixtures (including trade and tenant's fixtures) that are situated on that property at any time,
 - (b) the proceeds of the sale of any part of that property, and
 - (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor in respect of that property, and any monies paid or payable in respect of those covenants
- 1 6 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Letter and of any side letters between any parties in relation to the Facility Letter are incorporated into this Deed
- 1 7 A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Deed
- 1 8 If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009)
- 1 9 Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this Deed
- 1 10 The Schedule forms part of this Deed and shall have effect as if set out in full in the body of this Deed Any reference to this Deed includes the Schedule

2 INTEREST

Interest shall be paid at the rate or rates and on the dates and for the periods set out in the Facility Letter

3 SECURITY

- 3 1 For the purpose of securing the payment and/or repayment of the Indebtedness the Mortgagor hereby charges to the Bank with full title guarantee its undertaking and all its property and other assets of whatsoever nature both present and future including its uncalled capital for the time being and the security hereby created shall rank by way of
- (a) a fixed charge (which so far as it relates to land in England and Wales and Northern Ireland vested in the Mortgagor at the date hereof shall be a charge

by way of legal mortgage) of the following namely all estates and other interests in freehold leasehold and/or unregistered immovable property wheresoever situate now or hereafter belonging to the Mortgagor (including without limitation the registered and other land in England and Wales specified or referred to in the Schedule) and all buildings fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on any such freehold leasehold and other immovable property,

- (b) a fixed equitable charge of all estate or interests in any freehold or leasehold property at any time in the future belonging to the Mortgagor and all buildings fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on any such property at any time during the continuance of this security belonging to the Mortgagor,
- (c) a fixed charge by way of legal mortgage on the plant and machinery chattels vehicles computers and/or other equipment of the Mortgagor together with any part or parts thereof and all additions alterations accessories replacements and renewals of component parts thereto together with the benefit of any obligations warranties and rights given by or arising against any person in connection with the supply or manufacture thereof,
- (d) a fixed charge of all stocks shares loan capital bonds or other investments and securities (whether or not marketable) now or at any time during the continuance of this security belonging to the Mortgagor (at law or in equity) together with all dividends or other rights and interests in respect thereof or incidental thereto or deriving or accruing therefrom,
- (e) a fixed charge by way of assignment of all its goodwill and by way of fixed charge its uncalled capital now or at any time hereafter in existence and future calls (whether made by the directors of the Mortgagor or by a receiver appointed hereunder or a liquidator),
- (f) a fixed charge by way of legal assignment of the book debts of the Mortgagor and all other monetary debts and claims (including things in action which give rise to a debt or debts including the proceeds of any interest rate cap agreements interest and currency swaps and other financial instruments) and all cash at bank now and from time to time due or owing to the Mortgagor (together with all security, guarantees or indemnities in respect thereof) or other rights enabling the Mortgagor to enforce the same,
- (g) a fixed charge by way of legal assignment on all the copyright in all drawings designs specifications plans and other written materials relating to any

products from time to time manufactured by the Mortgagor and all other intellectual property rights (including but without prejudice to the generality of the foregoing all present or future patents, trademarks, service marks, trade names, designs, copyright, inventions, topographical or similar rights, confidential information and know how and designations on or patterns of the labels and packages of any products from time to time manufactured by the Mortgagor and all manufacturing and sales rights in relation to any products from time to time manufactured by the Mortgagor) and including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights,

- (h) a fixed charge by way of assignment of the benefit to the Mortgagor of all rights and claims to which the Mortgagor is now or may hereafter become entitled in relation to the Real Property including (but without limitation) all rights and claims of the Mortgagor against all persons who now are or who at any time have been or may become lessees sub-lessees or licensees of the whole or any part or parts of the Real Property and all guarantors and sureties for the obligations of such persons to hold the same unto the Bank,
- (i) a fixed charge by way of assignment of the Mortgagor's interest in
 - (i) the benefit of all guarantees warranties and representations given or made by and any rights or remedies against all or any of the professional advisors now or at any time engaged by the Mortgagor in relation to the Charged Property and the manufacturers suppliers or installers of all plant machinery fixtures fittings and other items now or from time to time in the buildings erected or to be erected on the Charged Property and any other person firm or company now or from time to time under contract with or under a duty to the Mortgagor including (without limitation) the right to prosecute in the name of the Mortgagor any proceedings against any such person in respect of any act omission neglect default breach of contract or breach of duty whether relating to the design construction inspection or supervision of the construction of any of the said buildings or to the quality or fitness for use of such plant machinery fixtures fittings and other items or otherwise howsoever and the benefit of all sums recovered in any proceedings against all or any of such persons,
 - (ii) the benefit of all rights and claims to which the Mortgagor is now or may hereafter become entitled under all building contracts relating to all or any part of the Real Property entered into by the Mortgagor or to be entered into by the Mortgagor and all guarantees warranties and

representations given or made by and any rights and remedies against all or any building contractors at any time engaged in relation to all or any part of the Real Property including all liquidated and ascertained damages under any such building contract and all invoices fees notes bills documents and papers in respect thereof and (without limitation) the right to prosecute in the name of the Mortgagor any proceedings against any such persons in respect of any act omission neglect default breach of contract or breach of duty whether relating to the design construction inspection or supervision of the construction of any buildings forming part of the Real Property or to the quality or fitness for use of any part of the Real Property or otherwise howsoever and the benefit of all sums recovered in any proceedings against all or any such persons,

- (j) a fixed charge by way of assignment (in so far as the Mortgagor is able)
 - (i) the benefit of all Agreements for Lease and all the proceeds of any payment of any claim awards and judgments arising out of such Agreements for Lease and all sums paid or payable to the Mortgagor under or in respect of any such Agreements for Lease including (without limitation) all deposits under any Agreements for Lease,
 - (ii) the benefit of all Rental Income and all right title and interest to and in the same and the benefit thereof and the right to make demand for and to receive the same but so that nothing in this sub-clause nor any express arrangement in respect of the Rental Income under the Facility Letter shall constitute the Bank as mortgagee in possession and the Mortgagor hereby covenants at any time during the continuance of this security to give to the Bank such information in regard to the Rental Income as the Bank shall require and if so requested to instruct all or any tenants of the Real Property to pay the Rental Income direct to an account with the Bank or such other bank as the Bank may designate in the name of the Mortgagor Without prejudice to any other remedy of the Bank in case of default by the Mortgagor in payment of interest the Bank shall be entitled without demand or notice to the Mortgagor to appropriate all or any sums from time to time standing to the credit of the Rent Account in full or partial satisfaction of the interest from time to time due from the Mortgagor to the Bank but not so as to limit the rights of the Bank in respect of such Rent Account once a demand for repayment has been made or the Indebtedness has otherwise become payable At any time after a

demand for repayment has been made the Bank may without further demand or notice to the Mortgagor appropriate the whole or any part of the sums then or thereafter standing to the credit of the Rent Account in or towards satisfaction of the Indebtedness (and if less than the whole as the Bank shall select),

(iii) all that interest of the Mortgagor in any contracts and policies of insurance effected or maintained in respect of the Real Property,

(k) a floating charge on all the undertaking and all other the stock-in-trade work-in-progress pre-payments and other property assets and rights of the Mortgagor both present and future not subject to a fixed charge or assignment hereunder and paragraph 14 of Schedule B1 of the Insolvency Act 1986 applies to the floating charge so created

3 2 Each of the charges hereby created shall rank fixed in order of priority as first fixed or floating (as may be specified) charges or assignments (as may be specified)

3 3 The floating charge created by Clause 3 1(k) shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if

(a) the Mortgagor

(i) creates, or attempts to create, without the prior written consent of the Bank, a Security Interest or a trust in favour of another person on all or any part of the Charged Property, or

(ii) disposes, or attempts to dispose of without the prior written consent of the Bank, all or any part of the Charged Property (other than Charged Property that is only subject to the floating charge while it remains uncrystallised),

(b) a receiver is appointed over all or any of the Charged Property that is subject to the floating charge,

(c) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property, or

(d) the Bank receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Mortgagor

3 4 The Bank may, in its sole discretion, at any time and by written notice to the Mortgagor, convert the floating charge created under this Deed into a fixed charge as regards any part of the Charged Property specified by the Bank in that notice

- 3 5 Any asset acquired by the Mortgagor after any crystallisation of the floating charge created under this Deed which, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Bank confirms otherwise to the Mortgagor in writing) be charged to the Bank by way of first fixed charge
- 3 6 The Mortgagor shall not during the continuance of the security hereby constituted without the prior consent in writing of the Bank create, purport to create or permit to subsist any Security Interest on any of the Charged Property (other than as created hereunder) nor sell transfer or otherwise dispose of (or purport to do so) the Charged Property or any portion thereof (except, in the ordinary course of business, Charged Property which is only subject to an uncrystallised floating charge) nor sell assign discount factor charge or otherwise dispose of or deal with the Book Debts claims and rights charged by it hereunder
- 3 7 Without prejudice to the generality of the security hereby constituted it is hereby declared that the security hereby created shall not be satisfied, prejudiced or affected by
- (a) any partial or intermediate payment, or
 - (b) any security, guarantee, indemnity, remedy or other right held by, or available to, the Bank that is, or becomes, wholly or partially illegal, void or unenforceable on any ground, or
 - (c) the Bank renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person, or
 - (d) any other act or omission, which but for this Clause 3 7 might have discharged, or otherwise prejudiced or affected, the liability of the Mortgagor,
- but shall constitute a continuing security for the payment of all sums obligations and liabilities present or future actual or contingent which shall on the execution hereof or at any time hereafter be or become owing by the Mortgagor to the Bank in any manner or on any account whatsoever
- 3 8 The security hereby created is independent of and in addition to and shall not be in any way prejudiced or affected by and shall not prejudice or affect any other security or securities which the Bank may now or from time to time hold or take from or on account of the Mortgagor whether from the Mortgagor or any other person

- 3 9 If at any time the Indebtedness has been fully discharged and repaid and the Mortgagor has no actual or contingent liability to the Bank the Bank shall (at the request full cost and in such manner as the Mortgagor shall reasonably require) release or re-assign to the Mortgagor (as the case may be) the Charged Property without recourse or warranty and otherwise release the Mortgagor from the security hereby created
- 3 10 Any release, discharge or settlement between the Mortgagor and the Bank shall be deemed conditional on no payment or security received by the Bank in respect of the Indebtedness being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise Despite any such release, discharge or settlement
- (a) the Bank or its nominee may retain this Deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Bank deems necessary to provide the Bank with security against any such avoidance, reduction or order for refund, and
 - (b) the Bank may recover the value or amount of such security or payment from the Mortgagor subsequently as if such release, discharge or settlement had not occurred

4 RESTRICTIONS AFFECTING AND COVENANTS RELATING TO THE REAL PROPERTY

- 4 1 The statutory power of leasing entering into agreements for leases varying leases and accepting surrenders of leases shall not during the continuance of this security be exercisable by the Mortgagor without the prior written consent of the Bank nor without such consent as aforesaid shall the Mortgagor grant agree to grant or vary any lease or tenancy of the Real Property or any part thereof or approve assignments or underlettings of leases or tenancies of the Real Property or any part thereof which if granted would be valid as between the Mortgagor and the lessee or tenant but not binding on the Bank but it shall not be necessary to express such consent in any lease agreement variation or surrender
- 4 2 During the continuance of this security no person or persons shall be registered under the Land Registration Act 2002 as proprietor of the Real Property or any part thereof without the consent in writing of the Bank and the costs incurred by the Bank in lodging from time to time a notice or restriction against registration of the Real Property shall be deemed to be costs properly incurred by it hereunder

- 4 3 The Mortgagor will during the continuance of this security duly observe and perform all restrictive and other covenants stipulations and conditions affecting any of the Real Property or the use of it and will keep the Bank indemnified in respect of all actions proceedings costs claims and demands whatsoever occasioned by any breach of any such covenants or stipulations
- 4 4 Save for in respect of any work associated with the Building Works (as defined in the Facility Letter) the Mortgagor will not at any time during the continuance of this security make or suffer to be made any structural alterations in or additions to any buildings on the Real Property or any part thereof or carry out or suffer to be carried out on the Real Property or any part thereof any development as defined in the Planning Acts or make or suffer to be made any material change in the use thereof without the prior consent in writing of the Bank
- 4 5 The Mortgagor will within ten days of the receipt of notice of the same by it give full particulars to the Bank of any notice order direction designation resolution or proposal having specific application to the Real Property or to the area in which it is situate given or made by any planning authority or other public body or authority whatever or in pursuance of the powers conferred by any other statute and if so required by the Bank will also without delay and at its own cost take all reasonable or necessary steps to comply with any such notice or order (unless bona fide contested by the Mortgagor) and will also at the request of the Bank but at its own cost make or join with the Bank in making such objection or representation against or in respect of any proposal for such a notice or order as the Bank shall deem expedient
- 4 6 The Mortgagor will not do or omit or suffer to be done or omitted any act matter or thing in on or respecting the Real Property or any part thereof required to be done or omitted by the Planning Acts or which shall contravene the provisions of the Planning Acts and will at all times hereafter indemnify and keep indemnified the Bank against all actions proceedings costs expenses claims and demands whatsoever in respect of any such act matter or thing contravening the provisions of the Planning Acts as aforesaid
- 4 7 The Mortgagor will observe and perform the covenants stipulations and conditions on the landlord's part contained in the leases of the leasehold properties forming part of the Charged Property (if any) and use all reasonable endeavours to procure the observance and performance by the tenant under the said leases of the covenants stipulations and conditions on the part of the tenant to be observed and performed
- 4 8 The Mortgagor shall not without the prior written consent of the Bank serve any notice on any former tenant on any part of the Real Property under Section 17 Landlord and Tenant (Covenants) Act 1995 but subject thereto shall use all reasonable endeavours to procure the payment of rents reserved by and the observance and performance of

the covenants stipulations and conditions contained in all leases of the Real Property derived out of the Mortgagor's interest therein and on the part of the tenants thereunder to be paid observed and performed and to observe and perform the covenants stipulations and conditions on the part of the Mortgagor to be observed and performed thereunder

4 9 The Mortgagor shall

- (a) comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of the Real Property, and
- (b) obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law

4 10 The Mortgagor shall not, without the prior written consent of the Bank, enter into any onerous or restrictive obligations affecting the whole or any part of any Real Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Real Property or otherwise do or permit to be done any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Bank or materially diminish the value of any Charged Property or the effectiveness of the security created by this Deed

5 **CONDUCT OF BUSINESS**

The Mortgagor hereby covenants with the Bank that it shall at all times during the continuance of the security hereby constituted

- (a) conduct and carry on the business of the Mortgagor in a proper and efficient manner and keep or cause to be kept proper books of account relating to such business and shall keep the said books of account and all other documents relating to the affairs of the Mortgagor at the Mortgagor's registered office or other place or places where the same ought to be kept and punctually pay as the same become due all debts and liabilities which by virtue of the provisions of the Insolvency Act 1986 or otherwise would have priority to the charges hereby created or any of them,
- (b) punctually pay or cause to be paid all rents rates taxes duties assessments and other outgoings payable in respect of the Mortgagor's property and assets and when required produce to the Bank the receipts for such payments,
- (c) save for in respect of any work associated with the Building Works (as defined in the Facility Letter) keep the Real Property and all buildings thereon and all

plant machinery fixtures fittings vehicles computers equipment and effects and every part thereof in good and substantial repair and in good working order and condition and permit the Bank and/or its representative or agent free access at all reasonable times to view the state and condition of any such buildings without becoming liable to account as mortgagee in possession and punctually pay the rents and perform the covenants reserved by or contained in any lease under which any of the Real Property may be held but shall take no step whatsoever whereby any such lease may be surrendered or forfeited failing which the Bank may at the expense of the Mortgagor carry out any repairs or take any action which it shall consider necessary,

- (d) insure and keep insured on the terms of this sub-clause and at the Mortgagor's expense all such parts of the Real Property as are of an insurable nature and to pay all premiums or other sums necessary to effect and maintain such insurance within 7 days of the same becoming due. In the event that such premiums or other sums are not satisfied the Bank shall have the right (but not the obligation) to pay such premium or other sums which payment shall form part of the Indebtedness

Such insurance shall be effected

- (i) through brokers and with an insurance company or underwriters previously approved by the Bank in writing,
- (ii) in the joint names of the Mortgagor and the Bank,
- (iii) against loss or damage by fire explosion storm tempest flood lightning earthquake terrorism impact aircraft and articles dropped therefrom riot civil commotion malicious damage bursting and/or overflowing pipes/tanks oil leakage subsidence landslip and heave (and in the time of war against war risks under any statutory insurance scheme which may be applicable to the Real Property) and such other risks and contingencies as the Bank shall from time to time require,
- (iv) in a value equal to the full cost of reinstatement from time to time (as approved by the Bank) including a proper provision for cost inflation over any period that might be required for planning and negotiation and the reconstruction period plus the cost of demolition and debris removal and architects surveyors and all other professional fees at a minimum of 12½% of the reinstatement cost and the cost of complying with local authority and other statutory requirements,

- (v) to include 3 years' loss of rent from the Real Property as a result of destruction thereof or damage thereto in consequence of any insured risk in an amount approved by the Bank taking account of the then estimated rental value of the Real Property,
- (vi) (vi) to include mortgagee and tenant non-invalidity clauses acceptable to the Bank

Where the Real Property is undergoing development redevelopment construction or other building works the Mortgagor shall effect such further insurance as shall be required and specified by the Bank

The Mortgagor shall produce to the Bank the policy or policies of such insurance and the receipts for premiums or other payments and (if required by the Bank) obtain confirmation from the insurance company or underwriters that the use of the Real Property and its type of construction have been notified to it or them and that all mechanical services at the Real Property are covered by the insurance policy in question

The Bank shall require confirmation from the insurance company or underwriters that such insurance cover shall not be altered or cancelled without prior reference to the Bank

All monies received by virtue of any such insurance shall be deemed part of the Real Property and shall be paid to the Bank and shall (subject only to the rights of third parties under any statute relating to such insurance or under the terms of any lease or underlease) be applied in making good the loss or damage in respect of which such monies were received or at the request of the Bank deposited with it as security for the Indebtedness upon such terms as to assignment set-off charge or otherwise as it shall in its absolute discretion require or if the Bank in its absolute discretion so elects and the provisions of any lease or underlease so permit in or towards discharge of the Indebtedness

- (e) maintain in addition to the insurances required under sub-clause (d) above all such other insurances as are normally maintained by prudent persons carrying on similar businesses,
- (f) observe and perform all restrictive and other covenants and stipulations for the time being affecting the Charged Property or the mode of user or the enjoyment of the same or any part thereof,
- (g) permit the Bank and/or its representatives or agents free access at all reasonable times to inspect and take copies of and extracts from the books

accounts and records of the Mortgagor and furnish the Bank with all information and facilities which it may require and pay all expenses incurred by the Bank in connection therewith,

- (h) supply to the Bank in such form and detail as the Bank shall require within 14 days of the end of each calendar month a schedule of Book Debts arising within such month. The Bank may at any time require the Mortgagor to pay into the Mortgagor's account or accounts with the Bank or to such other account as the Bank may designate all monies which the Mortgagor may receive in respect of the Book Debts and other debts claims and rights charged by it hereunder (and may not without the Bank's consent withdraw any amounts standing to the credit of such account) and if called upon to do so at any time by the Bank to execute a legal assignment of the same to the Bank (and in the case of such account being with a bank other than the Bank to serve such notices of the Bank's interest on such bank in such form as the Bank may reasonably require and to use all reasonable endeavours to procure that the said bank acknowledges receipt of the aforesaid notices in a form satisfactory to the Bank) such assignment to be in such form as the Bank shall in its absolute discretion require, and until such payment is made shall hold the Book Debts on trust for the Bank,
- (i) if called upon to do so at any time by the Bank in such form as the Bank shall require and whenever requested by the Bank and at the Mortgagor's cost
 - (i) execute over all or any of the Real Property a further charge or charges by way of legal mortgage or legal sub-mortgage as the case may be in favour of the Bank,
 - (ii) affix to such items of the Charged Property or indorse or cause to be indorsed as the Bank shall stipulate such labels signs memoranda or other recognisable identification markings as the Bank shall require referring or drawing attention to the security constituted by or pursuant to this Deed,
 - (iii) serve notice on any person who is a party to a document or proceeding involving the Mortgagor the benefit of which has been assigned or charged (in any manner whatsoever) to the Bank hereunder of the Bank's interest in the Charged Property such notice to be in such form as the Bank may require and to use all reasonable endeavours to procure that such person acknowledges receipt of the aforesaid notices in a form satisfactory to the Bank,

- (j) if required by the Bank pay into the Mortgagor's account or accounts with the Bank or to such other account as the Bank may designate all monies which the Mortgagor may receive in respect of the Book Debts and other debts claims and rights charged by it hereunder and if called upon to do so at any time by the Bank execute a legal assignment of the same to the Bank (and in the case of such account being with a bank other than the Bank to serve such notices of the Bank's interest on such bank in such form as the Bank may require and use all reasonable endeavours to procure that the said bank acknowledges receipt of the aforesaid notices in a form satisfactory to the Bank) such assignment to be in such form as the Bank shall in its absolute discretion require,
- (k) pay into the Mortgagor's account or accounts with the Bank all monies which the Mortgagor may receive in respect of Interests in Securities and if called upon to do so at any time by the Bank terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of the Securities and execute over all or any of the Interests in Securities a further charge or charges by way of legal mortgage in favour of the Bank and/or transfers of the Interests in Securities into any nominee company of the Bank in such form as the Bank shall require and after the security constituted by this Deed has become enforceable and until such time as the Securities are assigned to the Bank all dividends and other distributions paid in respect of the Securities received by the Mortgagor shall be held in trust for the Bank and all voting and other rights and powers attaching to the Securities shall be exercised by the Mortgagor on the direction of or with the consent of the Bank,
- (l) deposit with the Bank and the Bank shall be entitled to hold and retain
 - (i) all deeds and documents of title relating to the Real Property or any other freehold and leasehold property owned by the Mortgagor for the time being and the insurance policies relating to the same,
 - (ii) all stock and share certificates and documents of title relating to Interests in Securities, and
 - (iii) all deeds and documents of title (if any) relating to the Book Debts and other debts claims and rights charged by the Mortgagor hereunder,
- (m) procure that save as contemplated by this Deed or with the previous consent in writing of the Bank neither the Mortgagor nor any subsidiary (as defined by Section 1159 of the Companies Act 2006) of the Mortgagor at any time during

the continuance of the security hereby constituted (or in the case of a company becoming a subsidiary of the Mortgagor at any time after the date of its becoming a subsidiary) shall

- (i) borrow or raise any monies or allow any borrowed monies to remain outstanding otherwise than from the Mortgagor or other subsidiary of the Mortgagor (save for the purpose of repaying monies borrowed and outstanding at the date when it became a subsidiary),
- (ii) create or permit to subsist any or allow to arise any Security Interest on the whole or any part of its undertaking or assets,
- (iii) issue any share or loan capital except in the case of a subsidiary to the Mortgagor,
- (iv) guarantee the repayment of any share capital or the repayment of the principal amount of any borrowings of any person firm or company,
- (v) accept any bill (other than a bill relating to payment for goods purchased in the ordinary course of business) nor open any acceptance credit,
- (vi) assign or otherwise dispose of all or any part of its interest in any share or loan capital,
- (n) not without the prior written consent of the Bank acquire from any supplier any goods upon terms that the ownership of or any interest in such goods shall remain vested in such supplier until such supplier has been fully paid for such goods,
- (o) not determine repudiate or breach the terms of any contract of employment with any director or senior employee of the Mortgagor without the prior consent of the Bank and notify the Bank of any repudiation or material breach of any contract of employment by any director or senior employee,
- (p) comply in all material respects with all legislation affecting it,
- (q) not without the prior written consent of the Bank change its auditors,
- (r) not to elect to waive any exemption pursuant to paragraph 2(1) of Schedule 6(A) of the Value Added Tax Act 1983 in respect of value added tax in respect of the Real Property except with the prior written consent of the Bank and to elect to waive any such exemption if so required by the Bank

6 FINANCIAL INFORMATION

During the continuance of this security the Mortgagor shall furnish to the Bank yearly or oftener if required at the Mortgagor's expense a balance sheet profit and loss account and trading accounts showing the true position of the affairs of the Mortgagor and all Group Companies at a date not more than three months earlier and certified by the auditors for the time being of the Mortgagor from time to time furnish the Bank with such other information regarding the affairs of the Mortgagor and all Group Companies as the Bank may reasonably require and take such reasonable steps as the Bank may require in relation to the implementation of financial controls,

7 REPRESENTATIONS AND WARRANTIES

7.1 The Mortgagor warrants and represents to the Bank that

- (a) the Mortgagor has full power to enter into this Deed and to exercise its rights and perform its obligations hereunder and all corporate or other action required to authorise the execution of this Deed by it and the performance by it of its obligations hereunder *has been duly taken*,
- (b) the Mortgagor has not taken any corporate action nor have any other steps been taken or legal proceedings been started or (to the best of the Mortgagor's knowledge and belief) threatened against it for its winding-up dissolution or re-organisation or for the appointment of a receiver trustee or similar officer of its or of any or all of its assets or revenues,
- (c) the Mortgagor is not in breach of or default under any agreement to which it is a party or which is binding on it or any of its assets to an extent or in a manner which might have a material adverse effect on its business or financial condition,
- (d) no action or administrative proceeding of or before any court or agency which might have a material adverse effect on the business or financial condition of the Mortgagor has been started or threatened,
- (e) the Mortgagor's accounts for its latest financial year give (in conjunction with the notes thereto) a true and fair view of the financial condition of the Mortgagor at that date and the results of the Mortgagor's operations during such financial year,
- (f) since publication of the said accounts there has been no material adverse change in the business or financial condition of the Mortgagor,

- (g) the Mortgagor did not as at the date hereof have any liabilities (contingent or otherwise) which were not disclosed by or reserved against in the said accounts (or the notes thereto) nor were there at that date any unrealised or anticipated losses of the Mortgagor arising from commitments entered into by it which were not so disclosed or reserved against,
- (h) the information provided by the Mortgagor to the Bank in connection with any agreement between the Bank and the Mortgagor was true complete and accurate in all material respects and the Mortgagor is not aware of any material facts or circumstances that have not been disclosed and which might if disclosed adversely affect the decision of a person considering whether or not to provide finance to the Mortgagor,
- (i) the execution of this Deed and the Mortgagor's exercise of its rights and performance of its obligations hereunder and under any agreement between the Bank and the Mortgagor do not constitute and will not result in any breach of any agreement or law to which it is a party or which is binding on it or its property,
- (j) the Mortgagor has sufficient financial resources available to meet its existing commitments and that there has been no adverse change since the date of its latest published audited Accounts in its financial condition business or assets,
- (k) to the best of the Mortgagor's knowledge and belief no high alumina cement blue asbestos or other deleterious materials were used in the construction of the Charged Property and the Mortgagor has at all times, complied in all material respects with all applicable Environmental Laws,
- (l) the Mortgagor is the legal and beneficial owner of the Charged Property,
- (m) the Charged Property is free from any encumbrance other than the encumbrances created by this Deed,
- (n) the Mortgagor has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it and there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever, that materially and adversely affect the Charged Property,
- (o) no facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use,

- (p) nothing has arisen, has been created or is subsisting, which would be an overriding interest in any Real Property,
- (q) there is no prohibition on assignment in any insurance policy to which the Mortgagor a party and the entry into this Deed by the Mortgagor does not, and will not, constitute a breach of such insurance policy or any other agreement or instrument binding on the Mortgagor or its assets

7 2 For the purpose of this Clause such representations and warranties shall be deemed to be repeated by the Mortgagor on the first day of each calendar month following the date of this Deed

8 DEMAND

8 1 The monies hereby secured shall become immediately due and payable upon any Demand being made and the statutory power of sale and other powers conferred by Section 101 of the Act (as varied by this Deed) shall be immediately exercisable at any time without regard to Section 103 of the Act (which section shall not apply to this security or any sale made by virtue hereof)

8 2 The statutory powers of leasing and accepting surrenders conferred on mortgagees under the Law of Property Act 1925, and by any other statute, are extended so as to authorise the Bank and any Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of the Mortgagor, to

- (i) grant any lease or agreement for lease,
- (ii) accept surrenders of leases, or
- (iii) grant any option of the whole or any part of the freehold and leasehold property of the Mortgagor with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Mortgagor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Bank or Receiver thinks fit, without the need to comply with any of the restrictions imposed by section s99 and 100 of the LPA 1925

9 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

9 1 At any time after the monies hereby secured shall have become payable or if a petition or application is presented for the making of an administration order in relation to the Mortgagor or if any person who is entitled to do so gives written notice of its intention to

appoint an administrator of the Mortgagor or files such a notice with the Court or if requested by the Mortgagor the Bank may

- (a) from time to time and without further notice appoint in writing under the hand of a duly authorised officer of the Bank any person or persons to be a receiver or receiver and manager of the Charged Property or any part thereof, and/or
- (b) appoint one or more persons to be an administrator of the Mortgagor

9 2 The Bank may from time to time in writing under the hand of a duly authorised officer of the Bank remove any receiver or receiver and manager appointed pursuant to Clause 9 1 of this Deed and appoint another or others in his stead

9 3 *If at any time and by virtue of any appointment pursuant to this Clause 9 any two or more persons shall hold office as receiver or receiver and manager each such person shall be entitled (unless the contrary shall be stated in any of the deed(s) or other instrument(s) appointing them) to exercise all the powers and discretions hereby conferred on a receiver or a receiver and manager individually and to the exclusion of the other or others of them*

10 POWERS OF RECEIVER

Any receiver or receiver and manager whether appointed solely or jointly shall (unless the contrary shall be stated in the deed(s) or other instrument(s) appointing them) have the following powers (in addition to those conferred on such a receiver or receiver and manager under the Act and the Insolvency Act 1986) namely to

- (a) take possession of collect and get in the Mortgagor's property and assets,
- (b) act generally as or to appoint a manager of the business of the Mortgagor and to carry on or authorise or concur in carrying on the business of the Mortgagor in such manner and for such period as he shall in his discretion think fit and the Bank shall approve and for that purpose to borrow money on the security of the Mortgagor's property and assets in priority to this Deed or otherwise and whether from the Bank or any other person,
- (c) manage sell let repair decorate alter improve or add to all or any part of the Charged Property and other (if any) property of the Mortgagor or concur in so doing and to let on hire lease and accept surrenders of leases and tenancies or concur in so doing and to charge mortgage or otherwise deal with or dispose of any of the Charged Property and to exchange or concur in exchanging all or any part thereof in such manner and generally on such terms and conditions as he shall think fit and with all the powers in that behalf of an absolute beneficial

owner and to carry such sale letting on hire leasing surrender charge mortgage or other dealing or disposal into effecting such transaction in the name or on behalf of the Mortgagor or otherwise and to give effective receipts and discharges,

- (d) in particular but without prejudice to the generality of the foregoing power sell or concur in selling by public auction or private contract any of the property upon such terms and for such consideration (whether payable by a lump sum or by instalments) as he may think fit and in particular to sell or concur in selling the business and undertaking of the Mortgagor as a going concern and to carry any such sale into effect by conveying by deed or transferring in the name and on behalf of the Mortgagor or otherwise Plant machinery and other fixtures and fittings may be severed and sold separately from the premises upon which they are situate,
- (e) enter into any arrangement or compromise which he may consider expedient whether in his own name or in the name or on behalf of the Mortgagor,
- (f) for all or any of the said purposes appoint managers officers employees or agents at such salaries or remuneration as he may determine,
- (g) make or require the directors of the Mortgagor to make such calls upon the shareholders of the Mortgagor in respect of any capital of the Mortgagor which may be uncalled as he may think expedient and to enforce payment of any call so made by action in his own name or on behalf of or in the name of the Mortgagor,
- (h) for any of the said purposes act and take any proceedings in the name and on behalf of the Mortgagor or otherwise as he may think expedient,
- (i) without any further consent by or notice to the Mortgagor exercise all or any of the powers and authorities conferred on a receiver under the provisions of the Act,
- (j) do all such other acts and things as may be considered to be incidental or conducive to any of the matters or powers aforementioned,
- (k) take any indemnity from the Mortgagor from and against all actions claims expenses demands and liabilities whether arising out of contract or out of tort or in any other way incurred by him or by any manager agent officer servant or workman for whose debt default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers under this Deed or under any appointment duly made under the

provisions of this Clause and if he thinks fit but without prejudice to the foregoing to effect with any insurance company or office or underwriters any policy or policies of insurance either in lieu or satisfaction of or in addition to such indemnity from the Mortgagor,

- (l) make any arrangements or compromise which he shall think expedient in the interest of the Bank,
- (m) make such repairs improvements and renewals to such of the plant machinery and other effects of the Mortgagor or any subsidiary as he shall think fit,
- (n) obtain all planning permissions building regulation approvals and other permissions consents or licences for the development of the Real Property or any part thereof and to effect complete and/or carry out any development building or other works (including any works-in-progress on the Real Property or any part thereof at the date of his appointment) as he shall in his absolute discretion think fit and to require the Bank to lend to the Mortgagor such monies as may be required to enable the Mortgagor to effect complete and/or carry out any such works as aforesaid Any monies borrowed by the Bank as aforesaid shall be further advances made by the Bank to the Mortgagor shall bear interest at the rate specified in Clause 2 and shall be secured by the charges created by Clause 3,
- (o) make exercise or revoke any value added tax options to tax as he thinks fit, and
- (p) raise money by borrowing from the Bank (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he shall think fit (including, if the Bank consents, terms under which such security ranks in priority to this Deed)

11 SUPPLEMENTAL PROVISIONS RELATING TO A RECEIVER

11 1 Any receiver or receiver and manager whether solely or jointly so appointed shall be deemed to be the agent of the Mortgagor and the Mortgagor shall be solely responsible for his acts or defaults (save in the case of wilful default or misconduct) and for his remuneration subject to the provisions hereof

11 2 *Subject to the provisions contained in the Act and in this Deed as to the application of insurance monies all monies received by any receiver or receiver and manager appointed in respect of this security shall be applied as follows*

- (a) **first** in repayment of all monies raised or borrowed by him and the expenses properly incurred by him in the discharge of his duties and powers as receiver or receiver and manager and in the payment and discharge of his commission or other remuneration,
- (b) **secondly** in providing for the remaining matters specified in paragraphs (i) to (iii) of sub-section (8) of Section 109 of the Act, and
- (c) **thirdly** in or towards satisfaction of the monies liabilities and interest hereby secured

11 3 The Bank shall not nor shall any receiver or receivers appointed hereunder be liable to account as mortgagee or mortgagees in possession in respect of the Charged Property or any part thereof or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Charged Property or any part thereof for which the mortgagee in possession might as such be liable and all costs charges and expenses incurred by the Bank or any receiver or receivers appointed hereunder (including the costs of any proceedings to enforce the security hereby given) shall be paid by the Mortgagor on a solicitor and own client basis and so be charged on the Charged Property

11 4 The foregoing powers of appointment of a receiver shall be in addition to and not to the prejudice of any statutory and other powers of the Bank or any receiver or receivers appointed hereunder under the Act so that the statutory power of sale shall be exercisable without regard to Section 103 of the Act and so that such powers shall be and remain exercisable by the Bank in respect of any part of the Charged Property in respect of which no appointment of a receiver or receivers by the Bank shall from time to time be subsisting or notwithstanding that an appointment under the provisions hereof shall subsist in respect of any other part of the Charged Property

12 INVALIDITY AND INDULGENCE

12 1 Neither the obligations of the Mortgagor herein contained nor the rights powers and remedies conferred in respect of the Mortgagor upon the Bank by any agreement this Deed or by law shall be discharged impaired or otherwise affected by

- (a) the bankruptcy winding-up administration or dissolution of the Mortgagor or the Principal Debtor or any change in the control or ownership of the Mortgagor or the Principal Debtor,
- (b) any obligations of the Mortgagor or the Principal Debtor to the Bank being or becoming illegal invalid or unenforceable in any respect or any incapacity or lack of power authority or legal personality of or dissolution or change in the

status of the Mortgagor or Principal Debtor or any other person,

- (c) time or other indulgence being granted or agreed to be granted to the Mortgagor or the Principal Debtor in respect of its obligations to the Bank,
- (d) any failure to take or fully to take any security contemplated by or otherwise agreed to be taken in respect of the Principal Debtor's obligations to the Bank,
- (e) any failure to realise or fully to realise the value of or any release discharge exchange or substitution of any security taken in respect of the obligations of the Mortgagor or the Principal Debtor to the Bank or,
- (f) any other act event or omission which but for this Clause might operate to discharge impair or otherwise affect the security hereby constituted or any of the rights powers or remedies conferred upon the Bank by this Deed or by law

12 2 All moneys which may now be or which hereafter may from time to time become due or owing to the Bank by the Principal Debtor (or would have become so due or owing were it not for the insolvency or other failure of the Principal Debtor) shall be deemed to continue to be due and owing to the Bank by the Principal Debtor until the same shall be actually repaid in full to the Bank notwithstanding the insolvency or other failure of the Principal Debtor or any other event whatever In case of the death of the Principal Debtor all sums which would have been due or owing as aforesaid to the Bank by the Principal Debtor if the Principal Debtor had lived until the time at which the Bank shall receive actual notice of his death shall for all purposes of this Deed be deemed included in the moneys due and owing to the Bank by the Principal Debtor

12 3 As a separate and independent stipulation the Mortgagor agrees that any indebtedness or liability incurred or purported to be incurred by the Principal Debtor or by any person purporting to act on behalf of the Principal Debtor that is not recoverable from the Principal Debtor by reason of any legal limitation on, disability or incapacity of the Principal Debtor or any other fact or circumstance, whether known to the Bank or the Mortgagor or not, is nevertheless to be recoverable in relation to this security, which in any such case is to stand as security to the Bank for such indebtedness or liability as though it had been incurred by the Mortgagor and the Mortgagor were the sole or principal debtor in respect of it

13. SUBORDINATION

- 13 1 The Mortgagor hereby warrants to the Bank that the Principal Debtor has created no security in favour of the Mortgagor and agrees that no such security will be created without the prior written consent of the Bank as long as any monies and liabilities and/or obligations the payment whereof is hereby secured remain undischarged. Any such security shall not be capable of being enforced in any manner whatsoever without the prior written consent of the Bank and such security is hereby subordinated in point of priority to any security interest granted by the Mortgagor of the Principal Debtor to the Bank over such security and such security is hereby pledged to and shall be held upon trust for the Bank and shall forthwith be assigned to the Bank.
- 13 2 Until all liabilities of the Principal Debtor to the Bank shall have been paid in or discharged in full (which expression shall not embrace payment of a dividend in a liquidation administration or formal or informal scheme of arrangement of less than one hundred per cent) the Mortgagor as between the Mortgagor and the Bank or any other person and as against the Principal Debtor waives all rights of subrogation and will not demand or accept repayment from any person (including the Principal Debtor) of any monies due from the Principal Debtor to the Mortgagor nor claim any set-off or counterclaim against the Principal Debtor or claim or prove in competition with the Bank in the event of insolvency of the Principal Debtor or have the benefit of any share in any other guarantee or security now or hereafter held by the Bank.
- 13 3 Any money received by virtue of this Deed may be placed to the credit of a suspense account with a view to preserving the Bank's rights to prove for the whole of its claim against the Principal Debtor in the event of any proceedings in or analogous to bankruptcy liquidation administration composition or arrangement.

14. GENERAL PROVISIONS

- 14 1 Section 103 of the Act shall not apply and the power of sale and other powers conferred on mortgagees by the Act shall apply to this Deed but without the restrictions therein contained as to giving notice or otherwise and so that for the purposes of a sale or other exercise of the said powers or any of them the whole of the monies hereby secured shall be deemed to be due and payable immediately on the execution of this Deed.
- 14 2 The restrictions on the right of consolidating mortgage securities which are contained in Section 93 of the Act shall not apply to this Deed.

- 14 3 All monies from time to time received by the Bank and held for the account of the Mortgagor may in default of payment by the Mortgagor as and when required of any monies hereby secured be applied by the Bank in reduction of such liabilities of the Mortgagor to the Bank as the Bank in its discretion shall think fit No payment received for the account of the Mortgagor after the Bank shall have received or be affected by actual or constructive notice of any subsequent mortgage or charge on any of the Charged Property shall be appropriated towards or have the effect of payment of any part of any monies hereby secured at the time when the Bank received or was affected by such notice but such payment shall be credited to a new account with the Bank in the name of the Mortgagor and any monies subsequently drawn out by the Mortgagor shall be debited to such account
- 14 4 All or any of the powers authorities and discretions hereby conferred either expressly or by reference on a receiver or receiver and manager appointed hereunder may be exercised by the Bank without first appointing a receiver or receiver and manager or notwithstanding any such appointment
- 14 5 The Mortgagor hereby covenants to pay to the Bank on demand (on a full indemnity basis) all costs, charges, expenses and disbursements including legal fees and stamp duty or the like (if any) incurred and payments made by the Bank or by any receiver or receiver and manager whether solely or jointly appointed by it in the exercise of any power conferred by this Deed or which they or any of them shall properly incur in connection with the negotiation, preparation, execution and enforcement of this security or of the Charged Property or any of the Mortgagor's other property or assets or with the exercise of the rights, powers and privileges hereby granted together with interest as from the date of the same having been incurred until payment at the rate for the time being payable hereunder in respect of interest on the principal monies intended to be hereby secured (which shall be payable as well after as before any judgment hereunder) and all monies payable by the Mortgagor hereunder shall be secured on the Charged Property
- 14 6 The Mortgagor hereby irrevocably appoints the Bank and any receiver or receiver and manager appointed as aforesaid jointly and also separately to be the attorney of the Mortgagor (with full power of substitution and whether or not any demand has been made by the Bank or the Bank's powers of enforcement have otherwise arisen) for the Mortgagor and in its name or otherwise and on its behalf and as its act and deed to sign seal execute deliver perfect and do all deeds instruments acts and things which may be required or which the Bank or any receiver or receiver and manager appointed by it shall think fit for carrying out any obligation imposed on the Mortgagor hereunder or for carrying any sale lease charge mortgage or dealing by the Bank or by any receiver or receiver and manager appointed by it into effect or for giving to the Bank the

full benefit of this Deed and generally to use the name of the Mortgagor in the exercise of all or any of the powers conferred on the Bank or any receiver or receiver and manager appointed by the Bank and this appointment shall operate as a general power of attorney given under the Powers of Attorney Act 1971 **PROVIDED** that

- (i) the Bank shall not exercise the power contained in this Clause unless and until any Demand is made, but
- (ii) the exercise of such power by the Bank shall not put any person dealing with it upon any enquiry as to whether any Demand is made nor shall any such person be in any way affected by notice to the contrary and the exercise by the Bank of the power contained in this Clause shall (as between the Bank and any such person) be conclusive evidence of the Bank's right to exercise the same

Nothing herein contained shall affect the rights and powers of the Bank and/or any receiver appointed by the Bank under Sections 101 and 104 of the Act and the rights created by any appointment made hereunder shall be in addition to the rights conferred by the said Sections 101 and 104

- 14 7 It shall be lawful for the Bank or any receiver or receiver and manager appointed as aforesaid at any time to exercise for and on behalf of the Mortgagor any or all the powers conferred on a landlord and tenant by the Landlord and Tenant Acts 1927 to 1954 in respect of the Real Property but without any obligation to exercise any of such powers and without any liability in respect of powers so exercised and the Mortgagor hereby covenants with the Bank that it will as and when received deliver to the Bank all notices served on the Mortgagor in respect of the Mortgagor's property under the said Acts and the Mortgagor hereby irrevocably appoints the Bank and any receiver or receiver and manager appointed as aforesaid its attorney for the Mortgagor and in the name of the Mortgagor and on the Mortgagor's behalf or otherwise to sign seal and deliver all notices and documents as the Bank or any receiver or receiver and manager appointed by it as it may deem necessary or desirable for carrying out any of the powers vested in the Mortgagor by the said Acts in respect of the Real Property including power to execute any lease or counterpart of any lease to be granted with power to give receipts for any compensation monies payable by a landlord and with power for any receiver or receiver and manager appointed by the Bank to enter into any arrangements with the Bank or any receiver or receiver and manager appointed by it as it may consider necessary and with power for the Bank on a sale or other dealing with the Real Property to execute an assurance mortgage to itself of any lease granted under the said Acts or otherwise or other document vesting the property or any part thereof in itself or any other person whether for a term of years or otherwise Provided that nothing that shall be done by or on behalf of the Bank hereunder shall render it

liable to account as mortgagee in possession

14 8 No purchaser or other person or company shall be bound or concerned to see or enquire whether the right of the Bank to exercise any of its powers or of any receiver or receiver and manager appointed by it to exercise any of his or their powers has arisen or not or be concerned with notice to the contrary

14 9 The Mortgagor shall at any time at the request of the Bank but at the cost of the Mortgagor execute any other or further legal mortgage charge or other instrument conferring a fixed charge in such form as the Bank may require or such other charge as the Bank may in its discretion think fit over any of the Charged Property for the purpose of securing all monies and liabilities intended to be thereby secured

14 10 (a) To the extent that

- (i) the Charged Property constitutes Financial Collateral, and
- (ii) this Deed and the obligations of the Mortgagor hereunder constitute a Security Financial Collateral Arrangement,

the Bank shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of that Charged Property in or towards the payment or discharge of the Indebtedness in such order as the Bank may, in its absolute discretion, determine

(b) The value of any Charged Property appropriated in accordance with this Clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Bank may select (including independent valuation)

(c) The Mortgagor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Financial Collateral Regulations

14 11 It is agreed that in addition to any right of set-off or other similar right to which the Bank may be entitled in law the Bank may at any time and without notice to the Mortgagor combine and consolidate all or any of the accounts between the Mortgagor and the Bank and/or set-off any monies whatsoever and whether on current account or deposit account and whether in Sterling or in any other currency against any liabilities whatsoever whether in Sterling or in any other currency which may be due or accruing to the Bank from the Mortgagor whether such liabilities are or may be joint or several or primary or contingent The Mortgagor waives any present or future right of set-off it

may have in respect of the Indebtedness

- 14 12 All payments to be made by the Mortgagor to the Bank hereunder shall be made in immediately available funds free and clear of and without deduction for any bank costs transfers charges taxes levies imposts duties charges fees deductions or withholding of any nature now or hereafter imposed by any governmental authority in any jurisdiction or taxing authority thereof or therein unless the Mortgagor is compelled by law to deduct or withhold any such amounts. If the Mortgagor is compelled by law to deduct or withhold any such amounts the Mortgagor will pay to the Bank such additional amount as will result in the payment to the Bank of the full amount which would have been received but for such deduction or withholding. Provided that if the Bank shall be or become entitled to any credit (whether by deduction or otherwise and without any obligation on the part of the Bank to seek to become so entitled) in respect of any tax levy impost duty charge or fee deducted or withheld in computation of the taxes payable by the Bank on its overall net income and if the Mortgagor shall have paid any additional amount as provided in this sub-clause then the Bank will pay to the Mortgagor (after receipt by it of the same) an amount equal to the lower of such additional amount and such credit and the Bank will take such action as it in its sole discretion may consider reasonable in all circumstances for the purpose of utilising such credit in an equitable manner having regard to other credits available.
- 14 13 If the effect of any applicable law regulation or direction or the interpretation thereof by an authority charged with the administration thereof (including the imposition modification or extension of any reserve requirement but excluding the imposition or increase of any taxation chargeable by reference to the Bank's profits) or any change therein is to increase the cost to the Bank of fulfilling or maintaining its obligations under any agreement between the Bank and the Mortgagor or all or any other loans made by the Bank at any time and from time to time or to reduce the amount of principal or interest receivable by the Bank by an amount which the Bank deems to be material then the Mortgagor shall pay to the Bank upon its written demand as additional interest such additional amount (determined by the Bank) as shall compensate the Bank for all or such part as it may in its absolute discretion determine of such additional cost or reduction.
- 14 14 If any sum becomes due for payment under any agreement between the Bank and the Mortgagor on a day which is not a Business Day such sum shall be deemed to be due on the next succeeding Business Day.
- 14 15 Each notice, request, demand or other document to be given or made hereunder shall be in writing addressed to the relevant party at the relevant party's address specified herein or at such other address as the relevant party last notified to the other in writing or at the relevant party's registered office or last known address or place of business.

Any notice, request, demand or other communication to be given or made by one party to the other shall be deemed made (i) when transmitted (if given or made by facsimile) or (ii) when left at the address mentioned above or in the case of a notice to the Mortgagor when served on any one of the directors or on the secretary thereof or (iii) three days after posting by first class post addressed as required above (if given or made by letter)

- 14 16 A certificate signed by an officer or attorney of the Bank as to the amount at any given time of the Indebtedness shall (save in the case of manifest error) be conclusive evidence as against the Mortgagor of the amount so owing
- 14 17 Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill note guarantee mortgage or other security which the Bank may for the time being have for any money or liabilities due or incurred by the Mortgagor to the Bank or any right or remedy of the Bank thereunder and the charges hereby created are in addition to any existing or future charges or other security held by or on behalf of the Bank for the liabilities of the Mortgagor to it
- 14 18 The Bank may at any time or times without discharging or in any way affecting the security hereby created or any remedy of the Bank thereunder grant to the Mortgagor or to any other person time or indulgence or abstain from perfecting or enforcing any remedies securities guarantees or rights which it may now or hereafter have from or against the Mortgagor or any other person
- 14 19 The Mortgagor undertakes to notify the Bank of any freehold or leasehold property which it now owns or which it may hereafter acquire the title to which is registered or to be registered at the Land Registry and in relation to any such property hereby certifies that the charges hereby created do not contravene any of the provisions of its Memorandum and Articles of Association The Mortgagor shall also promptly on becoming aware of any of the same, notify the Bank in writing of any representation or warranty made hereunder or in the Facility Letter which is incorrect or misleading in any material respect when made or deemed to be repeated, and any breach of any covenant made hereunder or under the Facility Letter
- 14 20 The security hereby created shall extend to all advances and other accommodation past and future from the Bank notwithstanding its absorption by or amalgamation with any other bank or banks and to all advances and other accommodation from any such absorbing or amalgamated bank in like manner as if such absorbing or amalgamated bank were named in and referred to herein instead of the Bank

14 21

- (a) Save in the case of wilful default or misconduct neither the Bank nor any receiver or receiver and manager appointed by the Bank shall in or in relation to or in connection with the exercise of any power (including any power of sale or leasing) conferred upon the Bank or any such receiver or receiver and manager by any statute or rule of law or this Deed be under any duty of care or other obligation of whatsoever description to the Mortgagor and save as aforesaid any liability on the part of the Bank or any such receiver or receiver and manager to the Mortgagor as the result of or in consequence of any breach of any duty or obligation that may notwithstanding the provisions hereof arise is hereby expressly excluded
- (b) The Mortgagor hereby agrees save insofar as may be required or requested by any receiver or receiver and manager appointed by it hereunder or by the Bank that so long and during such time as there may be any appointment of a receiver or receiver and manager subsisting hereunder it will not through or by its directors and/or agents and/or servants seek to take any steps or action in relation to the conduct of its affairs or business or the recovery of any of its assets without the prior written consent of the Bank

14 22 No delay in exercising nor failure to exercise any right or power or remedy hereunder shall impair such right power or remedy or be (or be construed as) a waiver of or acquiescence in any default by the Mortgagor The rights and remedies provided by this Deed are cumulative and shall be in addition to any other rights of the Bank against the Mortgagor

14 23 None of the provisions of this Deed shall take effect for the purpose of Section 44 of the Companies Act 2006 until this Deed has been formally dated by or on behalf of the Bank and the Mortgagor

14 24 The Bank may assign syndicate or allow other parties to participate in the benefit of the whole or any part of the Indebtedness due from the Mortgagor to it and the security created by this Deed and accordingly disclose such information relating to the Mortgagor the Charged Property or the Facility Letter as it may in its absolute discretion determine The Mortgagor shall not be entitled to assign the whole or any part of the benefit of this Deed

14 25

- (a) The Mortgagor being the registered proprietor of the Real Property hereby applies to the Land Registry to enter a restriction against the title(s) referred to in the Schedule hereto as follows

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge contained in the Mortgage Debenture dated 22 January 2016 in favour of Close Brothers Limited referred to in of the charges register"

- (b) The Mortgagor hereby applies to the Land Registry for a note to be entered on the Register against the title(s) referred to in the Schedule hereto to the effect that this Deed secures further advances and that the Bank is under an obligation to make further advances

14 26 This Deed or any dispute or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the Laws of England and Wales. The Mortgagor hereby submits to the jurisdiction of the English Courts but it shall be open in the Bank to enforce this Deed in the courts of any competent jurisdiction

14 27 Any waiver or variation of any right or remedy by the Bank (whether arising under this Deed or under the general law), or any consent given under this Deed, is only to be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision

14 28 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties

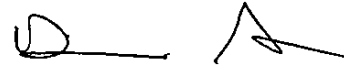
14 29 This Deed may be executed in any number of counterparts and all of such counterparts shall be deemed to constitute one and the same Deed

14 30 Neither the restriction on consolidating mortgage securities contained in Section 93 nor those contained in Section 103 of the Law of Property Act 1925 shall apply to this Deed or the security hereby created

- 14 31 The Bank may at any time, without the consent of the Mortgagor, assign or transfer the whole or any part of the Bank's rights and obligations under this Deed to any person. The Mortgagor may not assign any of its rights or transfer any of its obligations under this Deed or enter into any transaction, which would result in any of the Mortgagor's rights or obligations under this Deed passing to another person.
- 14 32 The obligations on the part of the Mortgagor contained herein shall bind it and its successors and permitted assigns and the rights, powers and remedies of the Bank herein contained shall enure to the benefit of his successors and assigns whether or not so expressed.
- 14 33 Each notice, request, demand or other document to be given or made hereunder shall be in writing addressed to the relevant party at the relevant party's address specified herein or at such other address as the relevant party last notified to the other in writing or at the relevant party's registered office last known address or place of business.
- 14 34 Any notice, request, demand or other communication to be given or made by one party to the other shall be deemed made
- (a) when transmitted (if given or made by facsimile), or
 - (b) when left at the address referred to in Clause 14 33 or in the case of a notice to the Mortgagor when served on any one of the directors or on the secretary thereof, or
 - (c) three days after posting by first class post addressed as required above (if given or made by letter)

IN WITNESS whereof this Deed has been duly executed by the Mortgagor and signed by the Bank the day and year first before written

SIGNED as a DEED by THE
MORTGAGOR acting by a Director in the presence of



DIEGO ARROYO

Witness' Signature _____

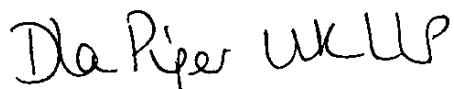
Name PETER HAYWARD

Address 23 SAVILE ROW, 4TH FLOOR

LONDON W1S 2ET

Occupation ACCOUNTANT.

SIGNED for and on behalf of the Bank -



LEH/BIRDP/74555/120433/UKM/73168884 4