



**Registration of a Charge**

Company name: **GOLDBERG LONDON LIMITED**

Company number: **09165529**



X5CJE2TC

Received for Electronic Filing: **02/08/2016**

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**Details of Charge**

Date of creation: **29/07/2016**

Charge code: **0916 5529 0002**

Persons entitled: **ASSETZ CAPITAL TRUST COMPANY LIMITED**

Brief description: **FOR MORE INFORMATION PLEASE REFER TO THE INSTRUMENT.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **STAN PAPOUTCHAROV**



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

Company number: 9165529

Charge code: 0916 5529 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th July 2016 and created by GOLDBERG LONDON LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd August 2016 .

Given at Companies House, Cardiff on 3rd August 2016

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Date: 24 July 2016

**Goldberg London Limited**

as Chargor

**Assetz Capital Trust Company Limited**

as Security Trustee

**Debenture**

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THIS DEBENTURE is made on

29 July

2016

**BETWEEN**

- (1) **GOLDBERG LONDON LIMITED** a limited liability partnership registered in England and Wales with company no 09165529 and whose registered office is at 334B Hoe Street, Walthamstow, London E17 9PX (the "**Chargor**"); and
- (2) **ASSETZ CAPITAL TRUST COMPANY LIMITED** a company registered in England and Wales with registration number 8336441 and whose registered office is at Assetz House, Newby Road, Stockport, Cheshire SK7 5DA (the "**Security Trustee**").

**BACKGROUND:**

- (A) This Debenture provides security which the Chargor has agreed to give the Security Trustee for all of the Secured Obligations.
- (B) The Security Trustee and the Lending Syndicate Members have agreed that the Security Trustee will hold the benefit of the Security created under this Debenture (subject to the terms of this Debenture) on trust for itself the Agent and the Lending Syndicate Members.

**IT IS AGREED** as follows

**1. Definitions and interpretation**

**1.1 Definitions**

In this Deed:

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

"**Administrator**" means an administrator appointed under paragraph 14 of schedule B1 to the Insolvency Act 1986;

"**Agent**" means Assetz SME Capital Limited (company number 08007287);

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"**Assetz Network**" means the peer to peer lending network established by Assetz and described on the Website;

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

"**Charged Assets**" means all assets of the Chargor from time to time the subject of any Security created or, where the context admits, intended to be created by this Deed;

"**Credit Agreement**" means the loan agreement dated 29 July 2016 or thereabouts and made between the Agent (1) and the Chargor (2) (as amended and/or substituted from time to time);

**"Designated Account"** means an (if any) account of the Chargor with any bank which has been notified of the Security Trustee's interest in such account and has agreed in writing not to permit withdrawals from such account except with the written consent of the Security Trustee;

**"Development"** means the demolition of existing buildings and repositioning of substation and erection upon the Mortgaged Property of 3-5 storey block to provide 37 self-contained flats and provision of new community centre;

**"Dividends"** means all dividends, interest and other distributions paid or payable in respect of any Investment;

**"Environment"** means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, but not limited to, air within natural or man-made structures, whether above or below ground);
- (b) water (including, but not limited to, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, but not limited to, land under water);

**"Environmental Law"** means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, but not limited to, any waste;

**"Event of Default"** has the meaning ascribed to it by the Credit Agreement

**"Finance Documents"** has the meaning ascribed to it by the Credit Agreement;;

**"Intellectual Property"** means all present and future rights in respect of any database, software, patent, copyright, trade mark, service mark, invention, design, semi-conductor topography, knowhow, confidential information or any other kind of intellectual property throughout the world for the full term of the rights concerned whether registered or unregistered and including:

- (a) any registration or application for registration, licence or permission relating to any of the foregoing;
- (b) reversions, extensions and renewals of any such rights; and
- (c) rights of action in relation to any such rights (including the right to sue for and recover damages for past infringements);

**"Investments"** means:

- (a) all or any stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations); and

- (b) all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of them,

and includes all Dividends in respect of them;

**"Lease"** includes any lease, agreement for lease or tenancy and (where the context admits) any licence or other right of occupation;

**"Legal Mortgage"** means the legal mortgage of (among other things) the Mortgaged Property of even date herewith and made between the Chargor (1) and the Security Trustee (2);

**"Lending Member"** means a lending member of the Assetz Network who has been accepted for membership of the Assetz Network in accordance with the terms and conditions for Lending Members published on the Website from time to time;

**"Lending Syndicate Members"** means the Lending Members who have been successful in their bid to participate in the Loan to be made to the Chargor;

**"Licences"** means any licences or consents granted to or by the Chargor in relation to any Intellectual Property;

**"Loan"** means the loan of £7,200,000 made available to the Chargor in connection with the carrying out of the construction works on the Mortgaged Property or as the context requires the principal amount outstanding from time to time under the Credit Agreement;

**"Material Adverse Effect"** means a material adverse effect on the business or financial condition of the Chargor;

**"Mortgaged Property"** means the freehold property known as 40-41 Trinity Close, Leytonstone, London E11 4RP and comprised with Title Numbers EGL298236, EX51045 and AGL292154 at the Land Registry mortgaged to the Security Trustee by the Chargor pursuant to the Legal Mortgage;

**"Real Property"** means freehold, leasehold or other immoveable property (but excluding for these purposes the Mortgaged Property) and any buildings, erections, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property and easements or other rights servicing that property;

**"Receivables"** means all book and other debts and rights to money and income liquidated and unliquidated due or owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

**"Receiver"** means any one or more persons appointed by the Security Trustee as a receiver, receiver and manager or administrative receiver under this Deed;

**"Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226);

**"Rental Income"** means all present and future amounts payable to or for the benefit of the Chargor under or in connection with any Lease or any other letting of Real Property forming part of the Charged Assets;

**"Secured Obligations"** means all present and future obligations and liabilities of the Chargor owed to the Security Trustee and/or the Agent and/or the Lending Syndicate Members whether



actual or contingent and whether owed or incurred alone or jointly and/or severally with another and as principal or as surety or in any other capacity or of any nature;

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

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all the Secured Obligations have been unconditionally and irrevocably paid, released and discharged in full and no further Secured Obligations are capable of becoming outstanding;

**"VAT"** means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature; and

**"Website"** means [www.assetzcapital.co.uk](http://www.assetzcapital.co.uk) and any other internet address used to conduct the business activities of Assetz Development Capital Limited (and/or any other company) and to which the Lending Members have access.

## 1.2 Interpretation

(a) In this Deed, unless a contrary indication appears, any reference to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description and includes the proceeds of sale of any such asset;
- (ii) the **"Charged Assets"**, **"Real Property"** or the **"Secured Obligations"** includes a reference to any part of them or it;
- (iii) this **"Deed"** or any other agreement or document is a reference to the same as it may have been, or may from time to time be, amended, varied, supplemented or novated;
- (iv) a party to this Deed shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (v) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- (vi) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (vii) **"this Security"** means any Security created by this Deed;
- (viii) any provision of law includes that provision as amended, re-enacted or replaced from time to time and includes any subordinate legislation; and
- (ix) words in the singular include the plural and vice versa and words in one gender include any other gender.

(b) Headings in this Deed are for ease of reference only.

- (c) Any covenant or undertaking by the Chargor under this Deed is given to or made in favour of the Security Trustee and remains in force during the Security Period.
- (d) It is intended that this document take effect as a deed notwithstanding the fact that (if executed by the Security Trustee) the Security Trustee may only execute this document under hand.
- (e) The terms of any contract or agreement giving rise to, concerning or securing the Secured Obligations and of any side letter between the parties to this Deed are incorporated in this Deed to the extent required to ensure that any purported disposition of or purported agreement to dispose of any Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) Words and expressions defined in the Credit Agreement shall unless the context therewith requires have the same meanings in this Deed.

### 1.3 Third party rights

A person who is not a party to this Deed 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.

### 1.4 Conflicts

If there is any conflict or inconsistency between the terms of this Deed and the Credit Agreement the terms of the Credit Agreement shall prevail.

## 2. Undertaking to pay

### 2.1 Undertaking to pay

The Chargor undertakes with the Security Trustee to pay the Secured Obligations to the Security Trustee when due.

### 2.2 Interest

If the Chargor fails to pay any of the Secured Obligations on the due date for payment of that sum, the Chargor shall on demand pay to the Security Trustee interest on all such sums from the due date until the date of payment (both before and after judgment) calculated and payable in accordance with the rate and in the manner agreed between the Security Trustee and the Chargor in respect of any corresponding Secured Obligations, or in the absence of agreement or a corresponding Secured Obligation, at the rate four per cent (4%) above the base rate of Barclays Bank PLC from time to time.

## 3. Nature of Security created

All the Security created under this Deed is created:

- (a) with full title guarantee in favour of the Security Trustee as a continuing security to secure the payment and discharge of the Secured Obligations;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Deed) over all present and future assets of the kind described which are owned by the Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them.

#### **4. Fixed Security**

##### **4.1 Real Property**

(a) The Chargor charges:

- (i) by way of legal mortgage its interest in the Real Property specified in Schedule 1 (Real Property);
- (ii) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Real Property.

(b) The Chargor assigns absolutely:

- (i) all Rental Income;
- (ii) the benefit of any guarantee (present or future) of Rental Income contained in or relating to any Lease or other letting of Real Property subject to any of this Security.

##### **4.2 Investments**

The Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge all Investments, including those held for it by any nominee.

##### **4.3 Intellectual Property and Licences**

The Chargor charges by way of fixed charge:

- (a) all Intellectual Property; and
- (b) all Licences,

provided that where the execution of a fixed charge over any Licence requires the consent of any other person, the Chargor undertakes to use its reasonable endeavours to obtain such consent and forthwith upon such consent being obtained such rights will automatically become subject to this Deed.

##### **4.4 Receivables**

The Chargor charges by way of fixed charge all Receivables.

##### **4.5 Accounts**

The Chargor charges by way of fixed charge:

- (a) any money standing to the credit of the Designated Account; and
- (b) any money standing to the credit of any other bank account.

##### **4.6 Goodwill**

The Chargor charges by way of fixed charge its goodwill.

#### 4.7 Uncalled capital

The Chargor charges by way of fixed charge its uncalled capital.

#### 4.8 Authorisations and Licences

The Chargor charges by way of fixed charge all Authorisations held in relation to any Charged Asset.

#### 4.9 Insurances

The Chargor assigns absolutely all its rights and interests under all contracts and policies of insurance and the proceeds of such policies.

#### 4.10 Scheduled assets

The Chargor charges by way of fixed charge all its rights and interest in the assets listed in Schedule 2 (List of assets and agreements); and

#### 4.11 Contractual rights

The Chargor assigns absolutely:

- (a) all rights under the agreements and documents (if any) listed in Schedule 2 (List of assets and agreement), and under all other agreements and documents to which it is a party and which are not mortgaged, charged by way of fixed charge or assigned under any of Clauses 4.1 (Real Property) to 4.10 (Scheduled Assets) (inclusive);
- (b) the benefit of any guarantee or security for the performance of any of such agreements or other documents; and
- (c) all its right, title and interest in (i) any monies from time to time standing to the credit of the Trust Account (ii) the Advance Interest Payment and (iii) the Additional Advance Interest Payment

provided that if any such agreement, other document, guarantee or security is expressed to be non-assignable then the Chargor charges to the Security Trustee by way of fixed charge its interest in and the benefit of such agreement, document, guarantee or security.

### 5. Floating Security

#### 5.1 Floating charge

The Chargor charges by way of floating charge the whole of its present and future business, undertaking and assets to the extent that they are not effectively mortgaged, charged or assigned to the Security Trustee by way of fixed security under Clause 4 (Fixed Security).

#### 5.2 Conversion

Subject to Clause 5.3 (Moratorium under Insolvency Act), the Security Trustee may at any time by written notice to the Chargor convert the floating charge created by Clause 4.1 (Floating charge) into a fixed charge as regards any assets specified in the notice if:

- (a) An Event of Default has occurred; or

- (b) in the opinion of the Security Trustee such assets are at risk of becoming subject to any Security (other than this Security) or are otherwise at risk of ceasing to be within the ownership or control of the Chargor.

### 5.3 Moratorium under Insolvency Act

The Security Trustee shall not be entitled to convert the floating charge created by Clause 4.1 (Floating charge) into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and Schedule A1 to the Insolvency Act 1986.

### 5.4 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 5.1 (Floating charge), which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 to the Insolvency Act 1986.

## 6. Receivables

### 6.1 Designated Account

The Chargor shall open and maintain a Designated Account.

### 6.2 Restriction on dealing

The Chargor shall not deal with the Receivables forming part of the Charged Assets other than by collecting them in the ordinary course of business and shall not charge, factor, discount or assign any of such Receivables in favour of a third party or subordinate, release or waive its rights in respect of any of such Receivables.

### 6.3 Collection and payment

The Chargor shall collect and realise all of the Receivables forming part of the Charged Assets and, immediately on receipt, pay the proceeds of payment or realisation of such Receivables or procure that such proceeds are paid into the Designated Account, and pending that payment will hold all monies so received upon trust for the Security Trustee.

### 6.4 Notice of charge of Designated Account

The Chargor shall give notice (if requested by the Security Trustee) of the charge of each Designated Account to the bank with which such Designated Account is held in the form set out in Part 1 of Schedule 3 (Designated Account Notices) and shall use reasonable endeavours to procure that the bank with which such Designated Account is held executes and delivers to the Security Trustee an acknowledgement of the rights of the Security Trustee in respect of such account in the form set out in Part 2 of Schedule 3 (Designated Account Notices).

### 6.5 Credit balance

The Security Trustee shall have an absolute discretion whether to permit or refuse to permit any credit balance on the Designated Account to be utilised or withdrawn by the Chargor.

### 6.6 Factored Receivables

If the Security Trustee releases, waives or postpones its rights in respect of any Receivable forming part of the Charged Assets to enable the Chargor to factor or discount them to any third

party (the "**factor**"), the charges created by this Deed shall in all other respects remain in full force and effect. All amounts becoming due to the Chargor from the factor and any such Receivables re-assigned, or due to be re-assigned, to the Chargor shall be subject to the relevant fixed charge created by this Deed, subject only to any defences or rights of set-off which the factor may have against the Chargor.

#### **6.7 Details of Receivables**

The Chargor shall from time to time in writing provide the Security Trustee with a list of the names and addresses of the debtors in relation to the Receivables forming part of the Charged Assets and the amount of the debts owing from each of them.

#### **6.8 Assignment**

Upon request by the Security Trustee at any time the Chargor shall execute a legal assignment of any Receivable forming part of the Charged Assets to the Security Trustee and give notice of such assignment to the debtor.

### **7. Investments**

#### **7.1 Deposit of certificates**

The Chargor shall deposit with the Security Trustee:

- (a) on or before the date of this Deed, the certificates or other documents of title to each Investment owned by the Chargor on such date;
- (b) on the date of the acquisition of any Investment acquired by the Chargor after the date of this Deed or on the withdrawal of any Investment owned by the Chargor from any clearance system, the certificates or other documents of title to each such Investment;
- (c) duly executed undated blank transfers in respect of each such Investment and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered.

#### **7.2 Payment of money due**

The Chargor shall promptly pay all money which may from time to time be due in respect of any Investment forming part of the Charged Assets.

#### **7.3 Nominees**

If any Investment forming part of the Charged Assets is registered in the name of a nominee the Chargor shall on demand provide to the Security Trustee an equitable mortgage over such Investment or power of attorney or acknowledgement of the rights created by this Deed over such Investment in favour of the Security Trustee in such terms as the Security Trustee may require duly executed by or on behalf of such nominee.

#### **7.4 Completion of transfers**

The Security Trustee may at any time complete any transfers of any Investment delivered to it under paragraph (c) of Clause 7.1 (Deposit of certificates) in favour of itself or any nominee for it (or, at any time after this Security has become enforceable, in favour of a purchaser) as transferee and may present the same for registration.

7.5 Dividends and voting rights before this Security has become enforceable

Until this Security has become enforceable:

- (a) the Chargor shall be entitled to receive all Dividends in respect of any Investment forming part of the Charged Assets free from this Security; and
- (b) the Chargor will be entitled to exercise all voting rights attached to any Investment forming part of the Charged Assets and if the Security Trustee is registered as the holder of any such Investment it will exercise all voting rights attached to it as directed by the Chargor.

7.6 Dividends and voting rights after this Security has become enforceable

After this Security has become enforceable:

- (a) if any Investment forming part of the Charged Assets is not then registered in the name of the Security Trustee or a nominee for the Security Trustee the Security Trustee will be entitled to become so registered or to procure registration in the name of a nominee;
- (b) all Dividends in respect of any Investment forming part of the Charged Assets will be payable to the Security Trustee and may be applied by the Security Trustee in reduction of the Secured Obligations whether or not any such Investment is registered in the name of the Security Trustee or any nominee for the Security Trustee or in the name of the Chargor or any nominee for the Chargor;
- (c) the Security Trustee will be entitled at its discretion to exercise or procure the exercise of all voting rights attached to any Investment forming part of the Charged Assets that is registered in the name of the Security Trustee or any nominee for the Security Trustee for the purpose only of preserving the value of such Investment or realising the Security over such Investment created by this Deed; and
- (d) the Chargor shall exercise or procure the exercise of any voting rights attached to any Investment forming part of the Charged Assets that is registered in the name of the Chargor or any nominee for the Chargor as directed by the Security Trustee for the purpose mentioned in paragraph (c) above.

7.7 Dematerialisation

The Chargor must promptly take all action required for the rematerialisation of any Investments forming part of the Charged Assets held in dematerialised form in a clearance system.

**8. Representations**

The Chargor makes the representations and warranties set out in the Credit Agreement to the Security Trustee.

**9. Negative undertakings**

9.1 Negative pledge

The Chargor shall not create or permit to subsist any Security over the Charged Assets other than the Permitted Security.

## 9.2 Disposals

- (a) The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Charged Asset.
- (b) Paragraph (a) above does not apply to a disposal made with the prior written consent of the Security Trustee, or for full consideration in the ordinary course of trade.

## 9.3 Centre of main interests

The Chargor shall not move its centre of main interests for the purposes of Council Regulation (EC) No 1346/2000 on Insolvency Proceedings outside England and Wales.

## 10. Undertakings relating to the Chargor's business

The Chargor shall:

- (a) carry on its business in a proper manner and not make any material alteration in the nature of its business;
- (b) keep proper accounting records and make all proper entries in relation to its affairs and make such records available for inspection by or on behalf of the Security Trustee or any Receiver at the cost of the Chargor at all reasonable times;
- (c) give to the Security Trustee or any Receiver such information relating to its undertaking or property or otherwise relating to its affairs as either of them requires;
- (d) observe and perform all laws, covenants and stipulations from time to time affecting any Charged Asset or otherwise relating to its business;
- (e) promptly provide the Security Trustee with copies of all communications sent to shareholders and/or creditors or any class of them generally;
- (f) upon becoming aware of the same promptly notify the Security Trustee of the occurrence of any Event of Default and at the same time inform the Security Trustee of any action taken or proposed to be taken by it in connection with it;
- (g) promptly notify the Security Trustee of any litigation, arbitration or administrative proceedings which to its knowledge are threatened, pending or have been commenced against it which is likely to have a Material Adverse Effect;
- (h) ensure that all information supplied to the Security Trustee by it is at the time of supply complete and accurate in all material respects; and
- (i) observe and perform the obligations, terms and conditions on its part of the Finance Documents.



## **11. Undertakings relating to the Charged Assets**

### **11.1 Repair**

The Chargor shall:

- (a) keep the Charged Assets which is of a repairable nature in good and substantial repair and condition; and
- (b) not, without first obtaining the written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed), make any structural alterations or additions to or carry out any development on or make any planning or similar application relating to any Charged Asset.

If the Chargor fails to comply with the undertakings in paragraphs (a) and (b) above the Security Trustee will be entitled to repair and maintain the Charged Assets and carry out works of reinstatement at the cost of the Chargor and will for this purpose have the rights of entry set out in this Clause 11.

### **11.2 Insurance**

- (a) The Chargor shall except as provided in paragraph (c) below keep the Real Property forming part of the Charged Assets and all its other assets which are of an insurable nature insured (in the name of the Chargor with the Security Trustee's interest noted in the case of the Real Property) against all risks which a prudent person carrying on a business similar to that of the Chargor would reasonably insure against and against such other risks as the Security Trustee may from time to time reasonably specify:
  - (i) in the case of assets other than buildings to their full replacement value; and
  - (ii) in the case of buildings on a full reinstatement basis and against all professional fees, value added tax, demolition and site clearance charges and loss of rental and other income derived from such buildings for at least three years.
- (b) All such insurances shall be in amount and form and with an insurance office acceptable to the Security Trustee and the Chargor shall as soon as requested produce the policy and the last receipt for such insurances to the Security Trustee and shall apply all monies received by virtue of such insurances either in making good the loss or damage in respect of which the monies were received or at the option of the Security Trustee in or towards payment of the Secured Obligations. If the Chargor fails to comply with this clause the Security Trustee will be entitled to effect any relevant insurance at the cost of the Chargor.
- (c) If the Real Property forming part of the Charged Assets includes any leasehold property of which the Chargor is the tenant and the landlord under the lease (or any superior landlord) is responsible for the insurance of any buildings on such Real Property and if the terms of such insurance are satisfactory to the Security Trustee and the Chargor:
  - (i) procures that the interest of the Security Trustee is endorsed on every relevant policy;
  - (ii) procures that every relevant policy contains a clause of the type referred to in paragraph (d) below; and

- (iii) provides a full copy of every relevant policy to the Security Trustee once in every year together with a copy of the receipt for that year's premium,

then such insurance will be deemed to have been accepted by the Security Trustee in satisfaction of the obligation of the Chargor to insure the relevant buildings.

- (d) The Chargor shall ensure that every insurance policy contains a clause (in terms satisfactory to the Security Trustee (acting reasonably)) under which such insurance will not be prejudiced, vitiated or avoidable as against a mortgagee in the event of any misrepresentation, act or neglect or failure to disclose on the part of the insured party or parties and will not be invalidated as against a mortgagee for failure to pay any premium owing without the insurer giving to the Security Trustee ten Business Days prior written notice.

### 11.3 Proprietorship

The Chargor shall not permit any person:

- (a) to be registered as proprietor under the Land Registration Act 2002 of any Charged Assets nor create or permit to arise any interest referred to in schedule 1 or schedule 3 of such Act affecting any Charged Asset; or
- (b) to become entitled to any proprietary right or interest which might affect the value of any Charged Asset.

### 11.4 Notification of acquisitions and disposals

The Chargor shall promptly notify the Security Trustee of any proposal, contract, conveyance, option, transfer or other disposition involving the acquisition by the Chargor of any interest in any Real Property or, without prejudice to Clause 9 (Negative undertakings), any sale, lease, transfer or other disposal by the Chargor of an interest in any Real Property.

### 11.5 Powers of leasing

The Chargor's statutory and any other powers of entering into Leases and accepting or agreeing to accept surrenders of Leases are excluded and shall not be exercisable by the Chargor in relation to the Charged Assets and the Chargor shall not without the prior written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed):

- (a) part with possession or occupation of, confer any licence or right to occupy nor confer any interest in any Charged Asset;
- (b) grant any permission to assign, underlet or part with possession or occupation of any Charged Asset;
- (c) agree or permit any amendment to or waiver of the terms of any Lease (including any Lease under which the Chargor is tenant); or
- (d) exercise any power to determine any Lease.

### 11.6 Rents

The Chargor shall procure that all Rental Income shall be paid directly to the Designated Account and, immediately on demand by the Security Trustee at any time, shall give written

notice (in such form as the Security Trustee may require or approve (acting reasonably)) to its tenants and other occupiers of the Real Property forming part of the Charged Assets to pay all Rental Income directly to the Designated Account. Upon such demand, the Chargor shall hold any Rental Income received by it upon trust for the Security Trustee until payment to the Security Trustee.

#### 11.7 Right of entry

The Chargor shall permit the Security Trustee, its agents and contractors at reasonable times and upon reasonable notice (or at any time without notice after the occurrence of an Event of Default or in case of emergency) to enter into or upon any Charged Asset without becoming liable as mortgagee in possession:

- (a) to view the state and condition of or to value it;
- (b) to comply with or object to any direction or notice or other matter served upon the Chargor; and
- (c) to carry out at the cost of the Chargor any repairs or maintenance or to take any action which the Security Trustee considers necessary or desirable in connection with any Charged Asset to procure compliance with any obligation of the Chargor in this Deed.

#### 11.8 Documents of title

The Chargor shall deposit with the Security Trustee all Deeds and documents of title relating to the Charged Assets.

#### 11.9 Failure to comply

If the Chargor fails to comply with any of its obligations under this Deed the Security Trustee may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Chargor.

#### 11.10 Environmental Law

The Chargor shall properly discharge all duties of care and responsibilities placed upon it by Environmental Law and observe and perform all the requirements of Environmental Law both in the conduct of its general business and in the management possession or occupation of the Charged Assets and shall apply for and obtain all authorisations, licenses and consents necessary to ensure that it does not breach Environmental Law.

#### 11.11 Licences

The Chargor shall:

- (a) perform all of its obligations under or in relation to the Licences forming part of the Charged Assets in a timely and proper manner;
- (b) observe all of the terms of such Licences; and
- (c) use its reasonable endeavours to ensure that such Licences remain in full force and effect (including, where necessary, renewing them).

#### 11.12 Registrations

The Chargor shall promptly and at its own expense take all such steps and execute all such documents as the Security Trustee reasonably requires in relation to the registration of the Security Trustee's interest under this Deed in or in relation to any Intellectual Property forming part of the Charged Assets.

#### 11.13 Maintenance of Intellectual Property

The Chargor shall:

- (a) preserve, maintain and renew as necessary all Intellectual Property forming part of the Charged Assets and promptly notify the Security Trustee if it becomes aware of any infringement or suspected infringement of any such Intellectual Property by any person; and
- (b) conduct its business and affairs in such a way as not to endanger the existence or validity of any such Intellectual Property or to lead to the curtailment, forfeiture, invalidity or suspension of any such Intellectual Property.

#### 11.14 Authorisations

The Chargor shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Security Trustee of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to carry on its business and to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document.

### 12. When Security becomes enforceable

#### 12.1 Event of Default

This Security shall become immediately enforceable:

- (a) on the occurrence of an Event of Default; or
- (b) if the Chargor so requests.

#### 12.2 Discretion

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

### 13. Enforcement of Security

#### 13.1 Security Trustee's powers

Immediately upon this Security becoming enforceable or at any time thereafter the Security Trustee may:

- (a) exercise the power of sale and all other rights, powers and discretions conferred on mortgagees by section 101 of the Act as varied or extended by this Deed;
- (b) appoint one or more persons as an Administrator of the Chargor in accordance with schedule B1 to the Insolvency Act 1986;
- (c) subject to section 72A of and paragraph 43 of Schedule A1 to the Insolvency Act 1986, appoint one or more persons as a Receiver of all or any part of the Charged Assets;
- (d) exercise all the rights, powers and discretions conferred on a Receiver by this Deed, the Act, the Insolvency Act 1986 or otherwise by law, without first appointing a Receiver or notwithstanding the appointment of a Receiver;
- (e) by notice to the Chargor end the Chargor's right to possession of all or any Real Property forming part of the Charged Assets and enter into possession of all or such part of such Real Property;
- (f) to the extent that this Deed constitutes a "security financial collateral arrangement" as defined in the Regulations, appropriate any Charged Asset which constitutes "financial collateral" as defined in those Regulations in or towards satisfaction of the Secured Obligations and the Security Trustee shall value such Charged Assets by reference to the price of the relevant Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index or to an independent valuation or other procedure selected by the Security Trustee acting reasonably. The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of those Regulations.

#### 13.2 Consideration on a disposal

The consideration for any sale or other disposal of the Charged Assets by the Security Trustee or any Receiver in the exercise of their respective powers may (in addition to that permitted under the Act on a sale by a mortgagee) consist of cash, shares, securities, debentures or other valuable consideration, may fluctuate according to or dependent upon profit or turnover or be determined by a third party, and may be payable in a lump sum or in instalments (with or without security).

#### 13.3 Leasing

The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee may think fit and without the need to comply with any provision of sections 99 or 100 of the Act, and may be exercised by the Security Trustee at any time after this Security has become enforceable. Any lease granted will bind any holder of a subsequent Security deriving title under the Security Trustee.

#### 13.4 Protection of third parties

No person (including a purchaser) dealing with the Security Trustee or a Receiver will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any right or power which the Security Trustee or a Receiver is purporting to exercise has arisen or become exercisable;

- (c) whether any money remains due under this Deed or the other Finance Documents;
- (d) how any money paid to the Security Trustee or to a Receiver is to be applied; or
- (e) as to the propriety or regularity of such dealings.

#### 13.5 Redemption of prior mortgages

At any time after this Security has become enforceable, the Security Trustee may redeem any prior Security against any Charged Asset, and/or procure the transfer of that Security to itself, and/or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on the Chargor. All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Trustee on demand and form part of the Secured Obligations.

#### 13.6 Cash cover

After this Security has become enforceable, the Chargor shall, immediately on demand, provide to the Security Trustee full cash cover for any contingent liabilities forming part of the Secured Obligations including liabilities arising in respect of bills of exchange or promissory notes accepted, endorsed or discounted and bonds, guarantees, indemnities, documentary or other credits or other instruments from time to time entered into by the Security Trustee.

#### 13.7 Receipts

The receipt of the Security Trustee or the Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve it of any obligation to see to the application of any moneys paid to or by the direction of the Security Trustee or the Receiver.

#### 13.8 General

- (a) For the purposes of all rights, powers and discretions implied by statute or arising by law, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The power to appoint a Receiver pursuant to Clause 14.1 (Security Trustee's powers) is in addition to the power to appoint a Receiver under section 101 of the Act. Section 109(1) of the Act does not apply to this Deed.

### 14. Receiver

#### 14.1 Appointment

Any appointment of a Receiver by the Security Trustee shall be by deed or in writing under its hand.

#### 14.2 Extension of appointment

If a Receiver is appointed of part of the Charged Assets, the Security Trustee may subsequently extend the appointment to all or any other part of the Charged Assets or appoint another Receiver of any other part of the Charged Assets.

#### 14.3 Removal

The Security Trustee may by writing under its hand or by deed (subject to any requirement for an order of the court in the case of an administrative receiver):

- (a) remove any Receiver appointed by it; and
- (b) whenever it deems it expedient, appoint a new Receiver to be an additional Receiver or in the place of any Receiver whose appointment may for any reason have terminated.

#### 14.4 Remuneration

The Security Trustee may appoint any Receiver upon such terms as to remuneration and otherwise as the Security Trustee thinks fit, and the maximum rate specified in section 109(6) of the Act will not apply.

#### 14.5 Payments to the Security Trustee

Only monies actually paid by a Receiver to the Security Trustee in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Security Trustee for that purpose.

#### 14.6 Agent of the Chargor

Each Receiver shall be the agent of the Chargor for all purposes and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for his remuneration and for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Security Trustee shall not incur any liability (either to the Chargor or to any other person) by reason of the Security Trustee making his appointment as a Receiver or for any other reason. If a liquidator is appointed in respect of the Chargor, the Receiver shall act as principal and not as agent of the Security Trustee.

#### 14.7 Receivers of the same assets

If at any time any two or more persons appointed by the Security Trustee hold office as Receivers of the same assets or income, each of them may (unless otherwise stated in the instrument(s) appointing them) exercise all rights, powers and discretions conferred on Receivers by this Deed individually and to the exclusion of the other or others of them.

### 15. Powers of Receiver

#### 15.1 General and statutory powers

Every Receiver shall (subject to any limitations or restrictions expressed in the instrument appointing him) have all the powers:

- (a) of the Security Trustee under this Deed;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act; and
- (c) whether or not the Receiver is an administrative receiver within the meaning of that Act, which are conferred upon an administrative receiver by Schedule 1 of the Insolvency Act 1986, which powers are incorporated in this Deed.

## 15.2 Additional powers

By way of addition to and without limiting any other powers referred to in this Clause a Receiver shall have power (both before and after the commencement of any liquidation of the Chargor) to do every act and thing and exercise every power:

- (a) which the Chargor would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Assets; and
- (b) which the Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of the Charged Assets or for or in connection with the enforcement of this Security or the realisation of any Charged Assets,

and may use the name of the Chargor in connection with any exercise of such powers.

## 16. Exclusion of liability

### 16.1 No obligation to recover

Neither the Security Trustee nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Assets whether or not it is in possession of the relevant Charged Assets.

### 16.2 No liability as mortgagee in possession

Neither the Security Trustee nor any Receiver shall be liable, by reason of entering into possession of the Charged Assets to account as mortgagee or be liable for any loss on realisation or for any default or omission for which a mortgagee might be liable.

### 16.3 Possession

If the Security Trustee or any Receiver shall take possession of the Charged Assets it or he may at any time go out of possession. The Chargor will remain liable to observe and perform all conditions and obligations relating to the Charged Assets.

### 16.4 Losses on enforcement

The Security Trustee or any Receiver will not be liable to the Chargor for any loss or damage arising from:

- (a) any sale of any Charged Asset;
- (b) any act, default or omission of the Security Trustee or any Receiver in relation to any Charged Asset; or
- (c) any exercise or non-exercise by the Security Trustee or any Receiver of any power conferred upon it in relation to any Charged Asset by or pursuant to this Deed or by the Act,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Security Trustee or any Receiver.



## **17. Application of proceeds**

### **17.1 Order of application**

Subject to any claims having priority to this Security all money recovered by the Security Trustee or any Receiver as a result of the enforcement of this Deed or otherwise by reason of this Security will be applied in the following order:

- (a) in payment of all costs, fees, taxes and expenses incurred by the Security Trustee or any Receiver in or pursuant to the exercise of the powers set out in this Deed and all other outgoings properly payable by any Receiver;
- (b) in payment of remuneration to any Receiver;
- (c) in or towards payment of the Secured Obligations; and
- (d) the balance (if any) will be applied as required by law.

The Security Trustee may at any time vary such order in its absolute discretion.

### **17.2 Contingent or future liabilities**

If any money is received by the Security Trustee or a Receiver as a result of the enforcement of or otherwise by reason of this Security at a time when the Secured Obligations include contingent or future liabilities the Security Trustee or any Receiver may hold some or all of such money in an interest bearing suspense account.

## **18. Expenses and payments**

### **18.1 Enforcement and preservation costs**

All costs and expenses (including legal fees), charges and liabilities incurred in connection with enforcement of, or the preservation of any rights under, this Deed by the Security Trustee or any Receiver shall be paid by the Chargor to the Security Trustee on demand.

### **18.2 Indemnity**

The Chargor shall indemnify the Security Trustee and any Receiver upon demand against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way which may at any time be incurred by any of them in connection with this Deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this Deed unless such liabilities, claims and expenses are caused by the fraud, gross negligence or wilful default of the Security Trustee or such Receiver.

### **18.3 Stamp taxes**

The Chargor shall pay and, within three Business Days of demand, indemnify and/or secure the Security Trustee and any Receiver against any cost, loss or liability the Security Trustee or Receiver incurs in relation to all stamp duty, stamp duty land tax, registration and other similar taxes payable in respect of or in connection with the entry into, performance or enforcement against the Chargor of this Deed.

#### **18.4 Value Added Tax**

Where this Deed requires the Chargor to reimburse or indemnify and/or secure the Security Trustee or any Receiver for any costs or expenses the Chargor shall at the same time pay and indemnify and/or secure the Security Trustee or any Receiver against all VAT incurred by the Security Trustee or any Receiver in respect of the costs and expenses to the extent that the Security Trustee or any Receiver determines that it is not entitled to credit or repayment of the VAT. All amounts payable by the Chargor under this Deed are exclusive of VAT. The Chargor will, in addition, pay any applicable VAT on those amounts.

#### **19. Delegation of powers by Security Trustee or Receiver**

##### **19.1 Delegation**

The Security Trustee and (to the fullest extent permitted by law) any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Security Trustee or any Receiver under this Deed. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Security Trustee or Receiver (as the case may be) may think fit.

##### **19.2 No liability for delegates**

Neither the Security Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

#### **20. Further assurance**

When required by the Security Trustee or any Receiver the Chargor shall, at its own cost:

- (a) execute any documents or do any other thing which the Security Trustee or any Receiver may require for perfecting or protecting any Security created or intended to be created by this Deed or in connection with the exercise of any rights, powers or discretions given to the Security Trustee or any Receiver under this Deed; and
- (b) convey, transfer, assign or otherwise deal with any Charged Assets in such manner as the Security Trustee or any Receiver may require in connection with any enforcement of any of this Security.

#### **21. Power of attorney**

##### **21.1 Grant of power of attorney**

The Chargor, by way of security, irrevocably and severally appoints the Security Trustee and each Receiver to be its attorney in its name and on its behalf to take any action, following an Event of Default, which the Chargor is or may be obliged to take under or pursuant to this Deed or which the Security Trustee or any Receiver in its or his sole and absolute discretion considers to be requisite, expedient or appropriate in order to carry any sale, lease or other disposal into effect, or to execute any deed, document or instrument, or to convey or transfer any legal estate or other interest in any asset, or to get in the Charged Assets, or generally to enable the Security Trustee or a Receiver to exercise the respective rights, powers and discretions conferred on them by or pursuant to this Deed or by law.

21.2 Ratification

The Chargor agrees to ratify and confirm whatever any such attorney shall do, or attempt to do, in the exercise or purported exercise of the power of attorney granted under this Clause 21.

**22. Release and Recourse**

22.1 Release of Charged Assets

Upon the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Chargor:

- (a) take whatever action is necessary to release the Charged Assets from, and/or to cancel, this Security; and
  - (b) reassign or procure the reassignment to the Chargor of the assets assigned by it to the Security Trustee pursuant to this Deed,
- in each case subject to Clause 22.2 (Releases conditional) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

22.2 Releases conditional

Any settlement, release or discharge under this Deed between the Security Trustee and the Chargor will be conditional upon no security or payment to the Security Trustee by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, winding-up, administration or insolvency for the time being in force, and if such condition is not satisfied, the Security Trustee will be entitled to recover from the Chargor on demand the value of such security or the amount of any such payment as if such settlement, release or discharge had not occurred and/or to enforce this Security to the full extent of the Secured Obligations. The Security Trustee may concede or compromise any claim that any payment, security or disposition is liable to avoidance, refund or reduction.

**23. Miscellaneous**

23.1 Continuing security

This Security is continuing and will extend to the ultimate balance of all the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

23.2 Additional security

This Security is in addition to and is not in any way prejudiced by any bill, note, guarantee, indemnity or other Security now or subsequently held by the Security Trustee for any of the Secured Obligations.

23.3 New accounts

If the Security Trustee receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security or other interest affecting any Charged Asset and/or the proceeds of sale of any Charged Asset, or this Security for any reason ceases to be a continuing security in respect of the Chargor, the Security Trustee may open a new account for the Chargor. If the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice.

As from that time all payments made to the Security Trustee will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

**23.4 No deduction or withholding**

All payments made by the Chargor to the Security Trustee under this Deed shall (save insofar as required by law to the contrary) be paid in full without set-off or counterclaim and free and clear of and without any deduction or withholding or payment for or on account of any present or future tax, levy, duty, impost or other charge or withholding of a similar nature. If the Chargor shall be required by law to effect any such deduction or withholding or payment the Chargor shall immediately pay to the Security Trustee such additional amount as will result in the immediate receipt by the Security Trustee of the full amount which would otherwise have been received had no such deduction or withholding or payment been made.

**23.5 Set-off**

The Security Trustee may set off any matured obligation owed by the Chargor to the Security Trustee against any obligation (whether or not matured) owed by the Security Trustee to the Chargor regardless of the place of payment, or currency of either obligation. If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange for the purpose of the set-off in an amount estimated by it in good faith to be the amount of that obligation.

**23.6 Remedies**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under this Deed, shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

**23.7 Waivers**

A waiver given or consent granted by the Security Trustee under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

**23.8 Partial invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

**23.9 Amendments**

Any term of this Deed may be amended, varied or supplemented with the consent of the Security Trustee and the Chargor and by an instrument in writing signed by the parties to this Deed and any such amendment, variation or supplement will be binding on the Security Trustee and the Chargor.

23.10 Certificates and determinations

Any certification or determination by the Security Trustee of a rate or amount under this Deed is, in the absence of manifest or proven error, conclusive evidence of the matters to which it relates.

23.11 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Trustee are *prima facie* evidence of the matters to which they relate.

23.12 Restriction

The Chargor applies and agrees that it shall apply to the Chief Land Registrar (by submitting a form RX1 or otherwise) for a restriction in the following terms to be entered on the register or registers of title relating to any Real Property now or after the date of this Deed registered at the Land Registry and against which this Deed may be noted:

"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 dated [date] in favour of Assetz Capital Trust Company Limited referred to in the Charges Register."

23.13 Currency

- (a) In this Clause, the "**Spot Rate**" means the Security Trustee's spot rate of exchange for the purchase of any currency with any other currency in the London foreign exchange market.
- (b) The Security Trustee may convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this Clause) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate.
- (c) If the Chargor fails to pay any sum under this Deed on the due date, the Security Trustee may, without notice to the Chargor, purchase at the Spot Rate any currency which the Security Trustee considers necessary or desirable to cover the liabilities of the Chargor to pay that sum.

23.14 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

23.15 Prior Charges

The Security Trustee may, at any time after this Deed has become enforceable, redeem or transfer to itself, or may procure the redemption or the transfer to itself of any prior security against the Charged Assets and may settle and pass the accounts of the prior charge (which shall be binding on the Chargor) all principal monies, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be paid by the Chargor to the Security Trustee on demand.

## **24. Benefit of this Deed**

### **24.1 Assignment by the Security Trustee**

The Security Trustee may assign or transfer all or any part of its rights, and/or obligations under this Deed without the consent of the Chargor. The Chargor shall enter into any documents specified by the Security Trustee to be necessary to give effect to such assignment or transfer.

### **24.2 No assignment by the Chargor**

The Chargor may not assign or transfer all or any part of its rights and/or obligations under this Deed.

### **24.3 Disclosure of information**

The Security Trustee may disclose:

- (a) to any person to (or through) whom it assigns or transfers (or may potentially assign or transfer) this Security or all or any of its rights and obligations under this Deed;
- (b) any Receiver or proposed replacement or additional Receiver;
- (c) any person with (or through) whom it enters into (or may potentially enter into) any arrangement in relation to, or any other transaction under which payments are to be made by reference to, the Secured Obligations; or
- (d) any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Chargor and this Deed as the Security Trustee shall consider appropriate.

### **24.4 Change in name or constitution**

This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of any party or any merger, amalgamation or consolidation of such party with any other corporation or any reconstruction or reorganisation of any kind.

## **25. Security Trustee**

This Debenture is granted in favour of the Security Trustee for itself and as security trustee on behalf of the Lending Syndicate Members. The Security Trustee holds the benefit of the Security created by the Deed and any monies from time to time realised from any enforcement of the same or otherwise arising under this Deed upon trust for itself and the Lending Syndicate Members.

## **26. Notices**

### **26.1 Communications in writing**

Any communication to be made under or in connection with this Deed shall be made in writing (which, for this purpose, includes an electronic communication) and, unless otherwise stated, may be made by fax or letter or by electronic mail or other electronic means (including any attachment).

## 26.2 Addresses

The address, fax number and electronic address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Deed is:

(a) in the case of the Chargor:

Address: 334B Hoe Street  
Walthamstow  
London E17 9PX

Fax number: (Not used)

Electronic address: imran@golddberghomes.uk

(b) in the case of the Security Trustee:

Address: Griffin Court  
207 Chapel Street  
Salford, Manchester M3 5EQ

Fax number: (Not used)

Electronic address: david.penston@assetzcapital.co.uk

For the attention of: David Penston

or any substitute address, fax number, electronic address or department or officer as the Chargor may notify to the Security Trustee (or the Security Trustee may notify to the Chargor, if a change is made by the Security Trustee) by not less than five Business Days' notice. In the case of the Chargor, the address of its registered office or of any place where it carries on business or the address or fax number or electronic address of the Chargor last known to the Security Trustee shall also be addresses of the Chargor for the purpose of this Clause.

## 26.3 Delivery

Any communication or document made or delivered by the Security Trustee to the Chargor under or in connection with this Deed will only be effective:

- (a) if by way of fax, when transmitted, where the original fax transmission report shows that the transmission has been successful and that the recipient number had been dialled correctly; or
- (b) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
- (c) if by electronic mail or other electronic means, when a delivery receipt or other confirmation report is received from the recipient's server and the original transmission has been properly addressed.

## 26.4 English language

Any notice given under or in connection with this Deed must be in English.

**27. Governing law**

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

**28. Enforcement**

**28.1 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Security Trustee and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.
- (c) This Clause 28.1 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

**28.2 Waiver of immunity**

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by the Security Trustee against the Chargor in relation to this Deed and any non-contractual obligations arising out of or in connection with it and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

**EXECUTED** as a deed and delivered by the Chargor and signed on behalf of the Security Trustee on the date shown at the beginning of this document.



**Schedule 1**

Real Property

None.

## **Schedule 2**

### **List of assets and agreements**

1. Building Contract dated 30 June 2016 between the Chargor (1) and Goldberg Homes Limited (2) in respect of the Development.

### Schedule 3

#### Designated Account Notices

##### Form of notice of charge of Designated Account

To: [insert name and address bank] (the "**Account Bank**")

Dated: [ ]

Dear Sirs

We refer to the account of [ ] (the "**Chargor**") with you numbered [ ].

We give you notice that, by a debenture dated [ ] 201[ ] the Chargor has charged to [ ] (the "**Security Trustee**") by way of fixed charge its interest in and to the money from time to time standing to the credit of the account referred to above (the "**Charged Account**") and to all interest (if any) accruing on the Charged Account.

We irrevocably authorise and instruct you until you receive written notice from the Security Trustee to the contrary:

1. to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Security Trustee (or as it may direct) promptly following receipt of written instructions from the Security Trustee to that effect;
2. to disclose to the Security Trustee any information relating to the Chargor and the Charged Account which the Security Trustee may from time to time request you to provide; and
3. not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Security Trustee.

This notice is governed by the law of England.

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Security Trustee at [ ].

Yours faithfully,

[ ]

**For and on behalf of** [Chargor]

## Acknowledgement

To: [ ]  
[ ]

[Date]

Dear Sirs,

We acknowledge receipt of a notice (a copy of which is attached) dated [ ] and addressed to us by [ ] (the "**Chargor**"). Expressions defined in such notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Security Trustee notifies us in writing that the notice is revoked;
2. we have not received notice that any third party has any interest in the Charged Account;
3. we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account.

This acknowledgement is governed by the law of England [and in connection with any proceedings with respect to this acknowledgment we submit to the jurisdiction of the Courts of England for your exclusive benefit].


Yours faithfully,

[ ]

Signatories

**The Chargor**


**EXECUTED** as a **DEED** by **GOLDBERG LONDON LIMITED**  
acting by a director in the presence of:

  
.....  
Signature of director

Signature of witness  .....

Print name  .....

Address .....  
EDWIN COE LLP  
2 STONE BUILDINGS  
LINCOLNS INN  
LONDON  
WC2A 3TH  
020 7691 4000  
.....

Occupation  .....

**The Security Trustee**

**SIGNED** as a **DEED** by **ASSETZ CAPITAL TRUST COMPANY**  
**LIMITED** acting by its attorney ..... in the  
presence of:

.....  
Assetz Capital Trust Company Limited

by its attorney.....

Signature of witness .....

Print name .....

Address .....

.....

.....

Occupation .....

