



Registration of a Charge

Company Name: **ENSCO 1120 LIMITED**

Company Number: **09426000**



Received for filing in Electronic Format on the: **14/04/2023**

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Details of Charge

Date of creation: **31/03/2023**

Charge code: **0942 6000 0002**

Persons entitled: **KATCH FUND SOLUTIONS S.A.**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CHARLES RUSSELL SPEECHLYS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9426000

Charge code: 0942 6000 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st March 2023 and created by ENSCO 1120 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th April 2023 .

Given at Companies House, Cardiff on 14th April 2023

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



Companies House



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

I certify that save for material redacted pursuant to section 859G of the Companies Act 2006, this copy is a correct copy of the electronic original instrument.

Signed: *Charles Russell Speechlys LLP*

Dated: 5 April 2023



DATED 31 March 2023

(1) THE ENTITIES LISTED IN SCHEDULE 2

and

(2) KATCH FUND SOLUTIONS S.A.
acting for the account of its sub-fund
KATCH FUND SOLUTIONS – KATCH EUROPEAN
SECURED LENDING

DEBENTURE

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THIS DEBENTURE is dated 31 March

2023

Between:

- (1) **THE ENTITIES** listed in **SCHEDULE 2** (each a **Chargor** and, together, the **Chargors**);
- (2) **KATCH FUND SOLUTIONS S.A.** a public limited liability company (société anonyme) incorporated under the laws of Luxembourg as a company with variable capital and reserved alternative investment fund (société d'investissement à capital variable et fonds d'investissement alternatif réservé), having its registered office at 1A Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies' register (Registre de Commerce et des Sociétés, "RCS") under number B228809, acting for the account of its sub-fund **Katch Fund Solutions – Katch European Secured Lending** (the **Subscriber**).

WHEREAS

- (A) Ensco 1120 Limited (as the issuer), and the Subscriber (as subscriber) are parties to a subscription agreement relating to a deeply discounted bond issuance, dated on or around the date of this deed (the **Subscription Agreement**).
- (B) The Chargors are providing security to the Subscriber under this deed for all monies due from the Chargors to the Subscriber, including under the Subscription Agreement.

THE PARTIES AGREE:

1 DEFINITIONS

The following definitions, and those in the recitals, apply in this deed:

Administrator	an administrator appointed to manage the affairs, business and property of the Chargors pursuant to clause 12.8
Account	shall have the meaning set out in the Subscription Agreement
Account Bank	means each bank, financial institution or other person with whom an Account is maintained
Assigned Agreement	each of the documents listed in Schedule 1 (<i>Assigned Agreements</i>)
Book Debts	all present and future book and other debts, and monetary claims due or owing to a Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by a Chargor in relation to any of them

Business Day	shall have the meaning set out in the Subscription Agreement
Closing Date	shall have the meaning set out in the Subscription Agreement
Delegate	any person appointed by the Subscriber or any Receiver pursuant to clause 17 and any person appointed as attorney of the Subscriber, Receiver or Delegate
Equipment	all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by a Chargor, including any part of it and all spare parts, replacements, modifications and additions
Event of Default	shall have the meaning set out in the Subscription Agreement
Finance Document	shall have the meaning set out in the Subscription Agreement
Financial Collateral	has 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)
General Account	shall have the meaning set out in the Subscription Agreement
Insurance Policy	each contract and policy of insurance effected or maintained by a Chargor from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to a Property or the Equipment)
Intellectual Property	a Chargor's present and future patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information and all other

intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world

Investments

all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by a Chargor, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise

Lease Documents

shall have the meaning set out in the Subscription Agreement

Legal Mortgage

means a charge by way of legal mortgage granted by a Chargor in favour of the Subscriber in respect of all or any part of the Properties;

Legal Reservations

shall have the meaning set out in the Subscription Agreement

LPA 1925

the Law of Property Act 1925

Material Adverse Effect

shall have the meaning set out in the Subscription Agreement

Mortgaged Property

the property listed in Schedule 3 (Mortgaged Property);

MS8 Property

the property known as land lying to the west of Maritime Way, Chatham being Machine Shop

8, Leviathan Way, Chatham Maritime with Land Registry title number TT91185;

Perfection Requirements

shall have the meaning set out in the Subscription Agreement

Properties

all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by a Chargor, or in which a Chargor holds an interest, including the Mortgaged Property and the MS8 Property, and **Property** means any of them

Rate

the interest rate chargeable, or which would be chargeable in relation to any outstanding monies due, under the Subscription Agreement from time to time

Receiver

a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Subscriber under clause 15

Rental Income

means the aggregate of all amounts paid or payable to or for the account of a Chargor in connection with the letting of a Property

Reserve Account

shall have the meaning set out in the Subscription Agreement

Secured Assets

all the assets, property and undertaking for the time being subject to the Security Interest created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them)

Secured Liabilities

means all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity whatsoever) of the Chargors to the Subscriber under any Finance Document or otherwise

Security Interest

shall have the meaning set out in the Subscription Agreement

Security Financial Collateral Arrangement	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226)
Security Period	the period starting on the date of this deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full
Transaction Security	shall have the meaning set out in the Subscription Agreement

2 INTERPRETATION

2.1 Where more than one person is named as a Chargor in this deed:

- 2.1.1 the liabilities and obligations of such persons under this deed shall be joint and several;
- 2.1.2 references to the "Chargor" in this deed shall be construed as references to all such persons or any of them, as the context admits; and
- 2.1.3 representations, undertakings and other obligations given and/or undertaken by a Chargor under this deed with respect to any Security Asset shall be given and/or undertaken by that Chargor with respect to the relevant Security Asset(s) of that Chargor.

3 COVENANT TO PAY

Each Chargor shall, on demand, pay to the Subscriber and discharge the Secured Liabilities when they become due.

4 GRANT OF SECURITY

4.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities:

- 4.1.1 WD Chatham Limited with full title guarantee charges to the Subscriber, by way of legal mortgage the Mortgaged Property; and
- 4.1.2 each Chargor, save for MS8 Ltd, with full title guarantee charges to the Subscriber, by way of legal mortgage each other Property now owned by that Chargor.

4.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities:

- 4.2.1 WD Chatham Limited with full title guarantee charges to the Subscriber by way of fixed charge all rights, title, interests and benefits of WDC in and to the Managing Agent Operating Account and the Reserve Account; and

4.2.2 each Chargor with full title guarantee charges to the Subscriber by way of fixed charge:

- (a) all Properties acquired by a Chargor in the future;
- (b) all present and future interests of a Chargor not effectively mortgaged or charged under the preceding provisions of this clause 4 in, or over, freehold or leasehold property;
- (c) all present and future rights, licences, guarantees, rents, contracts, covenants and warranties relating to each Property;
- (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with a Chargor's business or the use of any Secured Asset, and all rights in connection with them;
- (e) all its present and future goodwill;
- (f) all its uncalled capital;
- (g) all the Equipment;
- (h) all the Intellectual Property;
- (i) all the Book Debts;
- (j) all the Investments;
- (k) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (excluding any monies held in respect of any tenant deposits), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- (l) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 4.3;
- (m) all its rights in respect of each Assigned Agreement, to the extent not effectively assigned under clause 4.3;
- (n) all its rights in respect of all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 4.3;
- (o) all its rights in respect of the Lease Documents, to the extent not effectively assigned under clause 4.3; and
- (p) all its rights in respect of all Rental Income, to the extent not effectively assigned under clause 4.3.

4.3 **Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns to the Subscriber absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 4.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy;
- 4.3.2 all its rights in respect of each Assigned Agreement;
- 4.3.3 the benefit of all other agreements, instruments and rights relating to the Secured Assets;
- 4.3.4 all its rights in respect of the Lease Documents; and
- 4.3.5 all its rights in respect of all Rental Income.

4.4 **Floating charge**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Subscriber, by way of floating charge, all the undertaking, property, assets and rights of a Chargor at any time not effectively mortgaged, charged or assigned pursuant to clause 4.1 to clause 4.3 inclusive.

4.5 **Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 4.4.

4.6 **Automatic crystallisation of floating charge**

The floating charge created by clause 4.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- 4.6.1 such Chargor, without the prior written consent of the Subscriber or otherwise than in accordance with the terms of the Subscription Agreement:
 - (a) creates, or attempts to create, Security Interests or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this deed); or
 - (b) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- 4.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

- 4.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of such Chargor.

4.7 Crystallisation of floating charge by notice

- 4.7.1 The Subscriber may, in its sole discretion, at any time and by written notice to the relevant Chargor, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Subscriber in that notice.

- 4.7.2 In conjunction with clause 29.6, the floating charge created by this deed may not be converted into a fixed charge solely by reason of:

- (a) obtaining a moratorium, or
- (b) anything done with a view to obtaining a moratorium, under Part A1 Insolvency Act 1986.

4.8 Assets acquired after any floating charge has crystallised

Any asset acquired by a Chargor after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Subscriber confirms otherwise to the relevant Chargor in writing) be charged to the Subscriber by way of fixed charge.

5 LIABILITY OF A CHARGOR

5.1 Liability not discharged

A Chargor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 5.1.1 any Security Interest, guarantee, indemnity, remedy or other right held by, or available to, the Subscriber that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- 5.1.2 the Subscriber 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
- 5.1.3 any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of such Chargor.

5.2 Immediate recourse

The Chargors waive any right it may have to require the Subscriber to enforce any Security Interest or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against a Chargor.

6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and warranties

Each Chargor makes the representations and warranties set out in this clause 6 to the Subscriber.

6.2 Status

6.2.1 It is a limited liability company, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

6.2.2 It has the power to own its assets and carry on its business as it is being conducted.

6.3 Binding obligations

The obligations expressed to be assumed by it in this deed are, subject to the Legal Reservations and Perfection Requirements, legal, valid, binding and enforceable obligations.

6.4 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this deed and the granting of the security constituted by this deed do not and will not conflict with:

6.4.1 any law or regulation applicable to it;

6.4.2 its constitutional documents; or

6.4.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument,

in each case, in a manner which has or is reasonably likely to have a Material Adverse Effect.

6.5 Power and authority

6.5.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this deed and the transactions contemplated by this deed.

6.5.2 No limit on its powers will be exceeded as a result of the grant of security or giving of guarantees or indemnities contemplated by this deed.

6.6 Validity and admissibility in evidence

6.6.1 Subject to the Legal Reservations and the Perfection Requirements, all authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this deed; and
- (b) to make this deed admissible in evidence in England and Wales, have been obtained or effected and are in full force and effect.

6.6.2 All authorisations necessary for the conduct of the business, trade and ordinary activities of such Chargor have been obtained or effected and are in full force and effect if failure to obtain or effect those authorisations has or is reasonably likely to have a Material Adverse Effect.

6.7 Governing law and enforcement

6.7.1 Subject to the Legal Reservations, the choice of the governing law of this deed will be recognised and enforced in England and Wales.

6.7.2 Subject to the Legal Reservations, any judgment obtained in relation to this deed in England and Wales will be recognised and enforced in England and Wales.

6.8 Pari passu ranking

Its payment obligations under this deed rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

6.9 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations of, or before any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

6.10 Ownership of Secured Assets

The relevant Chargor is the sole legal and beneficial owner of the Secured Assets.

6.11 No Security

The Secured Assets are free from any Security Interest other than the Security Interest created by the Transaction Security.

6.12 No adverse claims

The relevant Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them which might reasonably be expected to have a Material Adverse Effect.

6.13 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

6.14 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

6.15 No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

6.16 Avoidance of security

Subject to the Legal Reservations and Perfection Requirements, no Security Interest expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of such Chargor or otherwise.

6.17 Enforceable security

Subject to the Legal Reservations and Perfection Requirements, this deed constitutes and will constitute the legal, valid, binding and enforceable obligations of such Chargor, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

6.18 Assigned Agreements

There is no prohibition on assignment in any Assigned Agreement and the entry into this deed by the relevant Chargor does not, and will not, constitute a breach of any Assigned Agreement.

6.19 Times for making representations and warranties

The representations and warranties set out in clause 6.2 to clause 6.18 are made by each Chargor on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

7 **GENERAL COVENANTS**

7.1 **Negative pledge and disposal restrictions**

No Chargor shall at any time, except with the prior written consent of the Subscriber or in accordance with the terms of the Subscription Agreement:

- 7.1.1 create, purport to create or permit to subsist any Security Interest on, or in relation to, any Secured Asset other than any Transaction Security;
- 7.1.2 sell, assign, lease, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- 7.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

7.2 **Preservation of Secured Assets**

No Chargor shall do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security Interests held by the Subscriber, or materially diminish the value of any of the Secured Assets or the effectiveness of the Security Interests created by this deed.

7.3 **Notices to be given by a Chargor**

7.3.1 **Assigned Agreements**

Each Chargor shall if called on to do so by the Subscriber following the occurrence of an Event of Default (as defined in the Subscription Agreement) which is continuing:

- (a) give notice of assignment to each counterparty to an Assigned Agreement in such form as the Subscriber shall require; and
- (b) use all reasonable endeavours to procure that each counterparty provides to the Subscriber within five Business Days of the date of the notice of assignment an acknowledgement (in such form as the Subscriber shall require) of such notice.

7.3.2 **Rental Income**

Each Chargor shall if called on to do so by the Subscriber following the occurrence of an Event of Default which is continuing:

- (a) give notice of assignment to each counterparty to a Lease Document in such form as the Subscriber shall require; and
- (b) use all reasonable endeavours to procure that each counterparty provides to the Subscriber within five Business Days of the date of

the notice of assignment an acknowledgement (in such form as the Subscriber shall require) of such notice.

7.3.3 **Accounts**

The relevant Chargor shall on the Closing Date:

- (a) give notice of assignment to each Account in such form as the Subscriber shall require; and
- (b) use all reasonable endeavours to procure that each Account Bank provides to the Subscriber within five Business Days of the date of the notice of assignment an acknowledgement (in such form as the Subscriber shall require) of such notice.

7.3.4 **Insurance**

Each Chargor shall on the Closing Date:

- (a) give notice of assignment to each insurer in relation to each Insurance Policy in such form as the Subscriber shall require; and
- (b) use all reasonable endeavours to procure that each insurer provides to the Subscriber within five Business Days of the date of the notice of assignment an acknowledgement (in such form as the Subscriber shall require) of such notice.

8 **PROPERTY COVENANTS**

8.1 **Registration of legal mortgage at the Land Registry**

The Chargors consent to an application being made by the Subscriber to the Land Registrar for the following restriction in Form P to be registered against its title to each Property over which the Subscriber has a legal mortgage "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 [] in favour of Katch Fund Solutions S.A. acting for the account of its sub-fund Katch Fund Solutions – Katch European Secured Lending referred to in the charges register or their conveyancer."

8.2 **Real property**

8.2.1 If a Chargor acquires any freehold, leasehold or commonhold property after the date of this deed it shall:

- (a) notify the Subscriber immediately;
- (b) immediately on request by the Subscriber and at the cost of such Chargor, execute and deliver to the Subscriber a Legal Mortgage in favour of the Subscriber of that property;

- (c) if the title to that freehold, leasehold or commonhold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of the Legal Mortgage; and
- (d) if applicable, ensure that details of the Legal Mortgage are correctly noted in the Register of Title against that title at the Land Registry.

8.2.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a Legal Mortgage over it, the relevant Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. Such Chargor shall immediately request the relevant landlord's consent and shall use all reasonable endeavours to obtain that consent within 7 days of making the request.

9 BOOK DEBTS COVENANTS

9.1 Realising Book Debts

Each Chargor shall, if called on to do so by the Subscriber following the occurrence of an Event of Default which is continuing, execute a legal assignment of the Book Debts to the Subscriber on such terms as the Subscriber may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

10 CONTRACT COVENANTS

10.1 Each Chargor shall, unless the Subscriber agrees otherwise in writing, comply with the terms of each document, agreement or arrangement comprising the Secured Assets.

10.2 No Chargor shall, unless the Subscriber agrees otherwise in writing:

10.2.1 materially amend or vary or agree to any change in, or waive any material requirement of or its rights under;

10.2.2 settle, compromise, terminate, rescind or discharge (except by performance); or

10.2.3 abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to or other person in connection with,

any document, agreement or arrangement comprising the Secured Assets.

11 INTELLECTUAL PROPERTY COVENANTS

11.1 Preservation of rights

Each Chargor shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

12 POWERS OF THE SUBSCRIBER

12.1 Power to remedy

- 12.1.1 The Subscriber shall be entitled (but shall not be obliged) to remedy, at any time, a breach by a Chargor of any of its obligations contained in this deed.
- 12.1.2 Each Chargor irrevocably authorises the Subscriber and its agents to do all things that are necessary or desirable for that purpose.
- 12.1.3 Any monies expended by the Subscriber in remedying a breach by a Chargor of its obligations contained in this deed shall be reimbursed by that Chargor to the Subscriber on a full indemnity basis and shall carry interest in accordance with clause 19.1.

12.2 Exercise of rights

- 12.2.1 The rights of the Subscriber under clause 12.1 are without prejudice to any other rights of the Subscriber under this deed.
- 12.2.2 The exercise of any rights of the Subscriber under this deed shall not make the Subscriber liable to account as a mortgagee in possession.

12.3 Power to dispose of chattels

- 12.3.1 At any time after the Security Interest constituted by this deed has become enforceable, the Subscriber or any Receiver may, as agent for the Chargors, dispose of any chattels or produce found on any Property.
- 12.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 12.3.1, each Chargor shall indemnify the Subscriber and any Receiver against any liability arising from any disposal made under clause 12.3.1.

12.4 Subscriber has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the Security Interest constituted by this deed has become enforceable, be exercised by the Subscriber in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12.5 Conversion of currency

- 12.5.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Subscriber may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 12.5) from their existing currencies of denomination into any other currencies of denomination that the Subscriber may think fit.

12.5.2 Any such conversion shall be effected at Barclays Bank PLC's prevailing spot selling rate of exchange for such other currency against the existing currency.

12.5.3 Each reference in this clause 12.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

12.6 New accounts

12.6.1 If the Subscriber receives, or is deemed to have received, notice of any subsequent Security Interest, or other interest, affecting all or part of the Secured Assets, the Subscriber may open a new account for a Chargor in the Subscriber's books. Without prejudice to the Subscriber's right to combine accounts, no money paid to the credit of such Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

12.6.2 If the Subscriber does not open a new account immediately on receipt of the notice, or deemed notice, under clause 12.6.1, then, unless the Subscriber gives express written notice to the contrary to a Chargor, all payments made by such Chargor to the Subscriber shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Subscriber.

12.7 Indulgence

The Subscriber may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with a Chargor) in respect of any of the Secured Liabilities, or of any other Security Interest for them without prejudice either to this deed or to the liability of a Chargor for the Secured Liabilities.

12.8 Appointment of an Administrator

12.8.1 The Subscriber may, without notice to a Chargor, appoint any one or more persons to be an Administrator of such Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the Security Interest constituted by this deed becomes enforceable.

12.8.2 Any appointment under this clause 12.8 shall:

- (a) be in writing signed by a duly authorised signatory of the Subscriber; and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

12.8.3 The Subscriber may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 12.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

12.9 Further advances

The Subscriber covenants with the Chargors that it shall perform its obligations to make advances (including any obligation to make available further advances) pursuant to the Subscription Agreement.

13 WHEN SECURITY BECOMES ENFORCEABLE

13.1 The Security Interest constituted by this deed shall become immediately enforceable upon the occurrence of an Event of Default which is continuing.

13.2 Discretion

After the Security Interest constituted by this deed has become enforceable, the Subscriber may, in its absolute discretion, enforce all or any part of that Security Interest at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

14 ENFORCEMENT OF SECURITY

14.1 Enforcement powers

14.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.

14.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the Security Interest constituted by this deed has become enforceable under clause 13.

14.1.3 Section 103 of the LPA 1925 does not apply to the Security Interest constituted by this deed.

14.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Subscriber and any Receiver, at any time after the Security Interest constituted by this deed has become enforceable, whether in its own name or in that of a Chargor, to:

14.2.1 grant a lease or agreement to lease;

14.2.2 accept surrenders of leases; or

14.2.3 grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of such Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Subscriber or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

14.3 Access on enforcement

14.3.1 At any time after the Subscriber has demanded payment of the Secured Liabilities or if a Chargor defaults in the performance of its obligations under this deed, such Chargor will allow the Subscriber or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Subscriber or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

14.3.2 At all times, the relevant Chargor must use all reasonable endeavours to allow the Subscriber or its Receiver access to any premises for the purpose of clause 14.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

14.4 Prior Security

14.4.1 At any time after the Security Interest constituted by this deed has become enforceable, or after any powers conferred by any Security Interest having priority to this deed shall have become exercisable, the Subscriber may:

- (a) redeem that or any other prior Security Interest;
- (b) procure the transfer of that Security Interest to it; and
- (c) settle and pass any account of the holder of any prior Security Interest.

14.4.2 The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on a Chargor. All monies paid by the Subscriber to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Subscriber, be due from a Chargor to the Subscriber on current account and shall bear interest at the Rate and be secured as part of the Secured Liabilities.

14.5 **Protection of third parties**

No purchaser, mortgagee or other person dealing with the Subscriber, any Receiver or Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Subscriber, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Subscriber, any Receiver or any Delegate is to be applied.

14.6 **Privileges**

Each Receiver and the Subscriber is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

14.7 **No liability as mortgagee in possession**

Neither the Subscriber, any Receiver, any Delegate nor any Administrator shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

14.8 **Conclusive discharge to purchasers**

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

14.9 **Right of appropriation**

14.9.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) this deed and the obligations of the Security Provider under it constitute a Security Financial Collateral Arrangement,

the Subscriber shall have the right, at any time after the Security Interest constituted by this deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment and discharge of the Secured Liabilities in any order that the Subscriber, in its absolute discretion, may from time to time determine.

14.9.2 The value of any Secured Assets appropriated in accordance with this clause 14.9 shall be determined by any method that the Subscriber may select, including independent valuation.

14.9.3 The Chargors agree that the method of valuation provided for in this clause 14.9 is commercially reasonable for the purposes of the Financial Collateral Regulations.

15 RECEIVER

15.1 Appointment

At any time after the Security Interest constituted by this deed has become enforceable, or at the request of a Chargor, the Subscriber may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

15.2 Removal

The Subscriber may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

15.3 Remuneration

The Subscriber may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

15.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Subscriber under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

15.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Subscriber despite any prior appointment in respect of all or any part of the Secured Assets.

15.6 Agent of the Chargors

Any Receiver appointed by the Subscriber under this deed shall be the agent of the relevant Chargor and such Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue

until the relevant Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Subscriber.

16 POWERS OF RECEIVER

16.1 General

16.1.1 Any Receiver appointed by the Subscriber under this deed shall, in addition to the powers conferred on it by statute, have the powers set out in clause 16.2 to clause 16.23.

16.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.

16.1.3 Any exercise by a Receiver of any of the powers given by clause 16 may be on behalf of a Chargor, the directors of a Chargor (in the case of the power contained in clause 16.16) or itself.

16.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

16.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that it thinks fit.

16.4 Employ personnel and advisers

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit. A Receiver may discharge any such person or any such person appointed by a Chargor.

16.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as it thinks fit.

16.6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Subscriber may prescribe or agree with it.

16.7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which it is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

16.8 Manage or reconstruct a Chargor's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of a Chargor.

16.9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

16.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of a Chargor.

16.11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.

16.12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

16.13 Make settlements

A Receiver may make any arrangement, settlement or compromise between a Chargor and any other person that it may think expedient.

16.14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

16.15 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as it may think expedient.

16.16 Make calls on Chargor members

A Receiver may make calls conditionally or unconditionally on the members of a Chargor in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the relevant Chargor on its directors in respect of calls authorised to be made by them.

16.17 Insure

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 19, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by a Chargor under this deed.

16.18 Powers under the LPA1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if it had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

16.19 Borrow

A Receiver may, for any of the purposes authorised by this clause 16, raise money by borrowing from the Subscriber (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Subscriber consents, terms under which that security ranks in priority to this deed).

16.20 Redeem prior Security

A Receiver may redeem any prior Security Interest and settle and pass the accounts to which the Security Interest relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on a Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

16.21 Delegation

A Receiver may delegate his powers in accordance with this deed.

16.22 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

16.23 Incidental powers

A Receiver may do any other acts and things that it:

16.23.1 may consider desirable or necessary for realising any of the Secured Assets;

16.23.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or

16.23.3 lawfully may or can do as agent for a Chargor.

17 DELEGATION

17.1 Delegation

The Subscriber or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 21.1).

17.2 Terms

The Subscriber and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

17.3 Liability

Neither the Subscriber nor any Receiver shall be in any way liable or responsible to a Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

18 APPLICATION OF PROCEEDS

18.1 Order of application of proceeds

All monies received by the Subscriber, a Receiver or a Delegate pursuant to this deed, after the Security Interest constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

18.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Subscriber (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;

18.1.2 in or towards payment of or provision for the Secured Liabilities in such order and manner that the Subscriber determines; and

18.1.3 in payment of the surplus (if any) to a Chargor or other person entitled to it.

18.2 Appropriation

Neither the Subscriber, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

18.3 **Suspense account**

All monies received by the Subscriber, a Receiver or a Delegate under this deed:

- 18.3.1 may, at the discretion of the Subscriber, Receiver or Delegate, be credited to any suspense or securities realised account;
- 18.3.2 shall bear interest, if any, at the rate agreed in writing between the Subscriber and the relevant Chargor; and
- 18.3.3 may be held in that account for so long as the Subscriber, Receiver or Delegate thinks fit.

19 **COSTS AND INDEMNITY**

19.1 **Costs**

Each Chargor shall, promptly on demand, pay to, or reimburse, the Subscriber and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Subscriber, any Receiver or any Delegate in connection with:

- 19.1.1 the Secured Assets;
- 19.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Subscriber's, a Receiver's or a Delegate's rights under this deed; or
- 19.1.3 taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of a Chargor) at the Rate.

19.2 **Indemnity**

Each Chargor shall, within three Business Days of demand, indemnify the Subscriber, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, and all interest, penalties and reasonable legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- 19.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;
- 19.2.2 protecting, perfecting, preserving or enforcing (or attempting to do so) the Security Interest constituted by this deed; or

19.2.3 any default or delay by the relevant Chargor in performing any of its obligations under this deed,

unless, arising in connection with 19.2.1 and/or 19.2.2, it was caused by the negligence or wilful misconduct of the indemnified party.

Any past or present employee or agent may enforce the terms of this clause 19.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

20 **FURTHER ASSURANCE**

20.1 **Further assurance**

20.1.1 MS8 Ltd shall promptly, at its own cost, enter into, execute and complete a Legal Mortgage over the MS8 Property in favour of the Subscriber within 10 Business Days of the landlord under the Headlease providing its consent to the granting of such Legal Mortgage.

20.1.2 Each Chargor shall, at its own expense, take whatever action the Subscriber or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the Security Interest intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Subscriber or any Receiver in respect of any Secured Asset,

including, without limitation (if the Subscriber or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Subscriber or to its nominee) and the giving of any notice, order or direction and the making of any registration.

21 **POWER OF ATTORNEY**

21.1 **Appointment of attorneys**

By way of security, each Chargor irrevocably appoints the Subscriber, every Receiver and every Delegate separately to be the attorney of such Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

21.1.1 such Chargor is required to execute and do under this deed and which it has failed to do within 3 Business Days following a request from the Subscriber to undertake such execution or action; or

21.1.2 following the occurrence of an Event of Default which is continuing, any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Subscriber, any Receiver or any Delegate.

21.2 Ratification of acts of attorneys

Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 21.1.

22 RELEASE

Subject to clause 29.3, on the expiry of the Security Period (but not otherwise), the Subscriber shall, at the request and cost of a Chargor, take whatever action is necessary to:

22.1.1 release the Secured Assets from the Security Interest constituted by this deed; and

22.1.2 reassign the Secured Assets to the relevant Chargor.

23 ASSIGNMENT AND TRANSFER

23.1 Assignment by Subscriber

23.1.1 At any time, without the consent of the Chargors, the Subscriber may assign or transfer any or all of its rights and obligations under this deed.

23.1.2 The Subscriber may disclose to any actual or proposed assignee or transferee any information in its possession that relates to Chargor, the Secured Assets and this deed that the Subscriber considers appropriate.

23.2 Assignment by Chargor

No Chargor may assign any of its rights, or transfer any of its rights or obligations, under this deed.

24 SET-OFF

24.1 Subscriber's right of set-off

The Subscriber may at any time set off any liability of a Chargor to the Subscriber against any liability of the Subscriber to such Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Subscriber may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Subscriber of its rights under this clause 24 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

24.2 No obligation to set off

The Subscriber is not obliged to exercise its rights under clause 24.1. If, however, it does exercise those rights it must promptly notify the relevant Chargor of the set-off that has been made.

24.3 Exclusion of Chargor's right of set-off

All payments made by a Chargor to the Subscriber under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

25 AMENDMENTS, WAIVERS AND CONSENTS

25.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

25.2 Waivers and consents

25.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

25.2.2 A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Subscriber shall be effective unless it is in writing.

25.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

26 SEVERANCE

26.1 Severance

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or

deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

27 COUNTERPARTS

27.1 Counterparts

This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

28 THIRD PARTY RIGHTS

28.1 Third party rights

28.1.1 Save for the Secured Parties and except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

28.1.2 The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

29 FURTHER PROVISIONS

29.1 Independent security

The Security Interest constituted by this deed shall be in addition to, and independent of, any other Security Interest or guarantee that the Subscriber may hold for any of the Secured Liabilities at any time. No prior Security Interest held by the Subscriber over the whole or any part of the Secured Assets shall merge in the Security Interest created by this deed.

29.2 Continuing security

The Security Interest constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Subscriber discharges this deed in writing.

29.3 Discharge conditional

Any release, discharge or settlement between a Chargor and the Subscriber shall be deemed conditional on no payment or Security Interest received by the Subscriber in respect of the Secured Liabilities 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:

29.3.1 the Subscriber or its nominee may retain this deed and the Security Interest created by or pursuant to it, including all certificates and documents relating

to the whole or any part of the Secured Assets, for any period that the Subscriber deems necessary to provide the Subscriber with Security Interests against any such avoidance, reduction or order for refund; and

- 29.3.2 the Subscriber may recover the value or amount of such Security Interest or payment from such Chargor subsequently as if the release, discharge or settlement had not occurred.

29.4 Certificates

A certificate or determination by the Subscriber as to any amount for the time being due to it from a Chargor under this deed and any Finance Document shall be, in the absence of any manifest error, conclusive evidence of the amount due.

29.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

29.6 Small company moratorium

Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by a Chargor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

- 29.6.1 an event under this deed which causes any floating charge created by this deed to crystallise;
- 29.6.2 an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by a Chargor; or
- 29.6.3 a ground under this deed for the appointment of a Receiver.

This clause does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act.

29.7 Clawback

If the Subscriber considers that an amount paid by a Chargor or any other person in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of such Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

29.8 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes:

- 29.8.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;

- 29.8.2 the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;
- 29.8.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of a Chargor in respect of that Property, and any monies paid or payable in respect of those covenants; and
- 29.8.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

29.9 **Law of Property (Miscellaneous Provisions) Act 1989**

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Subscription Agreement and of any side letters between any parties in relation to the Subscription Agreement are incorporated into this deed.

29.10 **Perpetuity period**

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).

30 **INTERPRETATION**

30.1 In this deed:

- 30.1.1 clause and paragraph headings shall not affect the interpretation of this deed;
- 30.1.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 30.1.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 30.1.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 30.1.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and ensure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 30.1.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 30.1.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;

- 30.1.8 a reference to **writing** or **written** includes fax and email;
- 30.1.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 30.1.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 30.1.11 any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 30.1.12 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- 30.1.13 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 30.1.14 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 30.1.15 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- 30.1.16 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 30.1.17 a reference to 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.
- 30.2 In the event of a conflict between the provisions of this deed and the provisions of the Subscription Agreement, the provisions of the Subscription Agreement shall prevail.

31 **NOTICES**

31.1 **Delivery**

Each notice or other communication required to be given to a party under or in connection with this deed shall be:

- 31.1.1 in writing;
- 31.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by email; and

31.1.3 sent to the relevant Chargor and the Subscriber at the address or email address set out on the execution page of this deed or to any other address or email address as is notified in writing by one party to the other from time to time.

31.2 Receipt by Chargor

Any notice or other communication given by one party to another shall be deemed to have been received:

31.2.1 if delivered by hand, at the time it is left at the relevant address;

31.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and

31.2.3 if sent by email, when received in legible form.

A notice or other communication given as described in clause 31.2.1 or clause 31.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

32 GOVERNING LAW AND JURISDICTION

32.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

32.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation. Nothing in this clause shall limit the right of the Subscriber to take proceedings against a Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been executed as a deed and is delivered and takes effect on the day it is dated.

SCHEDULE 1
ASSIGNED AGREEMENTS

[None]

SCHEDULE 2 CHARGORS

Name	Company No.	Registered Address	Jurisdiction of Incorporation
WD Chatham Limited	06670056	Management Suite Maritime Way, Chatham Maritime, Chatham, Kent, England, ME4 3ED	England
Ensco 1120 Limited	09426000	C/O Rsm Uk Tax And Accounting Ltd, 25 Farringdon Street, London, England, EC4A 4AB	England
MS8 Ltd	10754243	C/O Rsm Uk Tax And Accounting Ltd, 25 Farringdon Street, London, England, EC4A 4AB	England

SCHEDULE 3
MORTGAGED PROPERTY

Property Name	Freehold / Leasehold	Land Registry Number
Dockside Outlet Centre, Chatham Maritime, Chatham Medway, Kent	Leasehold	K824932

EXECUTION PAGES

THE CHARGORS

EXECUTED as a **DEED** by **ENSCO 1120)**
LIMITED acting by a director and its secretary)



Director



Secretary

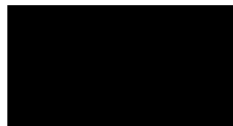
Address: C/O Rsm Uk Tax And Accounting Ltd, 25 Farringdon Street, London, England,
EC4A 4AB

Email:

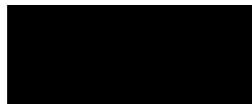


Attention: Peter Everest

EXECUTED as a **DEED** by **WD CHATHAM)**
LIMITED acting by a director and its secretary)



Director



Secretary

Address: Management Suite, Maritime Way, Chatham Maritime, Chatham, Kent ME4
3ED

Email:



Attention: Peter Everest

EXECUTED as a **DEED** by **MS8 LTD** acting)
by a director and its secretary)



Director



Secretary

Address: C/O Rsm Uk Tax And Accounting Ltd, 25 Farringdon Street, London, England,
EC4A 4AB

Email:



Attention: Peter Everest

THE SUBSCRIBER

EXECUTED as a **DEED** by **KATCH FUND SOLUTIONS S.A.**, acting for the account of its sub-fund **KATCH FUND SOLUTIONS – KATCH EUROPEAN SECURED LENDING**, a company incorporated in Luxembourg, acting by Stephane Prigent who, in accordance with the laws of that territory, is acting under the authority of the company

Katch Fund solutions S.A.

.....
Signature in the name of the company



.....
Signature of Stephane Prigent
Authorised signatory

Address: 4 Manchester Square, London, W1U 3PW

Email:



Attention: Laurent Jeanmart