



Registration of a Charge

Company name: **BRICK BY BRICK CROYDON LIMITED**

Company number: **09578014**



X773UYTM

Received for Electronic Filing: **31/05/2018**

Details of Charge

Date of creation: **23/05/2018**

Charge code: **0957 8014 0020**

Persons entitled: **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CROYDON**

Brief description: **THE FREEHOLD PROPERTY BEING GARAGES AT THE REAR OF 126-130 COLDHARBOUR ROAD, CROYDON CR0 4DW (TITLE NO: SGL761134).**

Contains fixed charge(s).

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:

BROWNE JACOBSON LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9578014

Charge code: 0957 8014 0020

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd May 2018 and created by BRICK BY BRICK CROYDON LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st May 2018 .

Given at Companies House, Cardiff on 4th June 2018

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**

Private & Confidential

Dated 23 May 2018

BRICK BY BRICK CROYDON LIMITED

(1)

AND

THE MAYOR AND BURGESSES OF THE LONDON

BOROUGH OF CROYDON

(2)

LEGAL CHARGE

in relation to garages at the rear of 126-130
Coldharbour Road, Croydon CR0 4DW

CERTIFIED A TRUE COPY

AUTHORISED OFFICER

Sandra Herbert
Solicitor
Head of Litigation & Corporate Law

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THIS DEED is made on
by

23 May

2018

- (1) **BRICK BY BRICK CROYDON LIMITED** incorporated and registered in England and Wales with company number 09578014 whose registered office is at Bernard Weatherill House, 8 Mint Walk, Croydon, CR0 1EA (**Company**)
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CROYDON** of Bernard Weatherill House, 8 Mint Walk, Croydon CR0 1EA (**Lender**)

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed terms defined in the Loan Agreement shall have the same meaning when used in this Deed and in addition:

"**Charged Contracts**" means each of the contracts brief particulars of which are set out in Schedule 2 (*Charged Contracts*) (if any), each other Lease and any other contract designated as such by the Lender.

"**Charged Property**" means all the assets of the Company which from time to time are the subject of the security created or expressed to be created in favour of the Lender by or pursuant to this Deed.

"**Finance Documents**" means the Loan Agreement, the Security Documents and any other document designated as a "Finance Document" by the Lender and the Company under the Loan Agreement, as amended, novated, supplemented, extended or restated from time to time.

"**Financial Collateral**" shall have the same meaning as in the Financial Collateral Regulations.

"**Financial Collateral Regulations**" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226).

"**Insurance Policy**" means any policy of insurance and cover note in relation to the Property in which the Company may from time to time have an interest.

"**Leases**" means all leases now and from time to time affecting the Property, together with any further leases, sub-leases, licences or rights to occupy granted by the Company in respect of

the Property or any part thereof, as such may be amended, varied or supplemented from time to time.

"Loan Agreement" means the loan agreement dated 11 January 2018 and made between the Company and the Lender providing for a loan facility of a maximum of £1,375,544.00.

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 2 (*Notices of Assignment*) or in such other form as may be agreed between the Lender and the Company.

"Property" means the property or properties specified in Schedule 1 (*The Property*) and any buildings or fixtures now or at any time at the Property, including all Related Rights.

"Real Property" means:

- (a) any freehold, leasehold or immoveable property; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immoveable property,

including all Related Rights.

"Receiver" means a receiver or receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law.

"Related Rights" means, in relation to any asset,

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

"Secured Obligations" means all present and future obligations and liabilities of the Company to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not the Lender was an original party to the relevant transaction and in whatever name or style, together with all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its respective rights or any other document evidencing or securing any such liabilities.

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

1.2 Interpretation

In this Deed:

- (a) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
- (b) references to Clauses and Schedules are references to the clauses of and schedules to this Deed;
- (c) references to this Deed, the Loan Agreement or any other agreement or instrument shall be construed as references to that agreement or instrument as amended, novated, supplemented, extended or restated;
- (d) references to a person shall be construed to include that person's assigns, transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;
- (e) references to a provision of law are references to that provision as amended or re-enacted;
- (f) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (g) the words "including" shall not be construed as limiting the generality of the words preceding it;
- (h) wherever this deed states that the Company must not take a particular step without the consent of the Lender, the Lender has discretion whether to give its consent and can impose conditions on any such consent it gives; and
- (i) an Event of Default is "continuing" if it has not been waived in writing by the Lender.

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 or otherwise to enforce or enjoy the benefit of any term of this Deed.

1.4 Incorporation of Terms

The terms of the Loan Agreement and of any side letters between any of the parties thereto are incorporated in this Deed to the extent required to ensure that any disposition of 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.

1.5 Inconsistency between this Deed and the Loan Agreement

If there is any inconsistency between any provision of this Deed and any provision of the Loan Agreement, the provision of the Loan Agreement shall prevail.

1.6 Effect as a Deed

This Deed is intended to take effect as a deed, notwithstanding that the Lender may have executed it under hand only.

2 COVENANT TO PAY

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

3 GRANT OF SECURITY

3.1 Fixed Charges

The Company with full title guarantee charges in favour of the Lender as continuing security for the payment and discharge of the Secured Obligations:

(a) Property

by way of first legal mortgage the Property;

(b) Real Property

by way of first fixed charge:

(i) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property; and

(ii) any Real Property (including the Property, if not effectively mortgaged under Clause 3.1(a) above).

(c) Insurance Policies

to the extent not effectively assigned under Clause 3.2(b), by way of first fixed charge all moneys from time to time payable to the Company under or pursuant to the Insurance Policies including without limitation the refund of any premiums provided that such monies are applied in accordance with the terms of the Loan Agreement;

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

to the extent that Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Company may derive from or be awarded or entitled to in respect of the Charged Contracts are incapable for any reason of being effectively assigned pursuant to Clause 3.2(a) (*Assignment of Charged Contracts*), by way of first fixed charge the Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Company may derive from or be awarded or entitled to in respect of the Charged Contracts.

3.2 Security Assignment

The Company with full title guarantee assigns to the Lender as continuing security for the payment and discharge of the Secured Obligations all of its rights, title, interest and benefit from time to time in and to:

- (a) the Charged Contracts and also any and all damages, compensation, remuneration, profit, royalties, fees, rent or income which the Company may derive from or be awarded or entitled to in respect of the Charged Contracts; and
- (b) the Insurance Policies.

3.3 To the extent that the Charged Property constitutes Financial Collateral, the Company agrees that such Charged Property shall, following the occurrence of an Event of Default which is continuing, be held or designated so as to be under the control of the Lender (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations.

4 NEGATIVE PLEDGE

Save as permitted pursuant to the Loan Agreement:

- 4.1 the Company shall not create or permit to subsist any Security over any of the Charged Property, other than Permitted Security; and
- 4.2 the Company shall not part with possession of any freehold or leasehold interest in the Charged Property, grant or agree to grant any option or any licence, tenancy or other right of occupation

to any person or exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Sections 99 and 100 of the Law of Property Act 1925 in connection with the Charged Property provided that such restrictions shall not be construed as a limitation on the powers of any receiver appointed under this Deed and being an agent of the Company and the Lender may grant or accept surrenders of leases without restriction.

5 PERFECTION OF SECURITY

5.1 Land Registry

The Company and the Lender shall apply to the Land Registry for the registration against each of the registered titles specified in Schedule 1 (*The Property*) (and against any title to any unregistered property specified in Schedule 1 (*The Property*) which is or ought to be the subject of a first registration of title at the Land Registry at the date of this Deed) of:

- (a) the following restriction:

"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 The Mayor and Burgesses of the London Borough of Croydon referred to in the charges register."; and

- (b) a note to the effect that the Lender is under an obligation to make further advances.

5.2 Further advances

- (a) The Lender covenants with the Company that it shall perform its obligations to make advances under the Loan Agreement (including any obligation to make available further advances).
- (b) The obligation on the part of the Lender to make further advances to the Company under the Loan Agreement shall be deemed to be incorporated in this Deed for the purposes of section 94(1)(c) of the Law of Property Act 1925.

5.3 First registration

If the title to the Property is not registered at the Land Registry, the Company shall use all reasonable endeavours to ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of the Property, without the prior written consent of the Lender. For the avoidance of doubt no breach of this provision shall be caused by any manifest error of the Land Registry.

5.4 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Company's title to the Property, the Company shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this legal mortgage, the Company shall immediately and at its own expense take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5.5 Notices of Assignment

- (a) The Company shall immediately following the execution of this Deed (and as soon as possible upon the obtaining of any Insurance Policy) give notice in the form set out in Schedule 2 (*Form of Notice of Assignment to Insurers*) to each insurer with whom the Company has an Insurance Policy of the assignment of the Company's rights and interest in and under such Insurance Policy and shall use reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Schedule 2 (*Form of Acknowledgement from Insurers*).
- (b) The Company shall (in the case of Charged Contracts entered into prior to the date of this Deed) immediately following the execution of this Deed or (in the case of Charged Contracts entered into after the date of this Deed) promptly following entry into any Charged Contracts give notice in the form set out in Schedule 2 (*Form of Notice to Counterparties of Charged Contracts*) to each customer with whom the Company has a Charged Contract of the assignment of the Company's rights and interest in and under such Charged Contract and shall use reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Schedule 2.

6 FURTHER ASSURANCE

6.1 The Company shall, at its own expense, promptly take whatever action the Lender may reasonably require for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed; and
- (b) facilitating the realisation of any of the Charged Property or the exercise of any right, power or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including the execution of any security or other document (in such form as the Lender may reasonably require), the giving of any notice and the making of any registration which the Lender may reasonably think expedient.

7 UNDERTAKINGS

7.1 Goodwill

The Company covenants and agrees with the Lender that it will not, during the continuance of the security constituted by this Deed, except with the prior written consent of the Lender, grant any franchise, licence or other authority to any person to use its company name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of the Company;

7.2 Charged Contracts

The Company covenants and agrees with the Lender that it will, during the continuance of the security constituted by this Deed:

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

8 ENFORCEMENT OF SECURITY

8.1 Enforcement

The security constituted by this Deed shall become immediately enforceable at any time after the occurrence of an Event of Default which is continuing.

8.2 Powers on enforcement

At any time after the security created under this Deed becomes enforceable, the Lender may, without notice to the Company and whether or not it has appointed a Receiver, exercise:

- (a) all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (b) all of the powers conferred on the holder of a qualifying floating charge (as defined in

the Insolvency Act 1986) by the Insolvency Act 1986; and

(c) all or any of the powers conferred by this Deed.

8.3 No Liability as Mortgagee in Possession

Neither the Lender nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

9 POWERS OF THE LENDER

9.1 Extension of Powers

The power of sale conferred on the Lender and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Deed.

9.2 Restrictions

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

9.3 Power of Leasing

At any time after the security created by this Deed becomes enforceable, the Lender may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

9.4 Discretion

Any liberty or power which may be exercised or any determination which may be made in accordance with this Clause 9 (*Powers of the Lender*) by the Lender or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

9.5 Delegation

Each of the Lender and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not

preclude either the subsequent exercise of such power, authority or discretion by the Lender or the Receiver itself or any subsequent delegation or revocation thereof.

9.6 Investigations

If any event of default (howsoever described) in any agreement between the Lender and the Company occurs then (while it is continuing), the Lender may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of the Company which it considers necessary to ascertain the financial position of the Company. All fees and expenses incurred by the Lender in connection with such investigations shall be payable by the Company and the Company consents to the provision by the Lender of all information in relation to the Company which the Lender provides to any person in relation to the preparation of any such report.

9.7 Power to Remedy

If at any time the Company does not comply with any of its obligations under this Deed, the Lender may (but shall not be obliged to) rectify such default and the Company irrevocably authorises the Lender, its employees and agents, at the Company's expense, to do all such things as are necessary or desirable to rectify such default.

10 APPOINTMENT OF RECEIVER

10.1 Appointment and Removal

At any time after the security created under this Deed becomes enforceable, or if requested to do so by the Company, the Lender may (by deed or otherwise and acting through its authorised officer):

- (a) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
- (b) remove (so far as it is lawfully able) any Receiver(s) so appointed; and
- (c) appoint another person(s) as an additional or replacement Receiver(s).

10.2 Capacity of Receivers

Each Receiver shall be:

- (a) an agent of the Company which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration; and

- (b) entitled to remuneration for his services at a rate to be fixed by the Lender from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

11 POWERS OF RECEIVER

11.1 General Powers

Every Receiver shall have all the powers:

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

11.2 Additional Powers

In addition to the powers referred to in Clause 11.1 (*General Powers*) a Receiver shall have the power, at the cost of the Company and either in his own name or in the name of the Company or (with the written approval of the Lender) in the name of the Lender:

- (a) to take possession of, collect and get in all or any part of the Charged Property in respect of which the Receiver was appointed;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Company;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit. The consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments;
- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the Company;

- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Company. All moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Obligations;
- (i) to promote the formation of subsidiaries of the Company for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Lender or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or
- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

12 APPLICATION OF MONEYS

12.1 All moneys received or recovered by the Lender or any Receiver pursuant to this Deed shall (subject to the rights and claims of any person having security ranking in priority to the security constituted by this Deed) be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Lender or any Receiver and the payment of the remuneration of any Receiver;
- (b) second, in or towards payment of any debts or claims which are required by law to be paid in preference to the Secured Obligations, but only to the extent to which such debts or claims have such preference;

- (c) third, in or towards payment of all matters referred to in the first three paragraphs of Section 109(8) of the Law of Property Act 1925 (other than the remuneration of the Receiver);
- (d) fourth, in or towards satisfaction of the Secured Obligations; and
- (e) fifth, any surplus shall be paid to the Company or any other person entitled thereto.

12.2 Only money actually paid by the Receiver to the Lender, or received or recovered by the Lender under this Deed, shall be capable of being applied in or towards the satisfaction of the Secured Obligations and prior to satisfaction of the Secured Obligations in full, the Company shall have no rights in respect of the application by the Lender of any sums received, recovered or realised by the Lender under this Deed.

12.3 **Suspense Account**

Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full, the Lender and any Receiver may place and keep for such time as it thinks prudent any moneys received, recovered or realised under or by virtue of this Deed in a separate or suspense account to the credit of either the Company or of the Lender without any obligation to apply all or any part of such moneys in or towards the discharge of the Secured Obligations. Amounts standing to the credit of such suspense account shall bear interest at a fair market rate.

12.4 **Avoidance of Payments**

If the Lender reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Company under this Deed and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

13 **PROTECTION OF PURCHASERS**

13.1 **Receipts**

The receipt of the Lender or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

13.2 **Protection of Purchasers**

No purchaser or other person dealing with the Lender or its delegate or any Receiver shall be bound to inquire whether the right of the Lender or such Receiver to exercise any of its powers

has arisen or become exercisable or be concerned with any notice to the contrary, or be concerned to see whether any such delegation by the Lender shall have lapsed for any reason or have been revoked.

14 POWER OF ATTORNEY

14.1 Appointment

The Company, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably appoints the Lender, each person to whom the Lender shall from time to time have delegated the exercise of the power of attorney conferred by this Clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on the Company by this Deed that the Company has failed to perform after having been notified of such failure to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Lender and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

14.2 Ratification

The Company ratifies and confirms and agrees to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

15 CONTINUING SECURITY

- 15.1** The security created by or pursuant to this Deed will be a continuing security for the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Lender may hold at any time for the Secured Obligations and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

15.2 Settlements conditional

Any release, discharge or settlement between the Company and the Lender shall be conditional upon no security, disposition or payment to the Lender by the Company or any other person

being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Lender shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

16 CURRENCY

For the purpose of or pending the discharge of the Secured Obligations, the Lender may, in its sole discretion, 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 at such rate or rates of exchange and at such time as the Lender thinks fit.

17 INDEMNITY

The Company shall, notwithstanding any release or discharge of all or any part of the security constituted by this Deed, indemnify the Lender, its agents, attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain:

- (a) in the exercise (or purported exercise) of any of the rights, powers or discretions vested in them by this Deed (or by law); and/or
- (b) in connection with or otherwise relating to this Deed.

18 MISCELLANEOUS

18.1 Perpetuity Period

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty five years from the date of this Deed.

18.2 Remedies and Waivers

No failure on the part of the Lender to exercise, or any delay on its part in exercising, any right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy under this Deed preclude any further or other exercise of that or any other right or remedy under this Deed.

18.3 No Liability

None of the Lender, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection

with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

18.4 Partial Invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

19 NOTICES

Any notice or communication under this deed or any other Finance Document created by or under this Deed shall be given in accordance with the terms of Clause 15 (*Communications*) of the Loan Agreement.

20 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

21 GOVERNING LAW

This Deed is governed by and shall be construed in accordance with English law.

22 JURISDICTION

22.1 English Courts

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

22.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

22.3 Exclusive Jurisdiction

This Clause 22 is for the benefit of the Lender only. As a result and notwithstanding Clause 22.1 (*English Courts*), it does not prevent the Lender from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Lender may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been signed on behalf of the Lender and **EXECUTED AS A DEED** by the Company and is delivered by them on the date first specified above.

SCHEDULE 1

The Property

Property Address	Title No.	Freehold/Leasehold	Owner
Garages at the rear of 126-130 Coldharbour Road, Croydon CR0 4DW	SGL761134	Freehold	Brick By Brick Croydon Limited

SCHEDULE 2

Charged Contracts

	Brief description of Charged Contract	Date of Charged Contract	Original Parties to Charged Contract
1			
2			
3			
4			
5			

SCHEDULE 3

Notices of Assignment

Form of Notice of Assignment to Insurers

To: *[Insurer]*

Date: []

Dear Sirs

We give notice that pursuant to a security agreement dated [] (the "Security Agreement") we have assigned to *[Lender]* (the "Lender") all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "Policy").

With effect from your receipt of this notice we instruct you to:

- 1 name the Lender as co-insured in relation to the Policy (but without liability for the Lender to pay premium) and in addition endorse on the Policy the provisions set out in the attachment to this notice; and
- 2 disclose to the Lender, without further approval from us, such information regarding the Policy as the Lender may from time to time request and to send it copies of all notices issued by you under the Policy.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy (including all rights to compel performance) belong to and are exercisable by the Lender.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Lender at *[Address]*.

Yours faithfully

.....
Authorised Signatory

for and on behalf of

[Company]

ENDORSEMENT

The Policy shall contain the following provisions or endorsements:

IT IS HEREBY CONFIRMED AND AGREED:

- 1 that [] (the "Lender") and any successor or assignee named as co-insured in relation to the Policy but without liability for the Lender to pay any premium;
- 2 that the cover afforded by the Policy applies to *[insert short description of the properties/assets of the Insured to which the Policy relates]* (together the "Properties and Assets") of which *[insert name of Company]* (the "Insured") is the legal owner;
- 3 that any payments made in respect of claims in relation to the Properties and Assets shall, unless otherwise notified by the Lender, be made to the Company and we agree to notify the Lender of such payment; and
- 4 that the interest of the Lender in the Policy shall not be prejudiced by any act or neglect of the Insured or the occupier of any building insured under the Policy and the Insurer shall not allow the Policy to lapse without the Lender being notified in writing and being given a period of at least 30 days from the date of receipt of such notice during which it can rectify any defects and/or pay any additional premium.

[On copy only:]

Form of acknowledgement from Insurer

To: [Lender]

Date: []

We acknowledge receipt of a notice dated [] relating to the Policy (the "Notice") and confirm that we have not received notice of any previous assignments of or charges over the Policy and that we will comply with the terms of the Notice and the endorsement attached to that Notice.

.....
for and on behalf of

[Insurer]

Form of Notice to Counterparties of Charged Contracts

To: [name and address of counterparty]

Dated: [date]

Dear Sirs,

[here identify relevant Charged Contract] [the "Contract"] made between (1) [Company] (the "Company" and (2) [here insert name of counterparty]

We, [Company] hereby notify you that by a legal charge dated [date] (the "Legal Charge") made by the Company in favour of The Mayor and Burgesses of the London Borough of Croydon (the "Lender"), the Company has assigned to the Lender as first priority chargee and assignee all of the Company's rights, title and interest in the Contract as security for certain obligations now or hereafter owed by the Company to the Lender.

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

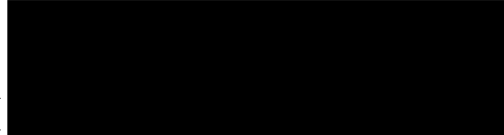
- 1 save for any non-material, administrative or typographical amendments, the Company may not agree to amend, modify or terminate the Contract without the prior written consent of the Lender;
- 2 subject to paragraph 1 above, you may continue to deal with the Company in relation to the Contract until you receive written notice to the contrary from the Lender. Thereafter the Company will cease to have any right to deal with you in relation to the Contract and therefore from that time you should deal only with the Lender;
- 3 you are authorised to disclose information in relation to the Contract to the Lender on request without any enquiry by you as to the justification for such disclosure or reference to or further authority from the Company;
- 4 following the occurrence of an Event of Default and notice from the Lender to do so, you must pay or release all monies to which the Company is entitled under the Contract direct to the Lender to the following account [] (and not to the Company) unless the Lender otherwise agrees in writing;

EXECUTION PAGE

The Company

EXECUTED as a DEED by BRICK BY
BRICK CROYDON LIMITED

acting by:



Director

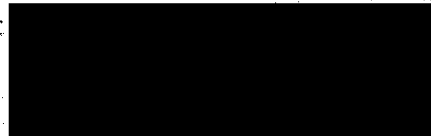
Full Name: *Colin Mackay*



Witness

Full name: *WKE CHWELTON*

Address:



Occupation: *HEAD OF OPERATIONS*

The Lender

Executed by
LONDON BOROUGH OF CROYDON
by affixing its common seal
in the presence of:

Authorised Officer



Seal Number

244610