



Registration of a Charge

Company name: **MERSTEN LIMITED**

Company number: **09618921**



X7F8HP4R

Received for Electronic Filing: **25/09/2018**

Details of Charge

Date of creation: **21/09/2018**

Charge code: **0961 8921 0001**

Persons entitled: **METRO BANK PLC**

Brief description: **DEBENTURE**

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:

BATES WELLS BRAITHWAITE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9618921

Charge code: 0961 8921 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st September 2018 and created by MERSTEN LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th September 2018 .

Given at Companies House, Cardiff on 27th September 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**

DATED

21 September 2018

Execution Version

Debenture

Mersten Limited

and

Each of the companies listed in Schedule 1

and

Metro Bank PLC

CERTIFIED

To be a true copy of the original

Bates Wells & Braithwaite LLP
Bates Wells & Braithwaite London LLP
Registered OC325522
Dated



Bates Wells Braithwaite

10 Queen Street Place, London EC4R 1BE

www.bwbllp.com

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THIS DEBENTURE is made as a Deed on the

21 September

2018

BETWEEN

- (1) **MERSTEN LIMITED** incorporated and registered in England and Wales with registered number 09618921 whose registered office is at 73a London Road, Alderley Edge, Cheshire SK9 7DY (**Borrower**)
- (2) Each of the companies listed in Schedule 1 (together with the Borrower, the **Original Obligors**) and
- (3) **METRO BANK PLC** whose registered office is at One Southampton Row, London, WC1B 5HA (registered number 6419578) (**Lender**).

THIS DEED WITNESSES AS FOLLOWS

1. Definitions and Interpretation

Accession Deed means a deed substantially in the form set out in schedule 3 (Form of Accession Deed)

Administrator means an administrator appointed to manage the affairs, business and property of the Obligor pursuant to this Deed

Additional Obligor means a company that become party to this Deed by way of an Accession Deed pursuant to the terms of the Facility Agreement

Charged Assets means all the property, assets and rights charged under this Deed;

Costs means all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on costs

Encumbrance means any mortgage, charge (whether fixed or floating), option, pledge, lien, hypothecation, assignment, trust arrangement, title retention (other than title retention arising in the ordinary course of trading as a result of a supplier's standard terms of business) or other right having the effect of constituting security and any agreement, whether conditional or otherwise, to create any of the foregoing

Enforcement Event means an event described in Clauses 11.1(a) to 11.1(b) inclusive

Expenses means all fees and legal and other costs charges and expenses which the Lender or any Receiver may charge or incur in relation to the Obligor or this Deed or any Relevant Agreement and the preparation, negotiation and creation of this Deed and/or in relation to the Charged Property and/or breach of any provision of, and the protection realisation or enforcement of, this Deed or any Relevant Agreement, in each case on a full indemnity basis

Facility Agreement means the facility agreement dated on or about the date of this Deed between the Borrower and the Lender

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

Financial Collateral Regulations means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226)

Fixed Charged Assets means all the property, assets and rights charged under Clauses 2.2(a) to 2.2(j) and Clause 2.3(a) inclusive

Floating Charged Assets means all the property, assets and rights under Clause 2.2(k) and Clause 2.3(b)

Full Title Guarantee has the meaning ascribed by the Law of Property (Miscellaneous Provisions) Act 1994

Insolvency Event means in relation to any person (whether an individual or a body corporate) (i) that person becomes insolvent or unable to pay its debts as they fall due or (ii) any steps are taken for or with a view to the making of an administration order or the appointment of an administrator or trustee in bankruptcy in respect of that person or any steps are taken for or with a view to the winding-up, dissolution, liquidation, reconstruction or reorganisation of that person or (iii) a bankruptcy petition is presented or (iv) that person enters into a voluntary arrangement or other dealing with any of its creditors with a view to avoiding, or in expectation of, insolvency or stopping or threatening to stop payments to creditors generally or (v) an encumbrancer takes possession or a trustee in bankruptcy (in the case of an individual) or a receiver or manager is appointed of the whole or any material part of that person's assets and includes any equivalent or analogous proceedings by whatever name known in whatever jurisdiction

Intellectual Property has the meaning given in clause 2.2(i)

Interest means interest at the highest prevailing rate charged to the Obligor by the Lender from time to time under any Relevant Agreement and if there is no such agreement, interest shall be computed and compounded according to the Lender's usual rates and practice and so that interest shall be computed and compounded as well after as before any demand made or decree or judgment obtained under this Deed

Legal Charge means each legal charge granted to the Lender by an Obligor in relation to the assets described in clause 2.2(a)

LPA means the Law of Property Act 1925 (as amended)

Obligor means an Original Obligor or an Additional Obligor (other than a Released Obligor) and a reference in this Debenture to the Obligor shall be to any or all of the Obligors, or the relevant Obligor, as the context requires

Property means the property (if any) described in Schedule 2

Receiver means a receiver and/or administrator and/or manager (and, if permitted by law, an administrative receiver) of any or all of the Charged Assets appointed under this Deed

Released Obligor means an Original Obligor or an Additional Obligor which has been released, as an Obligor, pursuant to clause 24 of the Facility Agreement

Relevant Agreement means any agreement or instrument from time to time constituting or evidencing the Secured Liabilities as amended or supplemented from time to time

Secured Liabilities means all or any monies and liabilities which are for the time being and from time to time (and whether on or at any time after demand) due, owing or payable, or expressed to be due, owing or payable, in whatsoever manner to the Lender by the Obligor, whether actually or contingently, solely or jointly and whether as principal or surety, together with Interest and Expenses and all other charges or commission which the Lender may charge or incur in respect of any of these matters

Security means the security constituted by this Deed

Security Financial Collateral Arrangement shall have the meaning given to that expression in the Financial Collateral Regulations

1.1 In this Deed, unless the context otherwise requires:

- (a) the expressions "Additional Obligor", "Borrower", "Obligor", and "Lender" where the context admits include their respective successors in title and assigns;
- (b) any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this Deed;
- (c) a reference to "assets" includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (d) interest will be calculated both before and after demand or judgment on a daily basis and compounded according to agreement or in the absence of agreement monthly on such days as the Lender may select;
- (e) references to the freehold and leasehold property of the Obligor and the Charged Assets include any part of it or them;
- (f) references to clauses, sub-clauses and schedules are references to the clauses and sub-clauses of, and schedules to, this Deed.

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

1.3 If the Lender considers that an amount is capable of being avoided or otherwise set aside on the liquidation or administration of the Obligor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 If and to the extent that any matter expressly permitted under the terms of any Relevant Agreement constitutes a breach of this Deed, that Relevant Agreement shall, or so long as amounts are outstanding, prevail and the Lender shall be deemed to have consented to that matter for the purposes of this Deed.

- 1.5 If and to the extent that any matter expressly permitted under the terms of the Facility Agreement constitutes a breach of this Deed, that Facility Agreement shall, or so long as amounts are outstanding, prevail and the Lender shall be deemed to have consented to that matter for the purposes of this Deed.
- 1.6 Words and expressions defined in the Facility Agreement and the Legal Charges shall bear the same meaning in this Deed unless the context requires otherwise.
- 1.7 To the extent that there is any conflict between the provisions of the Facility Agreement and the Legal Charges and this Deed, then the provisions of the Facility Agreement or the Legal Charges (as the case may be) will prevail. To the extent there is any conflict in the provisions of the Facility Agreement and the Legal Charges then the provisions of the Facility Agreement will prevail.
2. **Charge**
- 2.1 The Obligor will pay to the Lender the Secured Liabilities immediately on demand as and when the same are expressed to be due for payment in accordance with their respective terms.
- 2.2 The Obligor with Full Title Guarantee charges to the Lender as continuing security for the payment and discharge of the Secured Liabilities:
- (a) by way of first legal mortgage all the freehold and leasehold property of the Obligor (including the property described in Schedule 2) now vested in it together with all buildings and fixtures (including trade and other fixtures and tenants fixtures) and fixed plant and machinery owned by the Obligor and from time to time in or on such property and the proceeds of sale of such assets;
 - (b) by way of fixed charge all estates or interests in any freehold and leasehold property now and in the future vested in or charged to the Obligor;
 - (c) by way of fixed charge all fixtures and fittings from time to time attached to any freehold and leasehold property of the Obligor;
 - (d) by way of fixed charge all the plant and machinery vehicles and computer equipment of the Obligor present and future and all associated warranties and maintenance contracts;
 - (e) by way of fixed charge all furniture furnishings equipment tools and other chattels of the Obligor present and future;
 - (f) by way of fixed charge all rents receivable from any lease granted out of any freehold and leasehold property of the Obligor;
 - (g) by way of fixed charge all the goodwill and uncalled capital of the Obligor present and future;
 - (h) subject to Clause 2.3, by way of fixed charge all stocks shares and other securities of the Obligor present and future and all income and rights derived from or attaching to the same;

- (i) by way of fixed charge all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Obligor or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Obligor or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world (**Intellectual Property**);
- (j) by way of fixed charge all book debts and other debts of the Obligor present and future and the proceeds of payment or realisation of each of them; and
- (k) by way of floating charge all the undertaking and all property assets and rights of the Obligor present and future not subject to a fixed charge under this Deed.

2.3 The Borrower with Full Title Guarantee charges to the Lender as continuing security for the payment and discharge of the Secured Liabilities:

- (a) by way of fixed charge all stocks, shares and other securities issued by each Obligor and owned by the Borrower, present and future and all income and rights derived from or attaching to the same; and
- (b) by way of floating charge all stocks, shares and other securities issued by any Subsidiary, which is not an Obligor, and owned by the Borrower, present and future and all income and rights derived from or attaching to the same.

2.4 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created pursuant to this Deed and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986.

3. **Restrictions**

3.1 The Obligor will not without the previous consent of the Lender:

- (a) dispose of the Fixed Charged Assets;
- (b) sell, give or share possession of, grant or agree to grant any interest, lease or tenancy of or accept or agree to accept a surrender or any variation or addition to the terms of any lease or tenancy or any part of the Fixed Charged Assets without the consent of the Lender;
- (c) deal with the Obligor's book debts and other debts otherwise than by collecting them in the ordinary course of the Obligor's business and in particular the Obligor will not realise its book debts and other debts by means of block discounting factoring or the like;
- (d) dispose of the Floating Charged Assets other than in the ordinary course of business;

- (e) create or attempt to create or permit to arise or subsist any Encumbrance upon any part of the Charged Assets; or
- (f) do, or permit to be done, any act or thing, which will or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Deed.

4. Covenants

- 4.1 The Obligor shall comply with all statutes, byelaws and regulations relating to its trade or business and the whole or any part of the Charged Assets.
- 4.2 The Obligor shall: (a) promptly provide to the Lender whatever information, documents or papers relating to the Charged Assets as the Lender may from time to time request; and (b) inform the Lender promptly of any acquisition by the Obligor of, or contract made by the Obligor to acquire, any freehold, leasehold or other interest in Property.
- 4.3 The Obligor shall: (a) at all times keep in good and substantial repair and condition all the Charged Assets including, without limitation, all buildings, erections, structures and fixtures and fittings on and in the Property; (b) keep all equipment on the Property in good repair, working order and condition and fit for its purpose; and (c) where it is uneconomic to repair any part of the Charged Assets, replace such part by another similar asset of equal or greater quality and value.
- 4.4 the Obligor shall not factor or discount its book debts, and shall get in and realise all its book and other debts in the ordinary course of business and pay the proceeds of those book and other debts into an account of the Obligor with the Lender or to such other account as the Lender may request.
- 4.5 The Obligor shall not exercise any of its respective rights and powers in relation to any of the stocks shares and other securities charged by this Debenture in any manner which, in the opinion of the Lender, would prejudice the effectiveness of, or the ability of the Lender to realise, the security created by or pursuant to this Debenture.
- 4.6 The Obligor shall, if requested by the Lender and at the Obligor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Lender may require and do all acts that the Lender may require to perfect the Security taken by, or to record the interest of, the Lender in any registers relating to any registered Intellectual Property.
- 4.7 The Obligor shall promptly upon becoming aware of the same give the Lender notice in writing of any breach of: (a) any representation or warranty set out in clause 5; and (b) any covenant set out in this Clause 4.
- 4.8 The Obligor shall permit the Lender and any Receiver and any person appointed by either of them to enter upon any premises of the Obligor and inspect any Property or Charged Asset during normal business hours upon reasonable prior notice.

5. Representations and Warranties

5.1 The Obligor represents and warrants to the Lender on each day during the continuance of the Security that:

- (a) it is duly incorporated with limited liability, validly existing under the laws of its jurisdiction of incorporation and has the power to own its assets and carry on its business as it is being conducted
- (b) it has the power and authority to execute, deliver and perform its obligations under this Debenture and the transactions contemplated by them
- (c) the execution, delivery and performance of the obligations in, and transactions contemplated by, this Debenture does not and will not contravene any of the Obligor's constitutional documents, any agreement or instrument binding on the Obligor or its assets, or any applicable law or regulation
- (d) it has taken all necessary action and obtained all required or desirable consents to enable it to execute delivery and perform its obligations under this Debenture and to make this Debenture admissible in evidence in its jurisdiction of incorporation. Any such authorisations are in full force and effect
- (e) its obligations under this Debenture are legal, valid, binding and enforceable
- (f) it is the legal and beneficial owner of the Charged Assets free from any Encumbrance other than the Encumbrances created by this Deed
- (g) it has not received or acknowledged notice of any adverse claim by any person in respect of any Charged Asset or any interest in it
- (h) there are no Encumbrances or other matters whatever, which adversely affect the Charged Assets
- (i) there is no breach of any law or regulation, which adversely affects the Charged Assets
- (j) no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use
- (k) nothing has arisen or has been created or is subsisting, which would be an overriding interest in any Property

6. Insurance

6.1 The Obligor will maintain insurance on and in relation to the Charged Assets in accordance with any applicable Relevant Agreement and in any event, with reputable underwriters or insurance companies against such risks to the extent usual for persons carrying on a business such as that carried on by it and such other risks as the Lender may from time to time reasonably require from it and will in so far as is possible, note the interest of the Lender on such policies and will provide copies of all such insurance policies to the Lender on request.

6.2 The Obligor shall procure that the Lender's interest is noted on all its insurance policies, as the Lender may require.

- 6.3 The Obligor will hold in trust for the Lender all money received under any insurance of the Charged Assets and at the Lender's option will apply the same in making good the relevant loss or damage or in or towards discharge of the Secured Liabilities.

7. Deeds Securities and Debts

The Obligor will after the occurrence of an Enforcement Event, if so requested by the Lender, promptly:

- (a) deposit with the Lender all original insurance policies, deeds and documents of title relating to the Charged Assets and
- (b) pay into such account or such accounts as the Lender may specify from time to time all money which the Obligor may receive in respect of the Obligor's book debts and other debts, and shall not be entitled to withdraw or otherwise deal with such amounts from such account without the prior written consent of the Lender.

8. Notice of Crystallisation

- 8.1 The Lender may by written notice to the Obligor after the occurrence of an Enforcement Event convert the floating charge created by Clause 2.2(k) or Clause 2.3(b) into a fixed charge as regards any of the Charged Assets specified in such notice.

- 8.2 The floating charge created by each of Clause 2.2(k) and 2.3(b) will, without notice from the Lender, be deemed to have been automatically converted into a fixed charge with effect immediately prior to the occurrence of the following events:

- (a) in respect of any Floating Charged Assets which are the subject of any disposal or Encumbrance entered into or permitted to exist in breach of Clause 3.1(e) or in respect of which any person levies or attempts to levy any distress, attachment, execution or other legal process; or
- (b) in respect of all the Floating Charged Assets, if and when the Obligor ceases to carry on business or to be a going concern; or
- (c) in respect of all the Floating Charged Assets, an Insolvency Event.

- 8.3 Any asset acquired by the Obligor after any crystallisation of its floating charge created under this Deed which but for such crystallisation would be subject to a floating charge shall (unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

9. Powers of the Lender

- 9.1 The Lender may without restriction after the occurrence of an Enforcement Event grant or accept surrenders of leases of the Obligor's freehold and leasehold property or any part of it.

- 9.2 Sections 103 and 109 of the LPA shall not apply to this Deed nor to any sale by the Lender or a Receiver under that Act and the Secured Liabilities shall be deemed to have become due, and the statutory power of sale and the power to appoint a Receiver under Section 101 of the LPA (as varied and extended under this Deed) as between the Lender or such

Receiver and a purchaser from the Lender or such Receiver arise and shall be exercisable at any time after the execution of this Deed.

- 9.3 The Lender may under the hand of any official or manager or by deed appoint or remove a Receiver or Receivers of the Charged Assets after the occurrence of an Enforcement Event and may fix and pay the fees of a Receiver but any Receiver shall be deemed to be the agent of the Obligor and the Obligor shall be solely responsible for the Receiver's acts defaults and remuneration.
- 9.4 All or any of the powers conferred on a Receiver by Clause 12 may be exercised by the Lender after the occurrence of an Enforcement Event without first appointing a Receiver or notwithstanding any appointment.
- 9.5 The Lender will not be liable to account to the Obligor as mortgagee in possession for any money not actually received by the Lender.
- 9.6 Section 93(1) of the LPA shall not apply to this Deed.
- 9.7 The Lender shall be entitled (but shall not be bound) to remedy a breach at any time by the Obligor of any of its obligations contained in this Deed and the Obligor irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.
- 9.8 The rights of the Lender under this Clause 9 are without prejudice to any other rights of the Lender under this Deed and the exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.
- 9.9 At any time after the security constituted by this Deed shall have become enforceable, the Lender or any Receiver:
- (a) may dispose of any chattels or produce of the Obligor found on any Property as agent for the Obligor; and
 - (b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Obligor against any liability arising from such disposal.
- 9.10 At any time after the security constituted by this Deed shall have become enforceable or after any powers conferred by any Encumbrance having priority to this Deed shall have become exercisable, the Lender may:
- (a) redeem such or any other prior Encumbrance or procure its transfer to itself; and
 - (b) settle any account of the holder of any prior Encumbrance.

Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Obligor and all monies paid by the Lender to an encumbrancer in settlement of such an account shall, as from its payment by the Lender, be due from the Obligor to the Lender on current account and shall bear interest and be secured as part of the Secured Liabilities.

- 9.11 The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this Deed (whether or not such person or persons are jointly liable with the Obligor) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this Deed or to the liability of the Obligor for the Secured Liabilities.

10. Accounts

- 10.1 If the Lender receives notice of any subsequent Encumbrance or other interest affecting all or part of the Charged Assets, the Lender may open a new account or accounts for the Obligor in the Lender's books and (without prejudice to the Lender's right to combine accounts) no money paid to the credit of the Obligor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities.

- 10.2 If the Lender does not open a new account or accounts immediately on receipt of notice under Clause 10.1, unless the Lender gives express written notice to the contrary to the Obligor, as from the time of receipt of the relevant notice by the Lender all payments made by the Obligor to the Lender shall be treated as having been credited to a new account of the Obligor and not as having been applied in reduction of the Secured Liabilities.

- 10.3 If the Lender shall have more than one account for the Obligor in its books, the Lender may at any time after:

- (a) the security constituted by this Deed has become enforceable; or
- (b) the Lender has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Assets,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit but the Lender shall notify the Obligor of the transfer once made.

11. Enforcement

- 11.1 This Security shall be enforceable immediately, and the Secured Liabilities shall become immediately due and payable to the extent not already due or demanded in accordance with their terms if:-

- (a) an Insolvency Event occurs in respect of the Obligor; or
- (b) payment of any of the Secured Liabilities is demanded by the Lender and not paid when due.

- 11.2 No purchaser, mortgagee or other person dealing with the Lender or any Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged, or whether the power the Lender or a Receiver is purporting to exercise has become exercisable; or
- (b) to see to the application of any money paid to the Lender or any Receiver.

11.3 Neither the Lender nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Assets nor shall any of them be liable for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable.

12. **Receivers**

12.1 Any Receiver appointed by the Lender shall be a Receiver and manager and shall have the powers conferred on administrative receivers (notwithstanding that such Receiver is not an administrative receiver) by Section 42 and Schedule 1, Insolvency Act 1986 and shall (in addition to all powers conferred on him by law or by this Deed) have the following powers:

- (a) to take possession of and generally manage the Charged Assets and any business of the Obligor;
- (b) to carry out on any freehold or leasehold property of the Obligor any new works or complete any unfinished works of building reconstruction maintenance furnishing or equipment;
- (c) to purchase or acquire any land or other property and purchase acquire grant or release any interest in or right over land or the benefit of any covenants (positive or restrictive) affecting land;
- (d) to sell, lease, surrender or accept surrenders of leases, charge or otherwise deal with or dispose of the Charged Assets without restriction including (without limitation) power to dispose of any fixtures separately from the land;
- (e) to carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Obligor;
- (f) to make any arrangement, settlement or compromise between the Obligor and any other person which he may think expedient;
- (g) to appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine;
- (h) to effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, any other insurance;
- (i) to exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986; and
- (j) to do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Deed or which he lawfully may or can do as agent for the Obligor.

12.2 Any Receiver appointed by the Lender under this Deed shall be the agent of the Obligor and the Obligor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

12.3 All monies received by the Lender or a Receiver in the exercise of any enforcement powers conferred by this Deed shall be applied:

- (a) first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Lender (and any Receiver, attorney or agent appointed by it);
- (b) second in paying the remuneration of any Receiver (as agreed between him and the Lender);
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as the Lender shall determine; and
- (d) finally in paying any surplus to the Obligor or any other person entitled to it.

12.4 Neither the Lender nor any Receiver shall be bound to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

12.5 All monies received by the Lender or a Receiver under this Deed may, at the discretion of the Lender or Receiver, be credited to any suspense or securities realised account without any obligation on the part of the Lender to apply the same in or towards discharge of the secured liabilities and shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Obligor and may be held in such account for so long as the Lender or Receiver thinks fit.

13. Power of Attorney

13.1 The Obligor, by way of security for the payment of the Secured Liabilities and the performance by the Obligor of its obligations under this Deed, irrevocably appoints the Lender (whether or not a Receiver has been appointed) and also (as a separate appointment) the Receiver severally as the Attorney or Attorneys of the Obligor (with full power of substitution and delegation) in the Obligor's name and on the Obligor's behalf and as the Obligor's act and deed to sign or execute all deeds instruments and documents or take continue or defend any proceedings which may be required by the Lender or any Receiver pursuant to this Deed or the exercise of any of their powers.

13.2 The Obligor ratifies and confirms and agrees to ratify and confirm anything which any of its Attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Deed.

14. Appointment of an Administrator

14.1 The Lender may without notice to the Obligor appoint any one or more persons to be an administrator of the Obligor pursuant to paragraph 14 Schedule B1 of the Insolvency Act 1986 if this debenture becomes enforceable.

14.2 Any appointment under this Clause 14 shall:

- (a) be in writing signed by a duly authorised signatory of the Lender, and
 - (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.
- 14.3 The Lender may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this Clause 14 and appoint under that paragraph a replacement for any Administrator whose appointment ends for any reason.
- 15. **Liability Of Obligor**
- 15.1 The liability of the Obligor under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:
 - (a) any security, guarantee, indemnity, remedy or other right held by or available to the Lender being or becoming wholly or partially illegal, void or unenforceable on any ground; or
 - (b) the Lender 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
 - (c) any other act or omission which but for this provision might have discharged or otherwise prejudiced or affected the liability of the Obligor.
- 15.2 The Obligor waives any right it may have of requiring the Lender to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this Deed against the Obligor.
- 15.3 The Obligor waives any present or future right of set-off it may have in respect of the Secured Liabilities (including any sums payable to it under this Deed).
- 16. **Right of appropriation**

To the extent that the Charged Assets constitute Financial Collateral and this Deed and the obligations of the Obligor hereunder constitute a Security Financial Collateral Arrangement, the Lender shall have the right, at any time after the security constituted this Deed has become enforceable, to appropriate all or any of that Charged Assets in or towards the payment and/or discharge of the Secured Liabilities in such order as the Lender in its absolute discretion may from time to time determine. The value of any Charged Asset appropriated in accordance with this clause shall be the price of that Charged Asset at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender may select (including independent valuation). The Obligor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.
- 17. **Preservation of other Security and Rights and Further Assurance**

- 17.1 This Deed is in addition to any other security present or future held by the Lender for the Secured Liabilities and shall not merge with or prejudice such other security or any contractual or legal rights of the Lender.
- 17.2 The Security shall be a continuing security for the Secured Liabilities and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account (whether or not any Secured Liabilities remain outstanding thereafter) or any other matter or thing whatsoever.
- 17.3 The Obligor will at its own cost at the Lender's request execute any deed or document and take any action required by the Lender to perfect this security or further to secure on the Charged Assets the Secured Liabilities.
18. **Costs And Indemnity**
- 18.1 The Obligor shall pay to or reimburse the Lender and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Lender and/or any Receiver in relation to:
- (a) this Deed or the Charged Assets; or
 - (b) protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or the Receiver's rights under this Deed; or
 - (c) suing for, or recovering, any of the Secured Liabilities,
- (including, without limitation, the Costs of any proceedings in relation to this Deed or the Secured Liabilities) together with interest.
- 18.2 The Lender and any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Assets in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:
- (a) the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this Deed; or
 - (b) any matter or thing done or omitted to be done in relation to the Charged Assets under those powers; or
 - (c) any default or delay by the Obligor in performing any of its obligations under this Deed.
19. **Assignment and Transfer**
- 19.1 The Lender may at any time, without the consent of the Obligor, assign or transfer the whole or any part of the Lender's rights and/or obligations under this Deed to any person, subject to the provisions of clause 23 of the Facility Agreement which apply mutatis mutandis to this Deed.
- 19.2 The Obligor may not assign any of its rights or transfer any of its obligations under this Deed or enter into any transaction, which would result in any of those rights or obligations passing to another person.

20. Miscellaneous

- 20.1 The rights and powers of the Lender conferred by this Deed are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and powers under the general law.
- 20.2 Any waiver or variation of any right by the Lender (whether arising under this Deed or under the general law) shall only be effective if it is in writing and signed by the Lender and applies only in the circumstances for which it was given and shall not prevent the Lender from subsequently relying on the relevant provision.
- 20.3 No act or course of conduct or negotiation by or on behalf of the Lender shall in any way preclude the Lender from exercising any right or power under this Deed or constitute a suspension or variation of any such right or power.
- 20.4 No delay or failure to exercise any right or power under this Deed shall operate as a waiver.
- 20.5 No single or partial exercise of any right under this Deed shall prevent any other or further exercise of that or any other such right.
- 20.6 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.
- 20.7 This Deed may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.
- 20.8 A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Deed.
- 20.9 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).

21. Termination

- 21.1 This Deed shall terminate in accordance with clause 24.3 of the Facility Agreement.
- 21.2 An Obligor shall be discharged and released from its obligations under this Deed when it ceases to be an Obligor pursuant to clause 24 of the Facility Agreement. A Released Obligor will no longer be bound by the terms of this Deed and will no longer be a party to it.
- 21.3 The Charged Assets of a Released Obligor will be released from the Encumbrances created under or pursuant to this Deed in accordance with clause 24.3 of the Facility Agreement.

21.4 The Lender will execute such deeds and documents and take such other actions as the Obligor may require to give effect to the provisions of this Clause 21 and clause 24.3 of the Facility Agreement.

22. Obligors' Agent

22.1 Each Obligor (other than the Borrower) by its execution of this Deed or an Accession Deed irrevocably appoints the Borrower to act on its behalf as its agent in relation to the Finance Documents and Irrevocably authorises:

(a) the Borrower on its behalf to supply all information concerning itself contemplated by this Deed to the Lender and to give all notices and instructions, to execute on its behalf any Accession Deed (other than the Accession Deed pursuant to which it becomes a Party), to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

(b) the Lender to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Borrower,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

22.2 Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' agent or given to the Obligors' agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it.

22.3 In the event of any conflict between any notices or other communications of the Obligors' agent and any other Obligor, those of the Obligors' agent shall prevail.

23. Notices

23.1 Any notice or demand by the Lender may be served personally on any director or the secretary of the Borrower (where relevant on behalf of the relevant Obligor) or may be sent by post or fax or delivered to the Borrower (where relevant on behalf of the relevant Obligor) at the Borrower's address last known to the Lender.

23.2 A notice or demand by the Lender by post shall be deemed served on the day after posting.

23.3 A notice or demand by the Lender by fax shall be deemed served at the time of sending.

24. Law and Jurisdiction

This Deed is governed by and shall be construed in accordance with English law and the parties hereby irrevocably submit to the exclusive jurisdiction of the English Courts.

IN WITNESS whereof this document has been executed as a Deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 - Original Obligors

	Company Name	Registered Number	Registered Office Address
1	MSL (33) Ltd	10823074	73A London Road, Alderley Edge, SK9 7DY
2	MSL (49) Ltd	11000030	73A London Road, Alderley Edge, SK9 7DY
3	MSL (46) Ltd	10999349	73A London Road, Alderley Edge, SK9 7DY
4	MSL (48) Ltd	10999843	73A London Road, Alderley Edge, SK9 7DY
5	MSL (61) Ltd	11185989	73A London Road, Alderley Edge, SK9 7DY
6	MSL (52) Ltd	11063722	73A London Road, Alderley Edge, SK9 7DY

Schedule 2 – Freehold and Leasehold Property

[intentional left blank]

Schedule 3 - Form of Accession Deed

DEBENTURE ACCESSION DEED (to be registered at Companies House)

THIS ACCESSION DEED IS MADE ON THE DAY OF 20[•]

BETWEEN:

- (1) [•] LIMITED, a company incorporated in England and Wales (company number [•]) whose registered office is at [•] (the "Additional Obligor");
- (2) METRO BANK PLC (the "Lender"); and
- (3) MERSTEN LIMITED incorporated and registered in England and Wales with registered number 09618921 whose registered office is at 73a London Road, Alderley Edge, Cheshire SK9 7DY (the "Borrower")

and is supplemental to a debenture dated [•] 2018 between, amongst others the Borrower and the Lender (the "Debenture").

This Deed witnesses as follows:

- 1 Terms defined in the Debenture have the same meaning when used in this Deed unless given a different meaning in this Deed.
- 2 The Additional Obligor confirms that it has been supplied with a copy of the Debenture and that it is a wholly owned subsidiary of the Company.
- 3 The Additional Obligor accedes to the Debenture with effect from the date of this Deed as a Obligor as if it were named in the Debenture as a Obligor (but so that the security created on this accession will be created on the date of this Deed).
- 4 Without prejudice to the generality of paragraph 3 above:
 - (a) all security created under this Deed is in favour of the Lender and is security for the payment, discharge and performance of the Secured Liabilities; and
 - (b) all security created under this Deed is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 5 The Borrower for itself, and as agent for the Obligors under the Debenture, agrees to all matters provided for in this Deed.
- 6 The Additional Obligor acknowledges that other persons may be added to, or released from, the Debenture without the Additional Obligor's consent.
- 7 The Debenture continues in full force and effect and the Debenture and this Accession Deed shall be read and construed as one document.
- 8 A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 9 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

EXECUTION PAGE TO ACCESSION DEED TO THE DEBENTURE

The Additional Obligor

Signed as a Deed by [•] **LIMITED** acting by a director
in the presence of:



.....
Director

Witness signature

Name
(in block capitals)

Address

The Borrower

Signed as a Deed by **MERSTEN LIMITED** acting by a
director in the presence of:



.....
Director

Witness signature

Name
(in block capitals)

Address

EXECUTION PAGES TO THE DEBENTURE

The Borrower

Signed as a Deed by **MERSTEN LIMITED** acting by a director in the presence of:

LA
[Redacted Signature]

Director

Witness signature

[Redacted Signature]

Name
(in block capitals)

KORALIA KUBOWICZ

Address

[Redacted Address]

The Obligors

Signed as a Deed by **MSL (33) LTD** acting by a director in the presence of:

[Redacted Signature]

Director

Witness signature

[Redacted Signature]

Name
(in block capitals)

KORALIA KUBOWICZ

Address

[Redacted Address]

Signed as a Deed by MSL (49) LTD acting by a director
in the presence of:



Director

Witness signature



Name
(in block capitals)

KORALIA KUBOWICZ

Address



Signed as a Deed by MSL (46) LTD acting by a director
in the presence of:



Director

Witness signature



Name
(in block capitals)

KORALIA KUBOWICZ

Address



Signed as a Deed by **MSL (48) LTD** acting by a director
in the presence of:


Director

Witness signature

Name
(in block capitals)


KORALIA KUBOWICZ

Address



Signed as a Deed by **MSL (61) LIMITED** acting by a
director in the presence of:


Director

Witness signature

Name
(in block capitals)


KORALIA KUBOWICZ

Address



Signed as a Deed by MSL (52) LTD acting by a director
in the presence of:



Director

Witness signature



Name
(in block capitals)

KORALIA KUBOLIC

Address



The Lender

Signed for and on behalf of Metro Bank Plc)
acting by its duly authorised signatory)
)
)



Signature of witness:



Name of witness:

Address of witness:

Occupation of witness:

.....
MARK WELLING
Metro Bank PLC
One Southampton Row
London
WC1B 5HA
BANK OFFICIAL