



Registration of a Charge

Company name: **BRUNEL MARKETPLACE LIMITED**

Company number: **09709627**



X4JCV0GA

Received for Electronic Filing: **03/11/2015**

Details of Charge

Date of creation: **15/10/2015**

Charge code: **0970 9627 0001**

Persons entitled: **MACKINNON SPV2 LLP**

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CLAIRE COBB**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9709627

Charge code: 0970 9627 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th October 2015 and created by BRUNEL MARKETPLACE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd November 2015 .

Given at Companies House, Cardiff on 4th November 2015

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

15/10/

2015

BRUNEL MARKETPLACE LIMITED

And

MACKINNON SPV2 LLP

DEBENTURE

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THIS DEED is dated

2015

PARTIES

- (1) Brunel Marketplace Limited a company registered in England and Wales with company number: 09709627 whose registered office is situated at Ardmail House, 2 Union Road, Cowes, Isle of Wight, PO31 7TP (Borrower); and
- (2) Mackinnon SPV2 LLP a company registered in England and Wales with company number: OC366525 whose registered office is situated at Ardmail House, 2 Union Road, Cowes, Isle of Wight, PO31 7TP (Lender).

BACKGROUND

- (A) The Borrower has issued the Loan Notes.
- (B) This debenture provides security which the Borrower has agreed to give the Lender in connection with the Loan Notes.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this debenture the definitions and rules of interpretation in this clause apply.

"Administrator"	an administrator appointed to manage the affairs, business and property of the Borrower pursuant to paragraph 15 of Schedule 3.
"Business Day"	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.
"Charged Property"	all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Property include references to any part of it).
"Costs"	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"	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"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 the Borrower, including any part of it and all spare parts, replacements, modifications and additions.
"Financial Collateral"	shall have the meaning given to that expression in the Financial Collateral Regulations.
"Financial Collateral Regulations"	the Financial Collateral Arrangements (No. 2) Regulations 2003 (<i>SI 2003/3226</i>).
"Investments"	all and any investments held by the Borrower in any body corporate or otherwise.
"Loan Note Instrument"	the instrument of even date issued by the Borrower and constituting the Loan Note.
"Loan Notes"	the £600,000 variable rate 5 year secured loan notes constituted by the Loan Note Instrument.
"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 the Borrower or in which the Borrower holds an interest and "Property" means any of them.
"Receiver"	a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 3.
"Secured Liabilities"	all present and future monies, obligations and liabilities owed by the Borrower to the Lender, and/or in any other capacity whatsoever, under or in connection with the Loan Notes or this debenture (including, without limitation, those arising under clause 11.3) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.
"Security Financial Collateral Arrangement"	shall have the meaning given to that expression in the Financial Collateral Regulations.
"Security Period"	the period starting on the date of this debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

Unless the context otherwise requires, in this debenture:

- 1.2.1 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 debenture;
- 1.2.2 a reference to one gender includes a reference to the other genders;
- 1.2.3 words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause or Schedule of or to this debenture;
- 1.2.5 a reference to this debenture (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- 1.2.6 a reference to a person shall be construed as including a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person;
- 1.2.7 a reference to an amendment includes a supplement, variation, novation or re-enactment (and "amended" shall be construed accordingly);
- 1.2.8 a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.9 a reference to an authorisation includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- 1.2.10 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, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
- 1.2.11 the headings do not form part of this debenture or any part of it and do not affect its interpretation.

1.3 Clawback

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

1.4 Nature of security over real property

A reference in this debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:

- 1.4.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- 1.4.2 the proceeds of sale of any part of that property; and
- 1.4.3 the benefit of any covenants for title given or entered into by any predecessor in title of the Borrower in respect of that property or any monies paid or payable in respect of those covenants.

1.5 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 Loan Note Instrument and of any side letters between any parties in relation to the Loan Note Instrument are incorporated in this debenture.

1.6 Insolvency Act 1986

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this debenture.

2. COVENANT TO PAY

The Borrower shall on demand pay to the Lender and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 Charging clause

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:

3.1.1 charges to the Lender, by way of first fixed charge:

- 3.1.1.1 all Properties acquired by the Borrower in the future;
- 3.1.1.2 all present and future interests of the Borrower not effectively mortgaged or charged under the preceding provisions of this clause 3 in or over freehold or leasehold property;
- 3.1.1.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
- 3.1.1.4 all licences, consents and authorisations, statutory or otherwise held or required in connection with the Borrower's business or the use of any Charged Property and all rights in connection with them;
- 3.1.1.5 all present and future goodwill and uncalled capital for the time being of the Borrower; and
- 3.1.1.6 all Equipment; and

3.1.2 charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.1.

3.2 Automatic conversion of floating charge

The floating charge created by clause 3.1.2 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

3.2.1 the Borrower:

3.2.1.1 creates, or attempts to create, over all or any part of the Charged Property an Encumbrance without the prior written consent of the Lender or any trust in favour of another person; or

3.2.1.2 disposes or attempts to dispose of all or any part of the Charged Property (other than property subject only to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or

3.2.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or

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

3.2.4 the Lender receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower.

3.3 Conversion of floating charge by notice

The Lender may in its sole discretion at any time by written notice to the Borrower convert the floating charge created under this debenture into a fixed charge as regards any part of the Charged Property specified by the Lender in that notice.

3.4 Assets acquired after any floating charge crystallisation

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this debenture 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.

4. LIABILITY OF BORROWER

4.1 Liability not discharged

The liability of the Borrower under this debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 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

4.1.2 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

4.1.3 any other act or omission which but for this provision might have discharged or otherwise prejudiced or affected the liability of the Borrower.

4.2 Immediate recourse

The Borrower 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 debenture against the Borrower.

5. COVENANTS

The Borrower covenants with the Lender during the continuance of the security constituted by this debenture in the terms set out in Schedule 1.

6. POWERS OF THE LENDER

The Lender shall have the powers set out in Schedule 2.

7. ENFORCEMENT

7.1 Enforcement events

The security constituted by this debenture shall be immediately enforceable in any of the circumstances set out in paragraph 1 of Schedule 3. The parties to this debenture agree that the provisions of Schedule 4 shall apply to this debenture and shall be binding between them.

7.2 Receiver's powers

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 4.

7.3 Right of appropriation

To the extent that the Charged Property constitutes Financial Collateral and this debenture and the obligations of the Borrower hereunder constitute a Security Financial Collateral Arrangement, the Lender shall have the right, at any time after the security constituted this debenture has become enforceable, to appropriate all or any of that Charged Property 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 Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender may select (including independent valuation). The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

8. COSTS AND INDEMNITY

8.1 Costs

The Borrower 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:

- 8.1.1 this debenture or the Charged Property;
- 8.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or the Receiver's rights under this debenture
- 8.1.3 suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this debenture or the Secured Liabilities) together with, in the case of clause 8.1.2 and 8.1.3, interest on the amount due at the default rate if any such default rate is specified in the Loan Note Instrument.

8.2 Indemnity

The Lender and any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 8.2.1 the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this debenture; or
- 8.2.2 any matter or thing done or omitted to be done in relation to the Charged Property under those powers; or
- 8.2.3 any default or delay by the Borrower in performing any of its obligations under this debenture.

9. RELEASE

9.1 Release

Subject to clause 11.3, upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this debenture.

10. ASSIGNMENT AND TRANSFER

10.1 Assignment by Lender

The Lender may at any time, without the consent of the Borrower, assign or transfer the whole or any part of the Lender's rights and/or obligations under this debenture to any person.

10.2 Assignment by Borrower

The Borrower may at any time, without the consent of the Lender, assign or transfer the whole or any part of its rights or transfer any of its obligations under this debenture to any person.

11. FURTHER PROVISIONS

11.1 Independent security

This debenture shall be in addition to and independent of every other security or guarantee which the Lender may at any time hold for any of the Secured Liabilities and no prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this debenture.

11.2 Continuing security

This debenture shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever, unless and until the Lender discharges this debenture in writing.

11.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional upon no payment or security received by the Lender 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 and, notwithstanding any such release, discharge or settlement:

11.3.1 the Lender or its nominee shall be at liberty to retain this debenture and the security created by or pursuant to this debenture, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Lender shall deem necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

11.3.2 the Lender shall be entitled to recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

11.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

11.5 Rights cumulative

The rights and powers of the Lender conferred by this debenture 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.

11.6 Waivers

Any waiver or variation of any right by the Lender (whether arising under this debenture 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.

11.7 Further exercise of rights

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 debenture or constitute a suspension or variation of any such right or power.

11.8 Delay

No delay or failure to exercise any right or power under this debenture shall operate as a waiver.

11.9 Single or partial exercise

No single or partial exercise of any right under this debenture shall prevent any other or further exercise of that or any other such right.

11.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this debenture.

11.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture 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.

11.12 Counterparts

This debenture 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.

11.13 Third party rights

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 debenture.

11.14 Perpetuity period

If the rule against perpetuities applies to any trust created by this debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

12. NOTICES

12.1 Service

Any notice or other communication given under this debenture shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post or to the address and for the attention of the relevant party as set out in Schedule 6 or such other address as may be notified in writing from time to time by the relevant party to the other party.

12.2 Receipt

Receipt of any notice, given under clause 12.1 above, shall be deemed to be:

12.2.1 If delivered personally, at the time of delivery; or

12.2.2 In the case of pre-paid first-class letter, 48 hours from the date of posting,

but if deemed receipt occurs:

12.2.2.1 before 9:00 am on a Business Day, the notice shall be deemed to have been received at 9:00 am on that day; or

12.2.2.2 after 5:00 pm on a Business Day or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.

12.3 Proof of service

In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in Schedule (or as otherwise notified by that party under clause 12.1 above) and delivered either:

12.3.1 to that address, or

12.3.2 into the custody of the postal authorities as a pre-paid first-class letter.

12.4 E-mail and fax invalid

Notice given under this debenture shall not be validly served if sent by e-mail or by fax.

13. GOVERNING LAW AND JURISDICTION

13.1 Governing law

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

13.2 Jurisdiction

The parties to this debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower 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.

13.3 Other service

The Borrower irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this debenture relating to service of notices. Nothing contained in this debenture shall effect the right to serve process in any other manner permitted by law.

THIS DEED HAS BEEN ENTERED INTO ON THE DATE STATED AT THE BEGINNING OF IT.

Schedule 1

Part 1 General covenants

1. Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

- 1.1.1 create, purport to create or permit to subsist any Encumbrance on, or in relation to, any Charged Property other than any Encumbrances created by this debenture or any security existing at the date hereof; or
- 1.1.2 sell, assign, 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 Charged Property, except for the disposal in the ordinary course of business of any of the Charged Property subject to the floating charge created under this debenture; or
- 1.1.3 create or grant (or purport to create or grant) any interest in any Charged Property in favour of a third party; or
- 1.1.4 declare and/or pay any distribution by way of dividend to its shareholders (whether out of distributable profits, capital or otherwise).

2. Preservation of Charged Property

- 2.1 The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture

2.2 Enforcement of rights

The Borrower shall use its best endeavours to:

- 2.2.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties; and
- 2.2.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Lender may require from time to time.
- 2.2.1 of the Borrower's rights and interests under such accounts.

3. Further assurance

The Borrower shall, at its own cost:

- 3.1.1 prepare and execute, in favour of the Lender and in such form as the Lender may reasonably require, such further mortgages, charges or transfers of or over all or any part of the Charged Property as the Lender may, in its absolute discretion, require from time to time; and

3.1.2 give all notices, orders and directions which the Lender may require, in its absolute discretion, for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

4. Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this debenture).

Part 2 Book Debts, insurance

and Assigned Agreements covenants

1. Preservation of Book Debts

The Borrower shall not release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

2. Realising Book Debts

The Borrower shall:

- 2.1.1 as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender;
- 2.1.2 not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any Designated Account; and
- 2.1.3 if called on to do so by the Lender, execute a legal assignment of the Book Debts to the Lender on such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

3. Assigned Agreements

The Borrower shall not, without the prior written consent of the Lender:

- 3.1.1 waive any of its rights under any Assigned Agreement; or
- 3.1.2 supplement, amend, novate, terminate or permit termination of any Assigned Agreement.

Part 3 Property covenants

1. Maintenance and Insurance

The Borrower shall:

- 1.1.1 keep all buildings and all fixtures on each Property in good and substantial repair and condition;
- 1.1.2 insure, and keep insured, those buildings and fixtures with such insurer and against such risks, in such amounts and otherwise on such terms as the Lender may require (or, failing such requirement, in accordance with the practice in respect of items of the same type which are current amongst prudent businessmen from time to time); and
- 1.1.3 procure that the interest of the Lender is noted on all those insurance policies or, at the option of the Lender, that those insurance policies are issued in the joint names of the Lender and the Borrower.

Part 4 Investment covenants

1. Registration of Investments

1.1 The Borrower shall:

- 1.1.1 terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of any Investments and, pending that termination, procure that any person so nominated:
 - 1.1.1.1 does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and
 - 1.1.1.2 immediately on receipt, forward to the Lender all communications or other information received in respect of any Investments for which it has been so nominated; and
- 1.1.2 at the direction of the Lender, immediately execute and deliver to the Lender all transfers and other documents, and do all such things, as may be necessary or desirable to register all or any of the Investments in the name of the Lender or its nominee.

1.2 During the Security Period, the Borrower shall not exercise any rights under sections 145 and 146 of the Companies Act 2006 to nominate any person in respect of any of the Investments.

2. Additional registration obligations

The Borrower shall:

- 2.1.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association of any issuer that is not a public company or otherwise, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of this debenture; and
- 2.1.2 procure the amendment of the share transfer provisions of the articles of association of each issuer that is not a public company in such manner as the Lender may require in order to permit such a transfer.

3. Dividends and voting rights post enforcement

After the security constituted by this debenture has become enforceable:

- 3.1.1 all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held by the Borrower on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, shall be retained by the Lender; and
- 3.1.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Lender and the Borrower shall, and shall procure that its nominees shall, comply with any directions the Lender may give, in its absolute discretion, concerning the exercise of those rights and powers.

4. Calls on Investments

The Borrower shall duly and promptly pay all calls, instalments and other monies that may be payable from time to time in respect of the Investments. The Borrower acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other monies.

5. No alteration of Investments

The Borrower shall not, without the prior written consent of the Lender, amend, or agree to the amendment of, the memorandum or articles of association, or any other constitutional documents, of any issuer that is not a public company, or the rights or liabilities attaching to any of the Investments.

6. Preservation of Investments

The Borrower shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer that is not a public company shall not:

- 6.1.1 consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way;
- 6.1.2 issue any new shares or stock; or
- 6.1.3 refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Lender or the Borrower in accordance with this debenture.

7. Investments information

The Borrower shall send to the Lender copies of all notices, circulars, reports, accounts and other documents, which are sent to holders of any Investments, promptly following receipt.

Part 5 Equipment covenants

1. Maintenance of Equipment

The Borrower shall:

- 1.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear); and
- 1.1.2 not permit any Equipment to be:
 - 1.1.2.1 used or handled other than by properly qualified and trained persons; or
 - 1.1.2.2 overloaded or used for any purpose for which it is not designed or reasonably suitable.

2. Equipment Insurance

The Borrower shall:

- 2.1.1 at its own expense, procure that the Charged Property is covered and kept covered by insurance of a kind satisfactory to the Lender with insurers approved by the Lender (such approval not to be unreasonably withheld) for full comprehensive insurance cover, which shall include (but not be limited to) fire, theft and accident, for an amount that is not less than the aggregate cost of reinstating or replacing the Charged Property;
- 2.1.2 if the Lender so requires, procure that the interest of the Lender is noted on all such insurance policies or, at the option of the Lender, that such insurance policies are issued in the joint names of the Lender and the Borrower; and
- 2.1.3 maintain insurance for third party liabilities in such amount, and on such terms, as is usual for the Charged Property.

Part 6 Intellectual Property covenants

1. Preservation of rights

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

2. Registration of Intellectual Property

The Borrower shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.

3. Maintenance of Intellectual Property

The Borrower shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

Schedule 2

Powers of Lender

1. Power to dispose of chattels

At any time after the security constituted by this debenture shall have become enforceable, the Lender or any Receiver:

1.1.1 may dispose of any chattels or produce found on any Property as agent for the Borrower; and

1.1.2 without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal.

2. Power to remedy

The Lender shall be entitled at any time after the security constituted by this debenture shall have become enforceable (but shall not be bound) to remedy a breach at any time by the Borrower of any of its obligations contained in this debenture and the Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose.

3. Exercise of rights

The rights of the Lender under paragraph 2 of this Schedule 2 are without prejudice to any other rights of the Lender under this debenture and the exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

4. Indulgence

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 debenture (whether or not such person or persons are jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this debenture or to the liability of the Borrower for the Secured Liabilities.

Schedule 3

Enforcement

1. Enforcement events

This debenture shall be enforceable if there is an Event of Default under the Loan Note Instrument and such event (whether or not the event is continuing), without prejudice to any other rights of the Lender, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and the Lender may in its absolute discretion enforce all or any part of the security created by this debenture as it sees fit.

2. Statutory power of sale

The powers of sale conferred upon mortgagees under the Law of Property Act 1925 shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this debenture, but the Lender shall not exercise such power of sale until the security constituted by this debenture has become enforceable under paragraph 1 of this Schedule 3.

3. Extension of statutory powers

The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Lender under this debenture and are extended so as to authorise the Lender whether in its own name or in that of the Borrower to make any lease or agreement for lease, accept surrenders of lease or grant any option of the whole or any part or parts of the freehold and leasehold property of the Borrower with whatever rights relating to other parts of it and containing whatever covenants on the part of the Borrower and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender thinks fit (acting reasonably).

4. Protection of third parties

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

4.1.1 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

4.1.2 to see to the application of any money paid to the Lender or any Receiver.

5. No liability as mortgagee in possession

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 Property 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 Property for which a mortgagee in possession might as such be liable.

6. Appointment of Receiver

6.1 At any time after the security constituted by this debenture has become enforceable, or at the request of the Borrower, the Lender may without further notice:

6.1.1 appoint by way of deed, or otherwise in writing, any one or more person or persons to be a receiver or a receiver and manager of all or any part of the Charged Property; and

6.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time by way of deed, or otherwise in writing, remove any person appointed to be Receiver and may in like manner appoint another in his place.

Where more than one person is appointed Receiver, they will have power to act separately (unless the appointment by the Lender specifies to the contrary).

6.2 The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this debenture which shall be due and payable immediately upon its being paid by the Lender.

7. Powers additional

7.1 The powers of sale and appointing a Receiver conferred by this debenture shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the Law of Property Act 1925 or otherwise.

7.2 The power to appoint a Receiver (whether conferred by this debenture or by statute) shall be and remain exercisable by the Lender notwithstanding any prior appointment in respect of all or any part of the Charged Property.

8. Agent of the Borrower

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

9. Powers of Receiver

Any Receiver appointed by the Lender under this debenture shall in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986 have power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and in particular the powers set out in Schedule 4.

10. Order of application of proceeds

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

10.1.1 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);

10.1.2 second in paying the remuneration of any Receiver (as agreed between him and the Lender);

10.1.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Lender shall determine; and

10.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

11. Section 109(8) Law of Property Act 1925

Neither the Lender nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 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 as between any of the Secured Liabilities.

12. Suspense account

All monies received by the Lender or a Receiver under this debenture may, at the discretion of the Lender or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower and may be held in such account for so long as the Lender or Receiver thinks fit.

13. Power of attorney

By way of security the Borrower irrevocably appoints the Lender and every Receiver separately to be the attorney of the Borrower and in its name and on its behalf and as its act and deed to execute any documents, and do any acts and things which:

13.1.1 the Borrower is required to execute and do under this debenture; and/or

13.1.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on the Lender or any Receiver.

14. Ratification of acts of attorney

The Borrower 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 paragraph 13 of this Schedule 4.

15. Appointment of an Administrator

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

15.2 Any appointment under this paragraph 15 shall:

15.2.1 be in writing signed by a duly authorised signatory of the Lender, and

15.2.2 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.

15.3 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 paragraph 15 and appoint under that paragraph a replacement for any Administrator whose appointment ends for any reason.

Schedule 4

Further powers of Receiver

1. To repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties.

2. To surrender leases

A Receiver may grant or accept surrenders of any leases or tenancies affecting the Properties upon such terms and subject to such conditions as he thinks fit.

3. To employ personnel and advisors

A Receiver may provide services and employ, or engage, such managers contractors and other personnel and professional advisors on such terms as he deems expedient.

4. To charge remuneration

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him which is reasonable within the marketplace.

5. To realise Charged Property

A Receiver may collect and get in the Charged Property in respect of which he is appointed or any part thereof and for that purpose make such demands and take any proceedings as may seem expedient and to take possession of the Charged Property with like rights.

6. To manage or reconstruct the Borrower'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 the Borrower.

7. To dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Borrower in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Borrower) and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a company to purchase the property to be sold.

8. To make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient acting reasonably.

9. To improve Equipment

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

10. To appoint staff and agents

A Receiver may 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.

11. To insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity contained in clause 8, effect with any insurer any policy or policies of insurance either in lieu or satisfaction of, or in addition to, such insurance.

12. Law of Property Act 1925

A Receiver may 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.

13. To borrow

A Receiver may for any of the purposes authorised by this Schedule 5 raise money by borrowing from the Lender or from any other person on the security of all or any of the Charged Property in respect of which he is appointed upon such terms (including if the Lender shall consent to terms under which such security ranks in priority to this debenture) as he shall think fit having due regard to the commercial marketplace.

14. Incidental powers

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 4 or which he lawfully may or can do as agent for the Borrower.

15. Scope of powers

Any exercise of any of these powers maybe on behalf of the Borrower or himself.

Schedule 5

Notice details

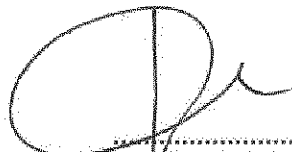
The Borrower:

Brunel Marketplace Limited
Ardmair House
2 Union Road
Cowes
Isle of Wight
PO31 7TP

The Lender:

Mackinnon SPV2 LLP
Ardmair House
2 Union Road
Cowes
Isle of Wight
PO31 7TP

Executed as a deed by Brunel Marketplace Limited
acting by [John] a director
Mackinnon


.....
Director

In the presence of C. HOLE

Witness signature Chen

Name


Address

8 Creek Gardens
Wootton, 15W. PO53 4JX

Occupation

Corporate Finance Manager

Executed as a deed by Mackinnon SPV2 LLP
acting by [John] a director
Mackinnon


.....
Member

In the presence of

Witness signature Chen

Name C. HOLE

Address

8 Creek Gardens
Wootton, 15W. PO53 4JX

Occupation

Corporate Finance Manager