



Registration of a Charge

Company name: **GAINSBOROUGH 5 LIMITED**

Company number: **10080647**



X5MG7H5L

Received for Electronic Filing: **23/12/2016**

Details of Charge

Date of creation: **19/12/2016**

Charge code: **1008 0647 0003**

Persons entitled: **PAUL ANTROBUS
APOLLO BETTING AND GAMING LTD**

Brief description: **ALL THOSE LEASEHOLD PROPERTIES SITUATE AT 2 LIANA HOUSE
380-398 BILSTON ROAD WOLVERHAMPTON WV2 2PD**

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: **SANDRA CONNOR**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10080647

Charge code: 1008 0647 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2016 and created by GAINSBOROUGH 5 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2016 .

Given at Companies House, Cardiff on 28th December 2016

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated:

19th DECEMBER

2016

EQUITABLE CHARGE

GAINSBOROUGH 5 LIMITED

and

APOLLO BETTING AND GAMING LTD AND PAUL ANTROBUS

THIS EQUITABLE CHARGE is made as a Deed on

19th DECEMBER

2016

Between

- (1) **GAINSBOROUGH 5 LIMITED** (Co. Registration No: 10080647) and whose registered office is at 19b School Road, Sale, Cheshire, M33 7XX (**'the Borrower'**).
- (2) **PAUL ANTROBUS** of 246 Upton Lane, Widnes WA8 9AJ and **APOLLO BETTING and GAMING LTD** (Co. Registration No: 07557257) and whose registered office is at Select Security Stadium, Lower House Lane, Widnes, Cheshire WA8 7DZ (**'the Lender'**).

It is agreed

1 DEFINITIONS AND INTERPRETATION

1.1 In this Deed:

"Charged Assets" means the goodwill, property and assets of the Borrower charged or assigned by this Deed and includes any part thereof and any interest therein;

"Facility Letter" means the agreement dated on or around the date of this Deed and made between the Borrower and the Lender;

"Finance Documents" means the Facility Letter, this Deed and any other document designated by the Borrower and the Lender as a Finance Document;

"Insolvency Act" means the Insolvency Act 1986 (as amended);

"LPA" means the Law of Property Act 1925;

"Property" means the property and or properties described in the Schedule;

"Receiver" means each and every person or persons appointed under clause 7 as a receiver and/or manager or receivers and/or managers and includes an administrative receiver;

"Rental Payments" means all rents, profits, income, fees and other sums at any time payable by any lessees, tenants or licensees of the Property except any sums payable in respect of services or insurances provided by the Borrower in relation to the Property;

"Secured Liabilities" means all and any moneys, obligations and liabilities now or in the future due owing or incurred by the Borrower to the Lender in whatever currency denominated whether actually or contingently and whether alone or jointly with any other person and whether as principal or surety under the Finance Documents including all interest, commissions, fees and all legal and other costs, charges and expenses which the Lender may charge the Borrower or incur under any Finance Document.

1.2 In this Deed:

- (a) capitalised terms defined in the Facility Letter have, unless expressly defined in this Deed, the same meaning in this Deed;
- (b) headings to clauses are for convenience only and have no legal effect; and references to clauses and schedules are to clauses and schedules of this Deed unless otherwise stated;
- (c) the expressions the "**Borrower**" and the "**Lender**" shall where the context admits include their respective successors and assignees whether immediate or derivative;
- (d) words importing the singular number only include the plural and vice-versa and where there are two or more persons included in the expression the "**Borrower**":
 - (i) references to the Borrower are references to respectively all or any of them as the context may require;
 - (ii) the liabilities of such persons shall be joint and several;
- (e) where the "**Borrower**" are the trustees of an unincorporated association, the covenants and obligations entered into by the Borrower will bind the trustees and the members of such association from time to time and the assets of such association, but without making the trustees personally liable beyond the extent of the assets under their control;
- (f) references to any provisions of this Deed or to any other document or agreement are to be construed as references to those provisions or that document or agreement as is in force for the time being and as amended, varied, supplemented, substituted or novated from time to time;
- (g) references to "**person**" shall mean any person, firm, body corporate or unincorporated body of persons, an association, a trust or any other entity or organisation including a government or political sub-division or an agency or instrument thereof;
- (h) a provision of law is a reference to that provision as amended or re-enacted; and
- (i) in the event of any conflict between the terms of the Facility Letter and the terms of this Deed, the terms of the Facility Letter shall prevail.

2 COVENANT TO PAY

- 2.1 The Borrower covenants with the Lender that it will pay to the Lender and discharge all Secured Liabilities when the same shall be or become due in accordance with the terms of the Finance Documents.

- 2.2 The Borrower shall pay to the Lender interest on the Secured Liabilities to the date of actual payment or discharge (notwithstanding any demand or judgment or the liquidation or administration of the Borrower or any arrangement or composition with creditors by the Borrower) in accordance with the terms of the Facility Letter.

3 CHARGING CLAUSE

- 3.1 The Borrower hereby charges in favour of the Lender as a continuing security for the payment of the Secured Liabilities:

- (a) by way of equitable charge the Property together with all buildings and fixtures (including trade and tenant's fixtures belonging to it) at any time thereon; and
- (b) if the Borrower is a company or a society registered under any of the Industrial and Provident Society Acts, by way of floating charge all loose plant and machinery and other chattels and equipment now or in the future in, on or about the Property.

- 3.2 The Borrower hereby assigns to the Lender as a continuing security for the payment of the Secured Liabilities, and subject to reassignment to the Borrower upon full and unconditional payment or discharge of the Secured Liabilities:

- (a) the goodwill of the business (if any) carried on at or from the Property by or on behalf of the Borrower;
- (b) the proceeds of any insurance from time to time affecting the Property or the Charged Assets;
- (c) the Rental Payments, together with the benefit of all rights and remedies of the Borrower relating to them;
- (d) all of its right, title and interest in
 - (i) any agreement now or from time to time entered into by the Borrower with any lessees, tenants or licensees of the Property and with any guarantors in respect of the obligations of any such lessee, tenant or licensee; and
 - (ii) any security now or from time to time held by the Borrower in respect of the obligations of any such lessee, tenant, licensee or guarantor.

- 3.3 The Borrower hereby covenants that it will not without the prior consent in writing of the Lender:

- (a) create or attempt to create or permit to subsist any mortgage, debenture, charge (whether fixed or floating) or pledge upon or permit any lien or other encumbrance whether at law or in equity (save a lien arising by operation of law in the ordinary course of trading) to arise on or affect the Charged Assets or any of them; or

- (b) part with possession, transfer, sell, lease or otherwise dispose of the Charged Assets or any of them or attempt or agree so to do.

3.4 The Borrower hereby consents to an application being made to the Land Registry to enter an Agreed Notice against the registered title(s) of its Property.

4 COVENANTS BY THE BORROWER

4.1 The covenants in this clause 4 shall remain in force during the continuance of this security.

4.2 The Borrower shall observe and perform all restrictive and other covenants and stipulations from time to time affecting the Property or the mode of user or enjoyment of the same and not without the prior consent in writing of the Lender enter into any onerous or restrictive obligations affecting any such property or make any structural or material alteration thereto or do or suffer to be done on any such property anything which is a development within the meaning of the legislation relating to town and country planning from time to time and any orders and regulations thereunder nor do or suffer or omit to be done any act matter or thing whereby any provision of any Act of Parliament order or regulation from time to time in force affecting any such property is infringed.

4.3

- (a) The Borrower shall keep the Property in good and substantial repair and in good working order and condition and not pull down or remove or sell or otherwise dispose of any of the same without the prior consent in writing of the Lender except in the ordinary course of use repair maintenance or improvement.
- (b) If the Borrower is at any time in default in complying with this covenant the Lender shall be entitled but not bound to repair and maintain the same with power for the Lender its agents and their respective employees to enter the Property for that purpose or to inspect the same and any sum so expended by the Lender shall be repayable by the Borrower to the Lender on demand.

4.4

- (a) The Borrower shall:
 - (i) at its own expense insure and keep insured all the Charged Assets of an insurable nature with insurers previously approved by the Lender in writing against:
 - (A) loss or damage by fire civil commotion explosion subterranean fire earthquake subsidence land-slip heave aircraft (and articles dropped therefrom) and other aerial devices flood storm lightning burst pipes theft malicious damage impact terrorism; and

(B) such other risks and contingencies as the Lender shall from time to time request,

to the full replacement cost thereof from time to time including architects surveyors engineers and all other professional fees and demolition charges together with full provision for estimated inflation and loss of rent for three years either in the joint names of the Borrower and the Lender (with waiver of premiums payable by the Lender) or in such other manner to the satisfaction of the Lender;

- (ii) maintain such other insurance policies either in the joint names of the Borrower and the Lender (with waiver of premiums payable by the Lender) or in such other manner to the satisfaction of the Lender as a prudent person in the same business as the Borrower would effect;
- (iii) duly pay within one week of the same becoming due all premiums and other moneys necessary for effecting and keeping up such insurances and on demand produce to the Lender the policies of such insurance and proof of such payments failing which the Lender may take out or renew such insurances in any sum which the Lender may think expedient and all moneys expended by the Lender under this provision shall be reimbursed by the Borrower on demand; and
- (iv) pay or arrange to pay all moneys to be received by virtue of any insurance relating to the Charged Assets maintained or effected by the Borrower (whether or not in pursuance of the obligations hereunder) and which are hereby charged to and shall be paid to the Lender (or if not paid by the insurers directly to the Lender held on trust for the Lender) and shall (except where otherwise required by law or by any lease affecting all or any of the Charged Assets) at the option of the Lender be applied in replacing restoring or reinstating the property or assets destroyed damaged or lost (any deficiency being made good by the Borrower) or in reduction of the moneys obligations and liabilities hereby secured,

provided that in the case of leasehold property if at all times the interest of the Lender is noted on the policies of insurance and they give cover against such risks as the Lender shall require and all contain in favour of the Lender such provisions for the protection of the Lender as the Lender may reasonably require and insurance is to the full replacement cost of the Charged Assets the Lender will accept in compliance with the terms of clause 4.4(a) of this Deed the insurance maintained in accordance with the lease under which the Borrower holds the Charged Assets.

- (b) Each such insurance policy effected in accordance with paragraphs (a)(i) and (ii) above shall contain such provisions for the protection of the Lender as the Lender may reasonably require to avoid the interest of the Lender being prejudiced by any act of the Borrower or of any occupier.

- 4.5 The Borrower shall within seven days of receipt send to the Lender copies of any notice or order or proposal issued or sent to the Borrower by any local or other authority whether under town and country planning legislation, environmental legislation or otherwise relating to the Property and without delay comply with any such notice or order and at the request of the Lender make or join with the Lender in making such objections or representations against or in respect of any such notice order or proposal as the Lender shall consider expedient and any compensation received by the Borrower as a result of any such notice or order shall be charged to and paid to the Lender and be applied in reduction of the moneys obligations and liabilities hereby secured.
- 4.6 The Borrower shall punctually pay and indemnify the Lender and any Receiver appointed by it against all existing and future rent rates taxes duties charges assessments impositions and outgoings whatsoever (whether imposed by agreement statute or otherwise and whether in the nature of capital or revenue and even if wholly novel) now or at any time during the continuance of this security payable in respect of the Property or any part thereof or by the owner or occupier thereof. Any such sums paid by the Lender or by any such Receiver shall be repaid by the Borrower on demand.
- 4.7 The Borrower shall not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the Charged Assets or any of them nor permit any person to become entitled to any proprietary right or interest which might affect the value of the Property or any part thereof.
- 4.8 The Borrower shall not (without the prior consent in writing of the Lender):
- (a) permit any person to be registered as proprietor under the Land Registration Act 2002 (**LRA**) of the Property or any part thereof or interest therein;
 - (b) permit any person to become entitled to any proprietary right or interest which might affect the value of any land fixtures or fixed plant and machinery hereby charged;
 - (c) create or permit to arise any unregistered interests which override either:
 - (i) first registration under Section 1 of LRA; or
 - (ii) any unregistered interests which override registered dispositions under Section 3 of LRA.

- 4.9 The Borrower shall deposit with the Lender and permit the Lender during the continuance of this security to hold and retain all deeds and documents of title and insurance policies relating to the Property and such other documents relating to the Property as the Lender may from time to time require.
- 4.10 If the Property is a leasehold property, the Borrower shall:
- (a) pay the rents reserved by and generally observe and perform the terms covenants stipulations and conditions on the part of the tenant contained in the lease under which the Borrower holds the Property and use its best endeavours to procure the observance and performance by the landlord under the said lease of the terms covenants stipulations and conditions on the part of the landlord;
 - (b) not (without the prior consent in writing of the Lender) vary surrender cancel assign charge or otherwise dispose of or permit to be forfeit any lease of the Property or any part thereof or agree to do so whether such lease be the lease under which the Borrower holds the said property or superior thereto or derived out of the Borrower's interest therein or agree any rent review.
- 4.11 The Borrower shall use its best endeavours to procure the making of Rental Payments and the observance and performance of the terms covenants stipulations and conditions contained in each lease, licence or any part thereof derived out of the Borrower's interest in the Property and to observe and perform the terms covenants stipulations and conditions on the part of the Borrower thereunder.

5 FURTHER ASSURANCE

The Borrower shall at any time if and when required by the Lender or any Receiver execute such further deeds, assurances, agreements, instruments and otherwise do such acts and things as the Lender or any Receiver shall from time to time require to perfect and protect the security created by this Deed or to facilitate the realisation of the Charged Assets or the exercise of the powers conferred (whether pursuant to this Deed or otherwise) on the Lender or a Receiver appointed by it such further deeds, assurances, agreements or instruments to be prepared by or on behalf of the Lender at the cost of the Borrower and to contain such clauses for the benefit of the Lender as are set out herein and such other clauses as the Lender may reasonably require.

6 POWERS OF THE LENDER

At any time after the Lender shall have demanded payment of any money or the discharge of any obligation or liability hereby secured or if requested by the Borrower the Lender may exercise without further notice and whether or not it shall have appointed a Receiver all the powers conferred on equitable mortgagees by statute or by equity as hereby varied or extended and all the powers and discretions hereby conferred either expressly or by reference on a Receiver appointed hereunder.

6.1

- (a) For the avoidance of doubt Section 91(2) of the LPA shall apply to and shall not be excluded from this Deed.
 - (b) The Borrower hereby covenants with the Lender that if in the event of default of repayment by the Borrower to the Lender of any of the monies secured by this equitable charge and which default shall occur when either:
 - (i) notice requiring payment of the equitable mortgage money has been served and the equitable mortgagor has not redeemed in full the equitable mortgage within a maximum of 3 months from the date of this deed; or
 - (ii) the interest under the equitable mortgage is in arrears, and unpaid for two months after becoming due; or
 - (iii) the equitable mortgagor has breached some provision of this Deed (other than the covenant to pay the sum due), or a relevant provision of the LPA 1925 then the Lender shall be entitled to possession of the Property in accordance with Clause 6.1 (c) below.
 - (c) In accordance with Clause 6.1 (b) above (and the subclauses (i) (ii) and (iii) thereunder) the Borrower hereby covenants with the Lender that the Lender shall be entitled to possession of the Property and Borrower hereby acknowledges that the Lender shall be at liberty to apply to the Court for an order for possession pursuant to this clause and the lender shall be at further liberty to apply to the Court for a power of sale of the property.
 - (d) The Borrower hereby further covenants with the Lender that should any of the events as described in Clause 6.1 (b) above (and the subclauses (i) (ii) and (iii) thereunder) occur then the Lender shall be at liberty to serve a notice upon any legal mortgagee of the property notifying that legal mortgagee of the Borrowers default in connection with the Borrowers obligations pursuant to this Deed.
- a. If the Lender receives notice of any subsequent mortgage charge assignment or other disposition affecting the Charged Assets or any of them or any interest therein the Lender may open a new account for the Borrower. If the Lender does not open a new account then unless the Lender gives express written notice to the contrary to the Borrower it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by or on behalf of the Borrower to the Lender shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Borrower to the Lender at the time when it received notice.
 - b. No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Lender or any Receiver appointed by it to exercise any of the powers

hereby conferred has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

7 RECEIVERS

7.1

- (a) At any time after the Lender shall have demanded payment of any money or the discharge of any obligation or liability hereby secured or if requested by the Borrower the Lender may in writing under the hand of any authorised signatory of the Lender appoint any person to be a Receiver in respect of the Charged Assets or any of them (with power to authorise any joint Receiver to exercise any power independently of any other joint Receiver) and may from time to time fix his or their remuneration and may (subject to obtaining any necessary court orders) remove any Receiver so appointed and appoint another in his place. A Receiver so appointed shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts or defaults and for his remuneration and such Receiver so appointed shall have all the powers conferred from time to time on receivers by statute and in addition power on behalf and at the cost of the Borrower (notwithstanding liquidation of the Borrower) to do or omit to do anything which the Borrower could do or omit to do in relation to the Charged Assets or any of them and in particular (but without limitation) any such Receiver may:
- (i) take possession of collect get in and give receipts binding on the Borrower for all or any of the Charged Assets and bring defend or discontinue any proceedings or submit to arbitration in the name of the Borrower or otherwise as may seem expedient to him;
 - (ii) carry on manage develop reconstruct amalgamate or diversify the business of the Borrower or any part thereof or concur in so doing; lease or otherwise acquire and develop repair or improve properties or other assets without being responsible for loss or damage and raise or borrow any money (including money for the completion with or without modification of any building in the course of construction or renovation and any development or project in which the Borrower was engaged) from or incur any other liability to the Lender with or without security on such terms as he may think fit and so that any such security may be or include a charge on the whole or any of the Charged Assets ranking in priority to this security or otherwise;
 - (iii) sell by public auction or private contract let surrender or accept surrenders grant licences or otherwise dispose of or deal with all or any of the Charged Assets or concur in so doing in such manner for such consideration and generally on such terms and conditions as he may think fit with full power to convey let surrender accept surrenders or otherwise transfer or deal with such Charged Assets in the name and on behalf of the Borrower or otherwise and so that covenants and

contractual obligations may be granted and assumed in the name of and so as to bind the Borrower (or other estate owner) if he shall consider it necessary or expedient so to do. Any such sale lease or disposition may be for cash debentures or other obligations shares stocks securities or other valuable consideration and be payable immediately or by instalments spread over such period as he shall think fit and so that any consideration received or receivable shall *ipso facto* forthwith be and become charged with the payment of all moneys obligations and liabilities hereby secured. Fixtures plant machinery fittings and equipment may be severed and sold separately from the premises containing them and the Receiver may apportion any rent and the performance of any obligations affecting the premises sold without the consent of the Borrower;

- (iv) promote the formation of companies with a view to the same becoming a subsidiary of the Borrower and purchasing or otherwise acquiring interests in all or any of the Charged Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase lease licence or otherwise acquire all or any of the Charged Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit;
- (v) make any arrangement or compromise or allow time for payment or enter into abandon disregard or cancel any contracts which he shall think expedient;
- (vi) make and effect such repairs, renewals and improvements to the Charged Assets or any part thereof as he may think fit and maintain renew take out or increase insurances;
- (vii) appoint managers, agents, officers and employees for any of such purposes or to guard or protect the Charged Assets at such salaries and commissions and for such period and on such terms as he may determine and dismiss the same;
- (viii) without any further consent by or notice to the Borrower exercise for and on behalf of the Borrower all the powers and provisions conferred on a landlord or a tenant by the Landlord and Tenant Acts 1927, 1954 1985, 1987 and 1988 the Rent Acts or the Agricultural Holdings Acts 1948 and 1986 and the Agricultural Holdings (Amendment) Act 1990) or the Agricultural Holdings (Notices to Quit) Act 1977 or any other legislation from time to time in force relating to rents or agriculture in respect of any part of the property hereby charged but without any obligation to exercise any of such powers and without any liability in respect of powers so exercised or omitted to be exercised;
- (ix) sign any document execute any deed and do all such other acts and things as may be considered by him to be incidental or conducive to any of the matters or powers aforesaid or to the realisation of the

Lender's security and use the name of the Borrower for all the above purposes; and

- (x) exercise all the powers conferred on administrative receivers by the Insolvency Act (even though he is not an administrative receiver).
- (b) All money received by the Lender or by any Receiver appointed by the Lender in the exercise of any powers conferred by this Deed shall be applied after the discharge of the remuneration and expenses of the Receiver and all liabilities having priority thereto in or towards satisfaction of such of the moneys obligations and liabilities hereby secured and in such order as the Lender in its absolute discretion may from time to time conclusively determine (save that the Lender may credit the same to a suspense account for so long and in such manner as the Lender may from time to time determine and the Receiver may retain the same for such period as he and the Lender consider expedient).
- (c) The Borrower hereby covenants with the Lender on demand to pay all costs charges and expenses incurred by the Lender or by any such Receiver or which it or he shall properly incur in or about the enforcement preservation or attempted preservation of this security or of the Charged Assets or any of them or in the exercise or purported exercise of any of the powers herein contained on a full indemnity basis. Any such Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm.
- (d) Neither the Lender nor any such Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Assets nor be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection therewith.
- (e) Any appointment or removal of a Receiver under clause 7.1 and any consents hereunder may be made or given by writing signed or sealed by any such successors or assigns and the Borrower hereby irrevocably appoints each of the same to be its Attorney in the terms and for the purposes set out in clause 9. Any reconstruction reorganisation or change in the constitution of the Lender or its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person shall not in any way affect or prejudice its rights hereunder.

8 INDEMNITY

The Borrower shall on demand indemnify both the Lender and any such Receiver against all losses actions claims expenses demands or liabilities whether in contract tort or otherwise now or hereafter incurred by it or him or by any manager agent officer or employee for whose liability act or omission it or he may be answerable for anything done or omitted in the exercise or purported exercise of the powers herein contained or occasioned by any breach by the Borrower of any of its covenants or other obligations to the Lender.

9 POWER OF ATTORNEY

The Borrower by way of security hereby irrevocably appoints the Lender and the persons deriving title under it and separately any Receiver appointed hereunder severally to be its Attorney in its name and on its behalf and as its act and deed or otherwise to execute and complete in favour of the Lender or its nominees or of any purchaser any documents which the Lender may require for perfecting its title to or for vesting the Charged Assets or any of them both present and future in the Lender or its nominees or in any purchaser and otherwise generally to sign seal deliver and otherwise perfect any such legal or other mortgage charge or assignment referred to in clause 5 and all such deeds assurances agreements and documents and to do all such acts and things as may be required for the full exercise of all or any of the powers hereby conferred or which may be deemed expedient by the Lender or the Receiver or in connection with any sale lease disposition realisation or getting in by the Lender or any such Receiver of the Charged Assets or any of them or in connection with any other exercise of any power hereunder and this appointment shall operate as a general power of attorney made under section 10 of the Powers of Attorney Act 1971. The Borrower hereby covenants with the Lender and separately with any such Receiver that on request it will ratify and confirm all deeds assurances agreements documents acts and things and all transactions entered into by the Lender or such Receiver or by the Borrower at the instance of the Lender or such Receiver in the exercise or purported exercise of its or his powers and the Borrower irrevocably acknowledges and agrees that such power of attorney is *inter alia* given to secure the performance of the obligations owed to the Lender and any such Receiver by the Borrower.

10 STATUTORY POWERS, ETC

During the continuance of this security the statutory and any other powers of leasing letting entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not in relation to the Charged Assets or any of them be exercisable by the Borrower nor shall the Borrower part with possession of the same or any part thereof nor confer any licence right or interest to occupy nor grant any licence or permission to assign underlet or part with possession of the same or any part thereof nor agree suffer or permit any variation or addition to the terms of any lease tenancy or licence without in every such case obtaining the prior consent in writing of the Lender signed by two authorised signatories of the Lender.

11 CONTINUING SECURITY

This security shall be a continuing security notwithstanding any settlement of account or other matter whatsoever and is in addition to and shall not merge with or otherwise prejudice or affect any contractual or other right or remedy or any guarantee indemnity lien pledge bill note mortgage or other security (whether created by the deposit of documents or otherwise) now or hereafter held by or available to the Lender and shall not be in any way prejudiced or affected thereby or by the invalidity thereof or by the Lender now or hereafter dealing with exchanging releasing varying or abstaining from perfecting or enforcing any of the same or any rights which it may

now or hereafter have or giving time for payment or indulgence or compounding with any other person liable.

12 CURRENCY CLAUSES

- 12.1 All moneys received or held by the Lender or by a Receiver under this Deed may from time to time after demand has been made by the Lender be converted into such other currency as the Lender considers necessary or desirable to cover the obligations and liabilities actual or contingent of the Borrower in that other currency at the then prevailing spot rate of exchange of the Lender (as conclusively determined by the Lender) for purchasing that other currency with the existing currency.
- 12.2 If the Borrower fails to pay any amount due on demand the Lender may in its absolute discretion without notice to the Borrower purchase at any time thereafter so much of any currency as the Lender considers necessary or desirable to cover the obligations and liabilities of the Borrower hereby secured in such currency at the then prevailing spot rate of exchange of the Lender (as conclusively determined by the Lender) for purchasing such currency with sterling and the Borrower hereby agrees to indemnify the Lender against the full sterling cost (including all costs charges and expenses) incurred by the Lender for such purchase.
- 12.3 No payment to the Lender (whether under any judgment or court order or otherwise) shall discharge the obligation or liability actual or contingent of the Borrower in respect of which it was made unless and until the Lender shall have received payment in full in the currency in which such obligation or liability was incurred. To the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability actual or contingent expressed in that currency the Lender shall have a further separate cause of action against the Borrower and shall be entitled to enforce the charges hereby created to recover the amount of the shortfall.
- 12.4 Neither the Lender nor any Receiver shall be liable to the Borrower for any loss resulting from any fluctuation in exchange rates before or after the exercise of any of their respective powers hereunder.

13 WARRANTIES

The Borrower warrants that:

- 13.1 it has good and marketable title to the Charged Assets and has full power and authority to grant to the Lender the security interest in the Charged Assets pursuant to this Deed and to execute deliver and perform its obligations hereunder without the consent or approval of any other person other than any consent or approval which has been obtained;
- 13.2 the Charged Assets are legally and beneficially owned by it free and clear of any third party rights and claims (save for those third party rights arising out of the rights of any first legal mortgagee) other than as created by this Deed; and

- 13.3 all its property and effects are insured in accordance with the provisions of clause 4.4 and all insurance premiums payable in respect of the relevant policies have been duly paid up to the date of this Deed.

14 MISCELLANEOUS

- 14.1 No failure or delay by the Lender in exercising any right or remedy shall operate as a waiver thereof nor shall any single or any partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy.
- 14.2 Each of the provisions of this Deed are severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid illegal or unenforceable, the validity legality and enforceability of the remaining provisions of this Deed shall not in any way be affected or impaired thereby.
- 14.3 Any demand or notice by the Lender under this Deed shall be made or given in accordance with the provisions of the Facility Letter.
- 14.4 Any notice or demand or any certificate as to the amount at any time secured hereby shall, in the absence of manifest error be conclusive and binding upon the Borrower if signed by an officer of the Lender.
- 14.5 Any release discharge or settlement between the Borrower and the Lender shall be conditional upon no security disposition or payment to the Lender by the Borrower or any other person being void set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled the Lender shall be entitled to enforce this Deed subsequently as if such release discharge or settlement had not occurred and any such payment had not been made.

15 REINSTATEMENT

- 15.1 Where any discharge is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of the Borrower under this Deed shall continue as if the discharge or arrangement had not occurred.
- 15.2 The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

16 OTHER REMEDIES

The Borrower waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from it under this Deed.

17 APPROPRIATIONS

The Lender (or any agent on its behalf) may at any time whilst any payments, liabilities and obligations secured by this Deed are outstanding:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Borrower shall not be entitled to the benefit of the same; and
- (b) hold in an interest bearing suspense account any moneys received from the Borrower or on account of the liability of the Borrower under the Finance Documents.

18 ASSIGNMENT

The Lender shall have the right to assign the whole or any part of the benefit to it of this Deed and shall be entitled to impart any information concerning the Borrower to any successor or assignee or proposed successor or assignee.

19 COUNTERPARTS

This Deed may be executed in any number of counterparts and by the parties on separate counterparts each of which when executed and delivered shall constitute an original but all the counterparts together constitute one and the same instrument.

20 THIRD PARTY RIGHTS

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

21 GOVERNING LAW

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

22 JURISDICTION

- 22.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**").
- 22.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 22.3 This clause 22 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Deed has been executed as a deed and is intended to be and is delivered on the day and year first above written.

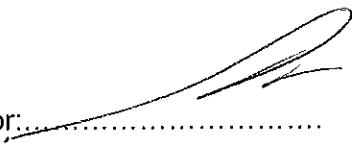
The Schedule

Property

Property description and class of title	Title No.
(a) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(b) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(c) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(d) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(e) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(f) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(g) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(h) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	
(i) all that leasehold property known and situate at 2 Liana House, 380 – 398 Bilston Road, Wolverhampton WV2 2PD	

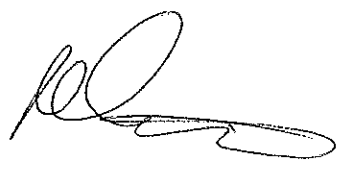
THE BORROWER

Signed and Delivered as a Deed by
Gainsborough 5 Limited Acting by:-

)
) Director:.....

in the presence of

Witness signature


.....MARK KIDWELL.....

Address.....REEDHAM HOUSE.....

.....31-33 KING STREET WEST.....

.....MANCHESTER M3 2PN.....

Occupation.....SOLICITOR.....