



Registration of a Charge

Company name: **PLUTUS (RYE) LIMITED**

Company number: **10209339**



X8CQ7AA1

Received for Electronic Filing: **27/08/2019**

Details of Charge

Date of creation: **23/08/2019**

Charge code: **1020 9339 0002**

Persons entitled: **BRITISH ARAB COMMERCIAL BANK PLC**

Brief description: **LAND LYING TO THE NORTH OF FERRY ROAD, RYE WITH TITLE NUMBER ESX331596; LAND ON THE NORTH WEST SIDE OF FERRY ROAD, RYE WITH TITLE NUMBER ESX330791; AND THE QUEEN ADELAIDE PUBLIC HOUSE, FERRY ROAD, RYE (TN31 7DJ) WITH TITLE NUMBER ESX29400.**

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: **STEPHENSON HARWOOD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10209339

Charge code: 1020 9339 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd August 2019 and created by PLUTUS (RYE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th August 2019 .

Given at Companies House, Cardiff on 28th August 2019

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

Security Agreement

Dated

23 August

2019

- (1) The persons listed in Schedule 1 (*The Chargors*)
(together the **Chargors**)

and
- (2) British Arab Commercial Bank plc
(the **Lender**)

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**STEPHENSON
HARWOOD**

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Security Agreement

Dated 28 August 2019

Between

- (1) The persons listed in Schedule 1 (*The Chargors*) (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **British Arab Commercial Bank plc** incorporated and registered in England with company number 01047302 (the "**Lender**").

This deed witnesses

1 Definitions and interpretation

1.1 Definitions

This Security Agreement is intended to be a deed between the parties to it and is referred to here as '**this Deed**'. Any references in this Deed to the Security Agreement is also a reference to this Deed. Words and expressions defined in the Facility Agreement have the same meanings in this Deed, unless they are expressly defined in this Deed:

"**Account Bank**" means British Arab Commercial Bank plc;

"**Barclays Account**" means each of:

(a) the account in the name of Plutus Estates (Braintree) Limited with account number [REDACTED] and sort code [REDACTED] and

(b) the account in the name of Plutus (Rye) Limited with account number [REDACTED] and sort code [REDACTED]

held with Barclays Bank plc.

"**Braintree Option Agreement**" means an option agreement dated 16 August 2012 and made between (1) Essex County Council and (2) Sainsbury's Supermarkets Ltd and a supplemental agreement dated 25 November 2016 and made between the same parties and a deed of assignment dated on or around the date of this Deed and made between (1) Sainsbury's Supermarkets Ltd and (2) Plutus Estates (Braintree) Limited;

"**Collateral Warranties**" means any collateral warranties or the benefit of any construction related agreement obtained by any of the Chargors from time to time in connection with the Secured Property;

"**Controlled Account**" means each account in the name of a Chargor held with the Account Bank over which the Lender has sole signing rights, and at the date of this Deed means the Interest Reserve Account;

"**Default Rate**" means the rate of interest specified in, and calculated in accordance with, clause 8.4 (*Default interest*) of the Facility Agreement;

"Dividend" means all dividends, interest and other distributions paid or payable or arising from time to time in respect of any Investment;

"Equivalent Financial Collateral" shall have the same meaning as it has in the Regulations;

"Equipment" means all fixed and moveable plant, machinery, tools, vehicles, computers, office and other equipment and the benefit of all related Authorisations, agreements and warranties;

"Facility Agreement" means the £5,015,000 facility agreement originally dated 23 February 2017 between the Chargors as borrowers and guarantors (together referred to as the Obligors) and the Lender as amended by amendment letters dated 25 January 2018, 20 August 2018, 22 February 2019, as further amended by an amendment letter dated on or around the date of this deed and as further amended and/or restated from time to time;

"Financial Collateral" shall have the same meaning as it has in the Regulations;

"Insurances" means each contract or policy of insurance to which any Chargor is a party or in which it has an interest;

"Insurance Proceeds" means all amounts payable from time to time to under each of the Insurances and all rights in connection with those amounts including any payment by way of refund;

"Intellectual Property Rights" means:

- (a) any patents, petty patents, trademarks, service marks, trade names, designs, business names, domain names, moral rights, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property and other intellectual property rights and interests;
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, topographical or similar rights, goodwill and any other rights and assets of a similar nature and other intellectual property rights and interests; and
- (c) any other right to use, or application to register or protect, any of the rights listed in paragraphs (a) or (b),

arising or subsisting in any jurisdiction and whether registered or not;

"Investments" means:

- (a) all or any shares, debentures, stocks, bonds and securities of any kind negotiable instruments, warrants, other investments of whatever nature and any other financial instruments as defined in the Regulations;
- (b) all Equivalent Financial Collateral; and
- (c) the shares and securities listed in Schedule 3 (*Investments*);

"Legal Mortgage" means a charge by way of legal mortgage in respect of any Real Property by a Chargor in favour of the Lender substantially in the form set out in Schedule 8 (*Form of Legal Mortgage*);

"LPA" means the Law of Property Act 1925;

"Permitted Security" means any Security falling into one of the categories in clause 21.3(c) (*Negative pledge*) of the Facility Agreement;

"Real Property" means:

- (a) all right, title and interest in all interests in all freehold, leasehold and commonhold property of each Chargor, from time to time situated in England and Wales;
- (b) all buildings or parts of buildings on or part of any property referred to in paragraph (a); and
- (c) all fixtures, fittings and fixed plant and machinery, including trade fixtures and fittings, from time to time, situated on or forming part of any property referred to in paragraph (a);

"Receiver" means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and manager and, if the Lender is permitted by law to appoint an administrative receiver, includes an administrative receiver;

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, as amended by (i) the Financial Collateral Arrangements (No 2) Regulations 2003 (Amendment) Regulations 2009 (SI 2009/2462), and (ii) the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010 (SI 2010/2993), and **"Regulation"** means any of them;

"Secured Liabilities" means all monies and liabilities now or after the date of this Agreement due, owing or incurred by the Transaction Obligors to the Lender under or in relation to a Finance Document, in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by the Lender;

"Secured Property" means all of the Real Property subject to (i) any Security created by or under this Deed or (ii) any supplemental Legal Mortgage dated on or after the date of this Deed;

"Security Assets" means all of the assets of whatever nature of each Chargor which are the subject of any Security created by or under this Deed;

"Security Period" means the period starting on the date of the Facility Agreement and ending on the date on which the Lender is satisfied that all of the Secured Liabilities are irrevocably discharged in full and the Lender does not have any

commitment or liability, whether present or future, actual or contingent, in relation to any Facility under the Facility Agreement; and

"**Transaction Obligor**" has the meaning give to it in the Facility Agreement.

1.2 Construction

- 1.2.1 The principles of construction set out in clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Facility Agreement.
- 1.2.2 Unless a contrary intention appears, any reference in this Deed to:
- (a) this **Deed** is a reference to this Security Agreement as amended, varied, novated, supplemented and replaced from time to time;
 - (b) each **Chargor**, the **Lender** or a **Receiver** includes any one or more of its assigns, transferees and successors in title (in the case of each **Chargor**, so far as any such is permitted); and
 - (c) the **Lender** or a **Receiver** (except for the references in Clause 15 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.
- 1.2.3 Each of the mortgages, fixed charges and assignments contained in Clauses 4.1 (*Real Property*) to 4.13 (*Book Debts*) over each category of assets and each asset specified in those Clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned as applicable, independently and separately of each other.
- 1.2.4 Where this Deed creates Security over any Security Asset which constitutes Financial Collateral, this Deed is intended to be a **security financial collateral arrangement** as defined in the Regulations.

1.3 Third party rights

- 1.3.1 The Lender and its respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, principally in relation to rights and indemnities in Clauses 11 (11) and 14.1 (*Currency indemnity*) of the Facility Agreement incorporated into this Deed by Clause 1.6 (*Incorporation of terms from the Facility Agreement*), but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term of any Finance Document, the Parties to this Deed and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party to this Deed.

1.4 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Lender.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed, to the extent required to ensure that any purported disposition of an interest in Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Incorporation of terms from the Facility Agreement

The following clauses from the Facility Agreement are incorporated into this Deed as if set out in full, but so that references to the Facility Agreement shall be construed as references to this Deed: clause 8.4 (*Default interest*), clause 13.1 (*Currency indemnity*), clause 15 (*Costs, expenses and fees*), clause 27.4 (*Currency conversion*), clause 29.7 (*Currency of account*), clause 29.8 (*Change of currency*), clause 31 (*Notices*), clause 32 (*Calculations and certificates*), clause 33 (*Partial invalidity*), clause 34 (*Remedies and waivers*), and clause 38 (*Counterparts*).

1.7 Conflict

It is agreed that each Legal Mortgage is supplemental to this Deed, and to the extent the provisions of this Deed conflict with those of any Legal Mortgage, the provisions of that Legal Mortgage shall prevail.

2 Covenant to pay

2.1 Each Chargor shall pay and discharge the Secured Liabilities when due in accordance with the terms of the Finance Documents.

2.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Deed from the date on which the liability was incurred to the date of actual payment, both before and after judgment.

3 Nature of Security created

3.1 General

All of the Security created under this Deed is created:

3.1.1 in favour of the Lender;

3.1.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;

3.1.3 except in the case of assets which are the subject of a legal mortgage under this Deed, over all present and future assets of the kind described which are owned by each Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and

- 3.1.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4 Creation of Security

4.1 Real Property

Each Chargor:

- 4.1.1 charges by way of first legal mortgage all Real Property including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
- 4.1.2 charges to the extent not subject to the charge by way of legal mortgage in clause 4.1.1, by way of first fixed charge all of its Real Property which it has now or which it may subsequently acquire;
- 4.1.3 assigns absolutely, insofar as they are not charged by way of legal mortgage under Clause 4.1.1(*Real Property*), all its rights and interests under or in respect of:
- (a) in each agreement, licence, contract, easement, option, guarantee, Security, warranty, covenant for title or other right or document relating to the use, disposal or acquisition of the property referred in the definition of Real Property or other asset or right relating to all Real Property, including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
 - (b) any Occupational Lease relating to the Real Property; and
 - (c) any proceeds of sale of any Real Property.

4.2 Equipment

Each Chargor charges by way of first fixed charge all Equipment insofar as it is not charged by way of legal mortgage under Clause 4.1 (*Real Property*).

4.3 Controlled Accounts

- 4.3.1 Each Chargor charges by way of first fixed charge all amounts standing to the credit of each Controlled Account and all of its right, title and interest in and relating to each Controlled Account.
- 4.3.2 Subject to Clause 4.3.1 and regardless of the terms on which moneys are credited to any Controlled Account, during the Security Period: no Chargor shall request, demand or claim to be entitled to withdraw any amount from any Controlled Account and shall not withdraw any amount from any Controlled Account.
- 4.3.3 Clause 4.3.2 shall not apply to the extent it would prejudice any rights of the Lender under the Finance Documents to any amount standing to the credit of a Controlled Account, including any right of the Lender under the Finance Documents to make a withdrawal from a Controlled Account.

4.4 Investments

Each Chargor charges by way of first fixed charge:

- 4.4.1 all Investments owned by it from time to time including those held for it by any nominee;
- 4.4.2 all allotments, accretions, offers, options, rights, moneys, property, bonuses, benefits and advantages, whether by way of conversion, exchange, bonus, redemption, preference, option rights, substitution or otherwise which at any time accrue to or are offered or arising from any Investment;
- 4.4.3 all Dividends; and
- 4.4.4 any proceeds of sale of each Investment or any right relating to it.

4.5 Intellectual Property Rights

Each Chargor charges by way of first fixed charge:

- 4.5.1 all Intellectual Property Rights;
- 4.5.2 any proceeds of sale or realisation of each Intellectual Property Right or any right relating to it;
- 4.5.3 any proceeds of any licence or right to use each Intellectual Property Right; and
- 4.5.4 all Security, guarantees, indemnities, options, agreements, rights, licences, warranties, agreement for use or other undertakings or covenants of title in respect of any Intellectual Property Right.

4.6 Goodwill

Each Chargor charges by way of first fixed charge its goodwill.

4.7 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital.

4.8 Authorisations

Each Chargor charges by way of first fixed charge the benefit of all Authorisations held in relation to any Security Asset.

4.9 Collateral Warranties

Each Chargor charges by way of first fixed charge all its rights under any Collateral Warranties.

4.10 Insurances

Each Chargor assigns absolutely all its rights and interests under the Insurances subject to reassignment on redemption.

4.11 Contractual Rights

Each Chargor assigns absolutely all its rights and interests under or in respect of:

- 4.11.1 each Lease Document;
- 4.11.2 each appointment of a Managing Agent;
- 4.11.3 the Braintree Option Agreement; and
- 4.11.4 any other agreement to which it is a party which is not otherwise effectively assigned or charged by way of fixed charge pursuant to this Clause 4.

4.12 Other Contractual Rights

Each Chargor charges by first fixed charge, to the extent not effectively assigned under Clause 4.11 (*Contractual Rights*) all its rights and interest under and in respect of any other agreement to which it is a party or in which it has an interest.

4.13 Book Debts

Each Chargor charges by way of first fixed charge its book and other debts and monetary claims from time to time owing to it and the proceeds of payment or realisation of each of them.

4.14 Floating charge over other assets

- 4.14.1 Each Chargor charges by way of first floating charge all its present and future business, undertaking, assets, rights and revenues which are not effectively charged by way of legal mortgage, charged by way of fixed charge or assigned under this Clause 4.
- 4.14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed to the extent that each floating charge shall be a 'qualifying floating charge' within the meaning of that paragraph.

4.15 Trust

- 4.15.1 If or to the extent that any assignment or charging of whatever nature, of any Security Asset is prohibited, each Chargor holds it on trust for the Lender.

- 4.15.2 If:

- (a) a consent or waiver must be obtained; or
 - (b) a condition must be satisfied,

for a Chargor to be permitted to assign or grant a charge of whatever nature over any of its assets, then:

- (i) subject to Clause 4.15.3, the relevant Chargor shall apply for the consent or waiver; and

- (ii) each Chargor shall use all reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Deed or, if the Security Asset is acquired after the date of this Deed, within 14 days of the date of acquisition.

4.15.3 Where the consent or waiver is not to be unreasonably withheld, the relevant Chargor shall:

- (a) use all reasonable endeavours to obtain it as soon as possible; and
- (b) keep the Lender informed of the progress of the negotiations to obtain it.

4.15.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be charged by way of legal mortgage, charged by way of fixed charge, assigned, or charged by floating charge under this Clause 4 and, in relation to such Security Asset, the trust referred to in Clause 4.15.1 shall terminate.

5 Conversion of floating charge

5.1 Automatic conversion

Each floating charge created by this Deed will convert automatically into a fixed charge:

- 5.1.1 if the Lender receives notice of an intention to appoint an administrator to any Chargor;
- 5.1.2 if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor over all or any part of its assets, or if such person is appointed;
- 5.1.3 if any Chargor creates or attempts to create Security over all or any of the Security Assets, other than any Permitted Security;
- 5.1.4 on the crystallisation of any other floating charge over any of the Security Assets;
- 5.1.5 if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- 5.1.6 in any other circumstances prescribed by law.

5.2 Conversion on notice

Subject to Clause 5.3 (*Limitation*), the Lender may, by notice to each Chargor at any time during the Security Period, convert the floating charges created by this Deed into fixed charges in respect of any Security Asset of such Chargor specified in that notice if:

- 5.2.1 an Event of Default is continuing; or
- 5.2.2 the Lender considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.3 Limitation

Clause 5.2 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

6 Undertakings relating to the Security Assets

The undertakings in this Clause 6 remain in force from the date of this Deed until the expiry of the Security Period.

6.1 Disposals

No Chargor shall enter into a single transaction or a series of transactions (whether related or not, and whether voluntary or involuntary), dispose of any Security Asset or part of any Security Asset, or enter into an agreement to make any disposal, except as permitted under the terms of the Facility Agreement.

6.2 Negative pledge

No Chargor shall create or permit to subsist any Security over any Security Asset except the Permitted Security.

6.3 Preservation of Assets

Each Chargor, subject to the terms of the Facility Agreement:

- 6.3.1 shall notify the Lender of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened and at its own cost, defend such proceedings;
- 6.3.2 shall preserve, maintain, exploit and renew as and when necessary all Intellectual Property Rights which form part of the Security Assets;
- 6.3.3 shall not enter into any onerous obligation or restriction affecting any of its Security Assets, without the prior written consent of the Lender;
- 6.3.4 in relation to any Secured Property, shall not:
 - (a) exercise any of the powers conferred by sections 99 (*Leasing powers of mortgagor and mortgagee in possession*) and 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the LPA of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases;
 - (b) agree any rent review;

- (c) make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title;
- 6.3.5 shall not in relation to any uncalled capital of each Chargor, call it up or receive it in advance of calls unless the Lender otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Liabilities or as the Lender otherwise directs; or
- 6.3.6 shall not take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

6.4 Notices of assignment and charge

- 6.4.1 Each Chargor shall, promptly after the execution of this Deed:
 - (a) serve the following notices substantially in the forms set out in the relevant Schedule referred to in this Clause;
 - (b) deliver to the Lender a certified copy of each notice; and
 - (c) use all reasonable endeavours to procure that the recipient of such notice acknowledges that notice in writing substantially in the form set out in the relevant Schedule referred to in this Clause:
 - (i) in respect of each Barclays Account, notice to Barclays Bank plc of the floating charge and acknowledgment set out in Schedule 5 (*Notice to Barclays Bank plc*);
 - (ii) in respect of any Insurances, notice of the assignment to each insurer and acknowledgement each set out in Schedule 6 (*Forms of letter for Insurances and acknowledgement*); and
 - (iii) in respect of the Braintree Option Agreement, notice of assignment to the counterparties and acknowledgement each set out in Schedule 7 (*Forms of letter for assigned agreements and acknowledgement*).
- 6.4.2 Each Chargor shall, promptly on request of the Lender following the execution of such contract:
 - (a) in respect of assigned contracts entered into following the date of this Deed, notice of assignment to the counterparties and acknowledgements each set out in Schedule 7 (*Forms of letter for assigned agreements and acknowledgement*);
 - (b) deliver to the Lender a certified copy of each notice served under paragraph (a) above; and
 - (c) use all reasonable endeavours to procure that the recipient of a notice served under paragraph (a) above acknowledges that notice in writing substantially in the form set out in in Schedule 7 (*Forms*

of letter for assigned agreements and acknowledgement) as applicable.

6.5 Exercise of rights

Subject to the terms of the Facility Agreement, and to the terms of any such notice or acknowledgement given or received under Clause 6.4 (*Notices of assignment and charge*), while no Event of Default is continuing each Chargor may:

6.5.1 exercise its rights in respect of the agreements assigned pursuant to Clauses 4.10 (*Insurances*) and 4.11 (*Contractual Rights*); and

6.5.2 deal with the relevant counterparties in respect of those agreements.

7 Investments

7.1 Undertakings, Dividends and Voting rights etc.

7.1.1 Each Chargor which has granted a charge over any Investment under this Deed, shall:

- (a) promptly pay all calls, instalments and other payments which may be made or become due in respect of the Investment (or, in respect of any Investment of which the Lender is the legal owner, promptly pay to the Lender on demand such amounts as the Lender may require to make those payments, together with interest at the Default Rate from the date of payment by the Lender to the date of payment by such Chargor under this Clause, both before and after judgment);
- (b) not acquire any additional Investments after the date of this Deed unless they are fully paid; and
- (c) comply with any notice served on it, under the Companies Act 2006 or pursuant to its articles of association or any other constitutional document, in respect of or in connection with the Investments or any of them, and will promptly provide to the Lender a copy of that notice.

7.1.2 Each Chargor shall promptly, on the request of the Lender:

- (a) provide to the Lender a copy of all other notices, reports, accounts and circulars in respect of or in connection with any of the Investments; and
- (b) transfer all or any of the Investments to the Lender.

7.1.3 Each Chargor shall, if any Investments are in, or are converted into, uncertificated form, promptly notify the Lender and:

- (a) act on any instructions given by the Lender, and give such directions as the Lender may require to protect and preserve the Lender's Security in respect of those Investments; and

- (b) transfer those Investments which are or become uncertificated to an escrow account, in respect of which it has named as escrow agent the Lender or any nominee or agent of the Lender, notified to the relevant Chargor or any other person approved in writing by the Lender.

7.2 Before an Event of Default

Until an Event of Default occurs, each Chargor having granted a charge over Investments under this Deed, may:

- 7.2.1 receive and retain Dividends, and exercise all voting and other rights and powers attached to the Investments; or
- 7.2.2 in respect of any Investments of which the Lender is the legal owner, direct the Lender to pay over the Dividends to it, and exercise all such voting and other rights and powers,

but, in each case, only in a manner consistent with this Deed and not to prejudice the value of or the ability of the Lender to enforce the Security or other rights created under this Deed.

7.3 After an Event of Default

After an Event of Default occurs:

- 7.3.1 each Chargor shall promptly pay over to the Lender all Dividends which it may receive and apply such moneys according to Clause 8.4 (*Application of moneys*), and exercise all voting and other rights and powers attached to the Investments in any manner which the Lender may direct; or
- 7.3.2 in respect of Investments of which the Lender is the legal owner, the Lender may receive and retain all Dividends and apply them in any manner permitted by this Deed, and may exercise all such voting and other rights and powers in such manner as it determines.

8 Enforcement

8.1 When Security becomes enforceable

The Security created by this Deed shall become immediately enforceable:

- 8.1.1 following the occurrence of an Event of Default which is continuing; or
- 8.1.2 if any Chargor so requests.

8.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Lender may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- 8.2.1 exercise all the powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in

sections 103 (*Regulation of exercise of power of sale*) or 109(1) (*Appointment, powers, remuneration and duties of receiver*) of the LPA;

- 8.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 (*Leasing powers of mortgagor and mortgagee in possession*) and 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the LPA;
- 8.2.3 to the extent that any Security Asset constitutes Financial Collateral, appropriate it and transfer the title to it to the Lender insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18 (*Duty to value collateral and account for any difference in value on appropriation*);
- 8.2.4 value any Security Asset which constitutes Financial Collateral, at the time of appropriation as referred to in the Regulations, as the market price of the relevant Security Asset, as determined by the Lender by reference to such method or source, (including an independent valuation), as the Lender may determine, and which shall constitute a 'commercially reasonable manner' for the purposes of the Regulations;
- 8.2.5 subject to Clause 9.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets;
- 8.2.6 appoint an administrator to each and any of the relevant Chargors; and
- 8.2.7 if it has not done so, serve notices substantially in the forms referred to in Clause 6.4 (*Notices of assignment and charge*).

8.3 Disposal of the Security Assets

In exercising the powers referred to in Clause 8.2 (*Powers on enforcement*), the Lender or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

8.4 Application of moneys

- 8.4.1 The Lender or any Receiver shall apply moneys received by them under this Deed after the Security created under this Deed has become enforceable in the following order:
 - (a) **first**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid costs and expenses of the Lender and any Receiver under this Deed or which are incidental to any Receiver's appointment, together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

- (b) **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Lender and any Receiver;
- (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Liabilities;
- (d) **fourthly**, in or towards the discharge of the Secured Liabilities in accordance with the Facility Agreement; and
- (e) **fifthly**, in the payment of any surplus to each relevant Chargor or other person entitled to it,

and section 109(8) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

8.4.2 Clause 8.4.1 will override any appropriation made by a Chargor.

9 Appointment and powers of Receivers

9.1 Method of appointment and removal

- 9.1.1 The Lender may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A (*Moratorium*) of the Insolvency Act 1986.
- 9.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Lender pursuant to this Deed may be made in writing under the hand of any officer or manager of the Lender (subject to any requirement for a court order in the removal of an administrative receiver).

9.2 Powers of Receiver

Every Receiver shall have all the powers:

- 9.2.1 of the Lender under this Deed;
- 9.2.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 9.2.3 which are specified in schedule 1 (*Powers of Administrator or Administrative Receiver*) of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986) together with the additional powers set out in Schedule 4 (*Additional powers of Receiver*);
- 9.2.4 in relation to any Security Asset, which he would have if he were its only absolute legal and beneficial owner;
- 9.2.5 to use the name of each Chargor in relation to any of its powers or actions under this Deed; and
- 9.2.6 to do whatever, in the opinion of the Receiver it:

- (a) considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them, including bringing or defending proceedings in the name or on behalf of any Chargor or the Lender and entering into and executing documents and taking any action in the name of that Chargor or the Lender;
- (b) considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
- (c) considers necessary or desirable to undertake as agent of each Chargor.

9.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on a Receiver by this Deed.

9.4 Receiver as agent

Every Receiver shall be the agent of a Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

9.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

10 Protection of purchasers

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

- 10.1.1 to see or enquire whether the right of the Lender or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- 10.1.2 with the propriety of the exercise or purported exercise of those powers; or
- 10.1.3 with the application of any moneys paid to the Lender, to any Receiver or to any other person.

11 Protection of the Lender and Receivers

11.1 Exclusion of liability

The Lender nor any of its officers or employees shall have any responsibility or liability:

- 11.1.1 for any action taken, or any failure to take any action, in relation to all or any of the Security Assets, in particular for any failure:
- (a) to notify or send to each Chargor any notice, report or other letter received by it concerning any Security Asset;
 - (b) to accept or decline any offer relating to any Security Asset;
 - (c) to make any payment in any form relating to any Security Asset;
 - (d) to enquire about the nature and amount of any payment relating to any Security Asset;
 - (e) to take any step to enforce payment of any moneys due in respect of any Security Asset;
- 11.1.2 to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- 11.1.3 for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies as referred to in the Facility Agreement;
- 11.1.4 for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of any Chargor); or
- 11.1.5 for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

11.2 General indemnity

Each Chargor shall indemnify the Lender and its respective officers and employees against all properly incurred actions, proceedings, demands, claims, costs, expenses, loss and other liabilities incurred by them in respect of all or any of the following:

- 11.2.1 any act or omission by any of them in relation to all or any of the Security Assets, including, but not limited to, any act or omission by any of them on the directions of any Chargor in relation to any Investment which is a Security Asset;
- 11.2.2 any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- 11.2.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed or any Security created under it;
- 11.2.4 carrying out or purporting to carry out any of the rights, powers, authority and discretions conferred on them by, or permitted under, this Deed; and

11.2.5 any breach by any Chargor of any of its undertakings or other obligations to the Lender,

except in the case of gross negligence or wilful misconduct on the part of that person.

11.3 Indemnity out of the Security Assets

The Lender and its respective officers and employees shall be entitled to be indemnified out of the Security Assets or any part of them in respect of the indemnities referred to in Clause 11.2 (*General indemnity*) and may retain and use monies received by it under this Deed towards payment of any sums under those indemnities.

12 Preservation of Security

12.1 Reinstatement

If any payment by a Chargor or discharge given by the Lender (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

12.1.1 the liabilities of that Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

12.1.2 the Lender shall be entitled to recover the value or amount of that Security or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

12.2 Waiver of defences

Neither the Security created by this Deed nor the obligations of each Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Lender) including:

12.2.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

12.2.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;

12.2.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

12.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

- 12.2.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document or Security, including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or Security;
- 12.2.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 12.2.7 any insolvency, liquidation, administration or similar proceedings.

12.3 Chargor intent

Without prejudice to the generality of Clause 12.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- 12.3.1 acquisitions of any nature;
- 12.3.2 increasing working capital;
- 12.3.3 enabling distributions to be made;
- 12.3.4 carrying out restructurings;
- 12.3.5 refinancing existing facilities;
- 12.3.6 refinancing any other indebtedness;
- 12.3.7 making facilities available to new borrowers;
- 12.3.8 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- 12.3.9 any fees, costs and/or expenses associated with any of the foregoing.

12.4 Immediate recourse

Each Chargor 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 that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

12.5 Appropriations

During the Security Period the Lender may:

- 12.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the

Secured Liabilities, or, subject to Clause 8.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and

- 12.5.2 hold in an interest-bearing suspense account any moneys received from a Chargor or on account of the Secured Liabilities.

12.6 Deferral of a Chargor's rights

During the Security Period and unless the Lender otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Deed or the enforcement of the Security created by this Deed:

- 12.6.1 to receive or claim payment from, or be indemnified by an Obligor;
- 12.6.2 to claim any contribution from any guarantor of, or party who has granted Security in respect of, any Obligor's obligations under the Finance Documents;
- 12.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by the Lender;
- 12.6.4 to exercise any right of set-off against any Obligor; and/or
- 12.6.5 to claim or prove as a creditor of any Obligor in competition with the Lender.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Lender and shall promptly pay or transfer the same to the Lender as the Lender may direct for application in accordance with this Deed and the Facility Agreement.

12.7 Additional Security

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to the Lender.

12.8 New accounts

If any subsequent Security is granted over or affects all or any of the Security Assets, the Lender may open a new account or accounts in the name of the relevant Chargor from the date it receives notice of such Security or the date it is deemed to have received such notice. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security. As from that time, all payments made by or on behalf of the relevant Chargor to the Lender:

- 12.8.1 shall be credited or be treated as having been credited to the new account of that Chargor; and
- 12.8.2 shall not operate to reduce the Secured Liabilities.

13 Tacking for further advances

For the purposes of section 94(1) (*Tacking and further advances*) of the LPA and section 49(3) (*Tacking and further advances*) of the Land Registration Act 2002, the Lender confirms on behalf of the Lenders that the Lenders shall perform their obligations under the Finance Documents, including any obligation to make further advances to the Chargors.

14 Further assurance

14.1 Application to Land Registrar

The Chargors shall apply to the Land Registry in Form RX1 and consent to the registration against the registered titles specified in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*) of:

14.1.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*date of this Deed*] in favour of [*insert name of Lender*] referred to in the charges register or their conveyancer. (Form P)"; and

14.1.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

14.2 Further action

Each Chargor shall, at its own expense, promptly take whatever action and sign or execute any further documents which the Lender may require to:

14.2.1 give effect to the requirements of this Deed;

14.2.2 create, protect, preserve and perfect the Security intended to be created by or under this Deed;

14.2.3 protect and preserve the ranking of the Security intended to be created by or under this Deed;

14.2.4 facilitate the realisation of all or any of the Security Assets, or the exercise of any rights, powers and discretions by the Lender, any Receiver or any administrator or any delegate, agent or employee in connection with all or any of the Security Assets, including but not limited to executing and delivering all documentation necessary to transfer legal title to any Security Asset to the Lender, its nominee or any third party; and

14.2.5 while any Event of Default is continuing, assign any Collateral Warranty capable of assignment to any person nominated by the Lender or any Receiver,

and any such document may disapply section 93 (*Restriction on consolidation of mortgages*) of the LPA.

14.3 Future Property

14.3.1 If a Chargor acquires any Real Property after the date of this Deed, it must:

- (a) notify the Lender immediately in writing;
- (b) immediately on request by the Lender and at its own expense, execute and deliver to the Lender a legal mortgage substantially in the form set out in Schedule 8 (*Form of Legal Mortgage*);
- (c) if the title to that Real Property is registered at the Land Registry, or required to be so registered, make an application to the Land Registry for a restriction against the registered titles in the terms set out in Clause 14.1 (*Application to Land Registrar*); and
- (d) if applicable, ensure that this Deed is correctly noted in the Register of Title against that title at the Land Registry.

14.3.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation until it has obtained the landlord's consent. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent.

14.4 Deposit of documents

Each Chargor shall promptly, on the date of this Deed and at all times during the Security Period, and if the Lender so requests, deposit with the Lender:

- 14.4.1 all deeds, certificates and other documents of or evidencing title for the Security Assets;
- 14.4.2 signed undated transfers of the Investments charged under Clause 4.4 (*Investments*), completed in blank and, if the Lender so requires, pre-stamped; and
- 14.4.3 any other documents which the Lender may from time to time require for perfecting its title, or the title of any purchaser.

14.5 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) (*Right to dispose and further assurance*) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 14.

15 Power of attorney

15.1 Each Chargor by way of security, irrevocably and severally, appoints each of the Lender, any Receiver, and any of its delegates or sub-delegates, or other person nominated in writing by, an officer of the Lender or Receiver jointly and severally as its attorney, in the name of that Chargor, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit to take any action, sign or execute any documents which that Chargor is obliged to take, sign or execute under with this Deed.

- 15.2 Each Chargor ratifies and confirms, and agrees to ratify and confirm, all such actions taken and documents signed or executed or purported to be done by any attorney under its appointment under this Deed.

16 Discharge of Security

At the end of the Security Period, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, the Lender shall, or shall procure that its appointees will, at the request and cost of the relevant Chargor:

- 16.1 release the Security Assets or any part of them from the Security created by or under this Deed; and
- 16.2 re-assign to the relevant Chargor those Security Assets that have been assigned to the Lender by or under this Deed.

Section 93 (*Restriction on consolidation of mortgages*) of the LPA shall not apply to this Deed.

17 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

18 Enforcement

18.1 Jurisdiction

- 18.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity and termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed (a "**Dispute**").
- 18.1.2 The Parties 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.
- 18.1.3 This Clause 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 a number of jurisdictions.

Executed as a deed and delivered on the date appearing at the beginning of this Deed.

Schedule 1
The Chargors

Name of Chargors	Registration number (or equivalent, if any)
Plutus (Rye) Limited	10209339
Plutus Estates (Braintree) Limited	10063156

Schedule 2**Real Property charged by way of legal mortgage by the Chargors****Part 1 – Registered Land**

Name of Chargor	Description address	Title number
Plutus Estates (Braintree) Limited	Land on the South Side of Rayne Road, Braintree with the exception of the land shown tinted mauve on the plan at Annex A of this Deed	EX97074
Plutus (Rye) Limited	Land Lying to the North of Ferry Road, Rye	ESX331596
	Land on the North West Side of Ferry Road, Rye	ESX330791
	The Queen Adelaide Public House, Ferry Road, Rye (TN31 7DJ)	ESX29400

Part 2 – Unregistered Land

None at the date of this Deed

Schedule 3
Investments

Name of Chargor	Shares	Securities	Other Investments
N/A			

Schedule 4

Additional powers of Receiver

Each Receiver appointed to a Chargor ("**Relevant Chargor**") or in relation to all or any of the Security Assets of a Relevant Chargor, shall have:

- (i) the powers conferred by the LPA on receivers and mortgagees in possession;
- (ii) the powers conferred by Clause 9.2 (*Powers of Receiver*); and
- (iii) the powers set out in this Schedule.

1 Security Assets

- 1.1 To enter into, take immediate possession of, collect and get in the Security Assets.
- 1.2 To take all such action and execute all such documentation as the Receiver may consider necessary or desirable for the management, operation or realisation of all or any part of the Security Assets.

2 Sale and disposal of Security Assets

To sell, exchange, surrender, renounce, deal with, convert into money, dispose of and realise the Security Assets or any of them or part of the Security Assets:

- 2.1 in any manner;
- 2.2 subject to any exceptions, reservations, covenants and obligations; and
- 2.3 with or without consideration, such consideration taking the form of cash, debentures, shares, securities, other assets or obligations or other valuable consideration, payable in a lump sum or instalments over a period of time;

in each case as the Receiver may consider necessary or desirable.

3 Manage the business

To continue, commence, manage, develop, amalgamate, diversify or undertake any business of the relevant Chargor.

4 Collect moneys

To collect and get in all moneys or proceeds in any way arising from the Security Assets or any document or right affecting the Security Assets whether directly or indirectly.

5 Apportion payments

To apportion any rental income and any financial liabilities.

6 Real property rights

- 6.1 To acquire, renew, extend, grant, vary or otherwise deal with such easements, servitudes, rights, privileges and/or licences as the Receiver considers necessary or desirable.

- 6.2 To construct or complete:
 - 6.2.1 any building, development and repair to the Secured Property whether or not it is in accordance with the development planned or being carried on at any Secured Property; and
 - 6.2.2 any roads, access ways and services.
- 6.3 To carry out any work involving furnishing or fitting out or the installation or provision of any Equipment on any part of any of the Secured Property.
- 6.4 To dedicate any part or parts of the Secured Property as a highway where to do so is desirable in order that any Secured Property may more conveniently be developed.
- 6.5 To make any change or arrangement as to boundaries of any Secured Property with adjoining owners and neighbours so as to resolve any dispute or to facilitate development.
- 6.6 To make any application for, and maintain any planning consent, building regulations approval or similar consent or licence relating to any of the Secured Property.
- 6.7 To effect and maintain Insurances, against including but not limited to:
 - 6.7.1 fire and other physical risks;
 - 6.7.2 loss of rent;
 - 6.7.3 third party or public liability;
 - 6.7.4 structural or latent defect;
 - 6.7.5 indemnities of any kind; or
 - 6.7.6 other matters as the Receiver considers necessary or desirable,and to make, prove, negotiate, adjust or enforce any claim on any Insurances whether effected by the Relevant Chargor or the Receiver.

7 Leases

- 7.1 To grant any lease or tenancy for any term, at any or no rent, with or without any premium on such terms as the Receiver considers necessary or desirable.
- 7.2 To accept the surrender or renunciation of any lease or tenancy, whether or not for the purpose of enabling a new lease to be granted on such terms as the Receiver considers necessary or desirable, including any payment to the tenant on such surrender or renunciation.
- 7.3 To give an effectual receipt for any premium payable on any grant, surrender or renunciation of any lease or tenancy.

- 7.4 To exercise, observe and perform any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of any Secured Property, whether as landlord and/or tenant, at common law or by statute.
- 7.5 To initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy.

8 Equipment

- 8.1 To sever and sell, or dispose of separately from any Secured Property containing it, any Equipment without the consent of the relevant Chargor.
- 8.2 To substitute, repair or improve the Equipment or any part of it.

9 VAT

To exercise any option or right of election available in law to the Relevant Chargor or the Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax.

10 Enter into, vary and execute documents

- 10.1 To sign, seal using the company seal of the Relevant Chargor, execute, deliver, complete and perfect all notices and documents, whether agreements or deeds for exercising, observing and performing any of the powers, obligations or duties conferred or imposed on the Relevant Chargor by this Deed or by any law in respect of the Security Assets, all as the Receiver considers necessary or desirable.
- 10.2 To agree any variation, modification or determination of any existing deeds or agreements and enter into, make or obtain any new agreement or deeds as the Receiver considers may be necessary or desirable.

11 Receipts

To give valid receipts for all moneys or realisation proceeds in respect of any Security Asset.

12 Book debts

To sell or assign or otherwise dispose of book debts in any manner and on the terms the Receiver considers necessary or desirable.

13 Dealings with a company

To promote, incorporate, manage or wind up, either alone or with others, any company, which may or may not be a Subsidiary of the Relevant Chargor, either for the purposes of:

- 13.1 disposing of any Security Asset to that company;
- 13.2 undertaking works on or providing services to the occupiers of any Security Asset; and/or
- 13.3 realising any Security Asset,

as the Receiver considers necessary or desirable.

14 Use of moneys

To utilise any moneys received to finance any expenditure from time to time incurred in connection with, the powers set out in this Schedule in advance of any other payments.

15 Borrow

To borrow, raise or secure the payment of money which may be required for the exercise of any of the powers conferred by this Deed, to create Security over any of the Security Assets in whatever form, or provide collateral, which may be granted in priority to the Security created by this Deed and the Permitted Security, as the Receiver considers necessary or desirable.

16 Lend

To lend money and make available any facility to the Relevant Chargor, any Obligor or to such other person as the Receiver considers necessary or desirable.

17 Uncalled capital

To make calls of whatever nature on the members of the Relevant Chargor for uncalled capital and to request payment of such uncalled capital and enforce such payment in accordance with the constitutional documents of the Relevant Chargor.

18 Voting rights

To exercise all voting rights which the Relevant Chargor may exercise as a member of a company, other corporate or legal entity.

19 Authorisations

To obtain, renew, extend, amend or otherwise deal with Authorisations relating to (i) the Security Assets, (ii) its business, (iii) trade and (iv) ordinary activities as the Receiver considers necessary or desirable.

20 Employees and contractors

20.1 To employ or appoint staff, solicitors, accountants, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers, managers, officers, agents and other personnel or professional advisers on the terms and at such remuneration as the Receiver considers necessary or desirable.

20.2 To discharge any such person or persons referred to in paragraph 20.1 appointed by the relevant Chargor, officer or delegate of the relevant Chargor.

21 Proceedings

To take, defend, appeal, enforce, abandon or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent

expert) concerning or incidental to the Security Assets, any claims in relation to the relevant Chargor, or any of the powers set out in this Schedule.

22 Compromise

To make any arrangement, settlement, compromise, or enter into any contract, or refer to arbitration any claim or dispute by any person who is a creditor or the relevant Chargor or in relation to any of the Security Assets which the Receiver considers necessary or desirable.

23 Redeem prior Security

To redeem any prior Security and settle any liabilities outstanding for which that Security had been granted.

24 Delegation

To delegate all or any power or action of a Receiver under this Deed.

25 Incidental powers

To take any other actions which the Receiver:

- 25.1 considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them;
- 25.2 considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
- 25.3 may undertake as agent of the Relevant Chargor.

Schedule 5
Notice to Barclays Bank plc

To: Barclays Bank plc

[Date]

Dear Sirs

Security Agreement dated [] between [insert name of relevant Chargor] and [] (the "Security Agreement")

- 1 We are writing to give you notice of certain rights in respect of the [insert Account Number/Sort Code for the Operating Account] (the "**Operating Account**") that we have granted to [Lender] (the "**Lender**").
- 2 Under the Security Agreement we have charged in favour of the Lender by way of first floating charge, all our rights in respect of any moneys standing to the credit of the Operating Account.
- 3 We notify you that:
 - 3.1 after you have received notice from the Lender under paragraph 5 of this letter, we may not withdraw any moneys from the Operating Account without first obtaining the prior written consent of the Lender;
 - 3.2 there is a prohibition in the Security Agreement on the creation of any further Security over the Operating Account; and
 - 3.3 you are authorised to disclose information relating to the Operating Account to the Lender on the request of the Lender.
- 4 After you have received notice from the Lender under paragraph 5 of this letter, we irrevocably authorise and instruct you to:
 - 4.1 hold all moneys from time to time standing to the credit of the Operating Account to the order of the Lender; and
 - 4.2 pay all or any part of those moneys to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect.
- 5 By counter-signing this notice the Bank confirms that we may make withdrawals from the Operating Account until such time as the Lender shall notify you (with a copy to us) in writing that its permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Lender.

This letter is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Lender at *[insert Lender's address]* with a copy to us.

Yours faithfully

[*relevant Chargor*]

[*Lender*]

Acknowledgement from Barclays Bank plc

To: [insert name and address of Lender] (the "**Lender**")

Attention: []

[Date]

Dear Sirs

Security Agreement dated [] between [insert name of relevant Chargor] and [Lender] (the "Security Agreement")

We acknowledge receipt of a notice (the "**Notice**") from [] (the "**Chargor**") dated [] that under the Security Agreement it has charged by way of floating charge in favour of the Lender all of the Chargor's right, title and interest in, and relating to the Operating Account (the "**Security**").

Terms defined in the Notice have the same meaning in this letter.

We confirm that:

- 1 we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- 2 we have not received notice of:
 - 2.1 any other assignment of, Security or encumbrance over the Operating Account; or
 - 2.2 any interest, claim or right in or to it by any third party,and we shall promptly give you notice of any such actual, potential or asserted assignment, Security, encumbrance, interest, claim or right of which we become aware;
- 3 we do not, and will not, hold or otherwise have the benefit of any Security or other encumbrance over the Operating Account; and
- 4 we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the Operating Account.

We are aware that you are relying on this letter in connection with your rights under the Security.

This letter is governed by English law.

Yours faithfully

(Authorised signatory)
Barclays Bank plc

Schedule 6

Forms of letter for Insurances and acknowledgement

To: *[insert name and address of insurance company]*

Attention: []

[Date]

Dear Sirs

Notice of assignment

- 1 We refer to the *[specify the relevant insurance policy]* dated [] between us and you (the "**Policy**").
- 2 We notify you that:
 - 2.1 under a Security Agreement dated [] between us and *[Lender]* (the "**Lender**") we have

assigned to the Lender all our right, title and interest in and to, and all benefits accruing under, the Policy as security for certain obligations owed to the Lender;
 - 2.2 we may not agree to amend or terminate the Policy without the prior written consent of the Lender;
 - 2.3 until you receive written notice to the contrary from the Lender that, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to the following account in our name: *[insert details of relevant Controlled Account]*;
 - 2.4 after receipt of written notice in accordance with paragraph 2.3 we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Lender; and
 - 2.5 you are authorised to disclose information relating to the Policy to the Lender on request of the Lender.
- 3 We request that you:
 - 3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Policy are credited to any account of the Lender specified by the Lender (and are not paid to us);
 - 3.2 immediately note on the Policy the Lender's security under the Security Agreement; and
 - 3.3 give the Lender not less than 30 days' written notice of you terminating the Policy or allowing the Policy to lapse.
- 4 Please sign and return the enclosed copy of this notice to the Lender at *[insert Lender's address]* (with a copy to us) to confirm that you:

- 4.1 agree to the terms of this notice and to act in accordance with its provisions;
- 4.2 have not received notice that we have assigned our rights under the Policy to a third party or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party; and
- 4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy.

The provisions of this notice are governed by English law.

Yours faithfully

for and on behalf of [*insert name of relevant Chargor*]

Copy to: Lender

[*On acknowledgement copy*]

To: [*insert name and address of Lender*]

Copy to: [*insert name and address of relevant Chargor*]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

for and on behalf of [*insert name of insurance company*]

Date: []

Schedule 7

Forms of letter for assigned agreements and acknowledgement

To: **[insert name and address of counterparty]**

Attention: []

[Date]

Dear Sirs

Notice of assignment

- 1 We refer to the [*specify the relevant assigned agreement*] dated [] between us and you (the "**Agreement**").
- 2 We notify you that:
 - 2.1 under a Security Agreement dated [] between, among others, us and [*Lender*] (the "**Lender**") we have assigned to the Lender all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Lender;
 - 2.2 we may not agree to amend or terminate the Agreement without the prior written consent of the Lender;
 - 2.3 until you receive written notice to the contrary from the Lender that an Event of Default has occurred, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: [*insert details of relevant Controlled Account*];
 - 2.4 after receipt of written notice in accordance with paragraph 2.3 we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Lender; and
 - 2.5 you are authorised to disclose information relating to the Agreement to the Lender on request of the Lender.
- 3 We request that you:
 - 3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Lender specified in that notice (and are not paid to us);
 - 3.2 give the Lender written notice of any breach of the Agreement as soon as you become aware of it; and
 - 3.3 give the Lender not less than 30 days' written notice of you terminating the Agreement.
- 4 Please sign and return the enclosed copy of this notice to the Lender at [*insert Lender's address*] (with a copy to us) to confirm that you:

- 4.1 agree to the terms of this notice and to act in accordance with its provisions;
- 4.2 have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and
- 4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Agreement.

5 The provisions of this notice are governed by English law.

Yours faithfully

for and on behalf of [***insert name of relevant Chargor***]

Copy to: Lender

[***On acknowledgement copy***]

To: [***insert name and address of Lender***]

Copy to: [***insert name and address of relevant Chargor***]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

for and on behalf of [***insert name of counterparty***]

Date: []

Schedule 8
Form of Legal Mortgage

Dated []

(1) *[insert name of Chargor]*
(the Chargor)

and

(2) *[insert name of Lender]*
(the Lender)

Stephenson Harwood LLP
1 Finsbury Circus, London EC2M 7SH
T: +44 20 7329 4422 | F: +44 20 7329 7100
DX: 64 Chancery Lane | www.shlegal.com

**STEPHENSON
HARWOOD**

This deed is dated [] between:

- (1) **[Chargor]**, a company incorporated under the laws of [England and Wales] with registered number [] having its registered office at [] (the **Chargor**); and
- (2) **[Lender]** [] (the **Lender**).

This deed witnesses as follows:

1 Definitions and interpretation

1.1 Definitions

Words and expressions defined in the Facility Agreement and the Security Agreement have the same meanings in this Mortgage unless they are expressly defined in it, and in addition:

"Facility Agreement" means the facility agreement dated [] [on or around the date of this Deed] [on or around that date of the Security Agreement] between, among others, the Chargor and others as Obligors, and the Lender.

"Security Agreement" means the security agreement dated [] [on or about the date of this Deed] [on or about the date of the Facility Agreement] between the Chargor and others and the Lender.

1.2 Interpretation

This Mortgage takes effect as a deed even if it is signed under hand on behalf of the Lender.

2 Incorporation of provisions into each Legal Mortgage

Clauses 1.2 (*Construction*), 1.3 (*Third party rights*), 1.6 (*Incorporation of terms from the Facility Agreement*), 6 (*Undertakings relating to the Security Assets*), 8 (*Enforcement*), 9 (*Appointment and powers of Receivers*), 10 (*Protection of purchasers*), 11 (*Protection of the Lender and Receivers*), 12 (*Preservation of Security*), 13 (*Tacking for further advances*), 14 (*Further assurance*), 15 (*Power of attorney*), 16 (*Discharge of Security*), 17 (*Governing law*) and 18 (*Enforcement*) of the Security Agreement are deemed to form part of this Deed as if expressly incorporated into this Deed and as if references in those Clauses to (a) the Security Agreement were references to this Deed and (b) the Security Assets were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Lender by or pursuant to this Deed.

3 Nature of security created

All of the Security created under this Mortgage is created:

- 3.1 in favour of the Lender;
- 3.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;

- 3.3 (except in the case of assets which are the subject of a legal mortgage under this Mortgage) over all present and future assets of the kind described which are owned by the Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and
- 3.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4 Fixed security

The Chargor:

- 4.1 charges by way of first legal mortgage its Real Property including those listed in the Schedule, (*Real Property charged by way of legal mortgage*); and
- 4.2 charges, to the extent not subject to the charge by way of legal mortgage in clause 4.1, by way of first fixed charge its Real Property which it has now or which it owns and which it may subsequently acquire.

5 Application to Land Registrar

The Chargor shall apply to the Land Registry in Form RX1 and consents to the registration against the registered titles specified in the Schedule (*Real Property charged by way of legal mortgage*) of:

- 5.1 a restriction in the following terms:
- "No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*the date of this Mortgage*] in favour of [*insert name of Lender*] referred to in the charges register or their conveyancer. (Form P)"; and
- 5.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

6 Negative pledge

The Chargor shall not create or permit to subsist any Security over any Security Asset except for Permitted Security.

7 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

Executed as a deed and delivered on the date appearing at the beginning of this Deed.

Schedule

Real Property charged by way of legal mortgage

Description address

Title number

EXECUTION PAGE TO LEGAL MORTGAGE

[By company not using a seal - one director in the presence of a witness]

Executed as a deed by [Chargor]

acting by a director in the presence of:

signature Director

signature
of witness

print name

name

print name of witness

address

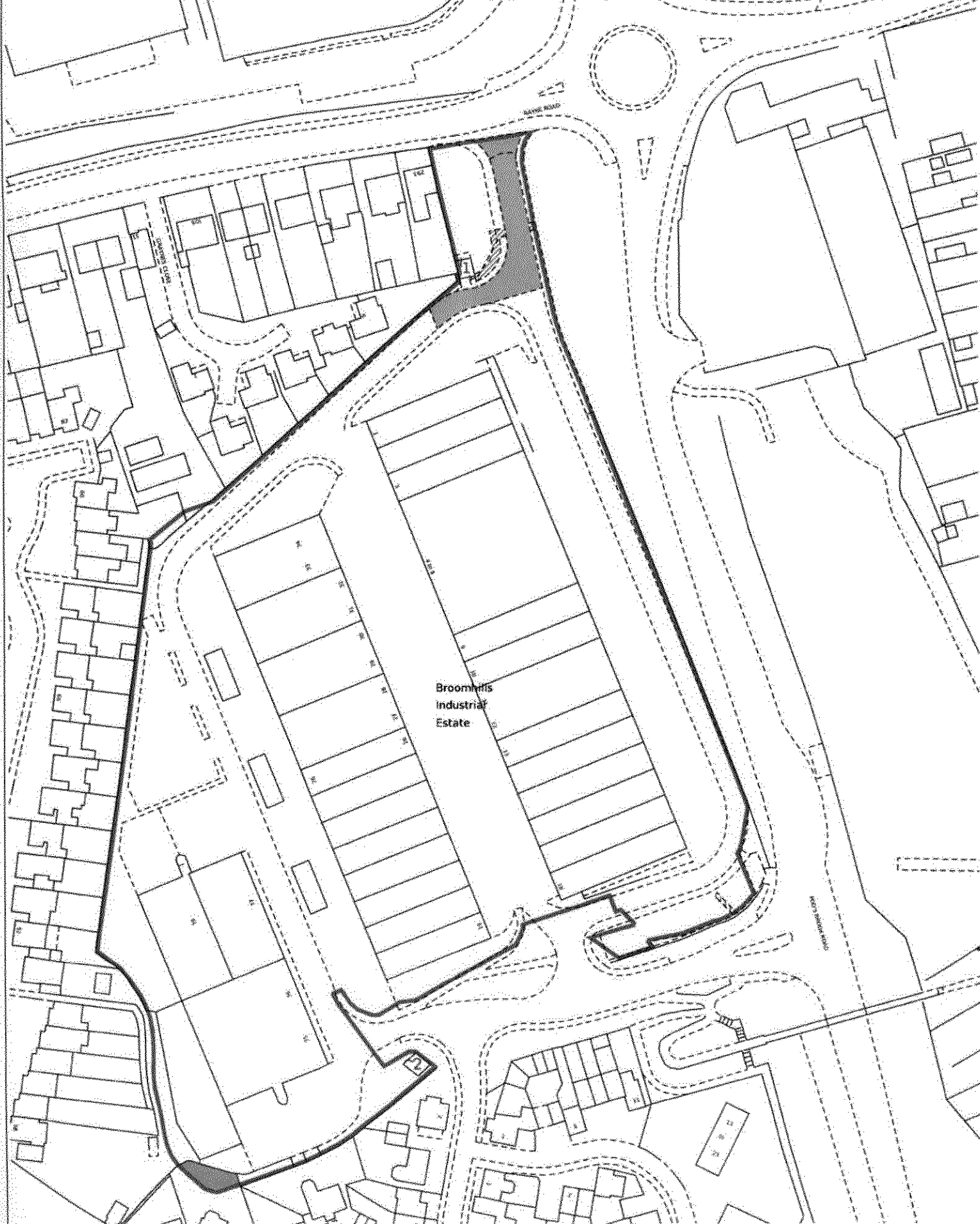
Signed for and on behalf of)
British Arab Commercial Bank plc)

ANNEX A

HM Land Registry
Official copy of
title plan

Title number **EX97074**
Ordnance Survey map reference **TL742**
Scale **1:1250 enlarged from 1:2500**
Administrative area **Essex : Braintree**

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EXECUTION PAGE TO SECURITY AGREEMENT

The Chargors

Executed as a deed by Plutus (Rye) Limited acting by a director in the presence of:



Director

signature
of witness



SHAILESH PATEL
print name

name

SHIRLEY WILLIAMSON
print name of witness

address



For the attention of: Shailesh Patel

Address: 7 St John's Road, Harrow, HA1 2EY

Email: shailesh@macalvins.com

Executed as a deed by Plutus Estates (Braintree) Limited acting by a director in the presence of:



Director

signature
of witness

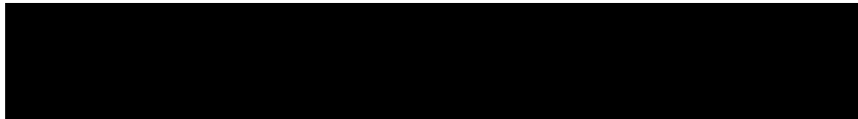


SHAILESH PATEL
print name

name

SHIRLEY WILLIAMSON
print name of witness

address



For the attention of: Shailesh Patel

Address: 7 St John's Road, Harrow, HA1 2EY

Email: shailesh@macalvins.com

The Lender

Signed for and on behalf of
British Arab Commercial Bank plc

.....
Print Name:

.....
Print Name:

For the attention of: Chris Berrington

Address: British Arab Commercial Bank plc, 8-10 Mansion House Place, London EC4N 8BJ

Fax number: 020 76003318