



Registration of a Charge

Company name: **A & F PHARMA LIMITED**

Company number: **12339155**

Received for Electronic Filing: **06/11/2020**



X9H7ZUZ6

Details of Charge

Date of creation: **05/11/2020**

Charge code: **1233 9155 0001**

Persons entitled: **WESLEYAN BANK LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **THE WILKES PARTNERSHIP LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12339155

Charge code: 1233 9155 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th November 2020 and created by A & F PHARMA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th November 2020 .

Given at Companies House, Cardiff on 9th November 2020

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 5th November **2020**

SECURITY ASSIGNMENT OF INSURANCE POLICY

between

WESLEYAN BANK LIMITED

and

A & F PHARMA LIMITED

and

ANJUM RAZA AND ANEESA FAROOQ

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THIS ASSIGNMENT OF INSURANCE POLICY IS MADE BY DEED on
5th November 2020 between the parties set out below:

- (1) **WESLEYAN BANK LIMITED** whose principal place of business is at Colmore Circus, Birmingham B4 6AR (the “**Bank**”)
- (2) **A & F PHARMA LIMITED** incorporated and registered in England and Wales with company number 12339155 whose registered office is at 15 Meadowfields Close, Wordsley, Stourbridge, United Kingdom, DY8 5AE (the “**Borrower**”); and
- (3) **ANJUM RAZA and ANEESA FAROOQ** both of 15 Meadowfields Close, Wordsley, Stourbridge DY8 5AE (the “**Assured**”)

BACKGROUND

- (A) The Bank has agreed from time to time to make available to the Borrower loan facilities on a secured basis.
- (B) This deed provides security which the Borrower has agreed to give to the Bank for the Secured Liabilities.

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed, the following definitions apply:

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Counterparty: any party to a Relevant Agreement other than the Borrower.

Delegate: any person appointed by the Bank or any Receiver pursuant to clause 12, and any person appointed as attorney of the Bank, Receiver or Delegate.

Event of Default: has the meaning given to that expression in the Facility Letter.

Facility Letter: the (a) facility letter dated 24th July 2020 and made between the Borrower and the Bank setting out the terms and conditions upon which the Bank is prepared to make available to the Borrower the Loan and (b) any other facility letter between the Bank and the Borrower, either alone or with any other party, which is intended to be secured by this deed.

Finance Document: has the meaning given to that expression in the Facility Letter and includes this deed.

Loan: the loan facility made or to be made by the Bank to the Borrower under the Facility Letter.

LPA 1925: the Law of Property Act 1925.

Receiver: a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Bank under clause 10.

Relevant Agreement: each document described in Schedule 1 and each other agreement designated as a Relevant Agreement by the Bank and the Borrower in writing.

Relevant Policy: each contract and policy of insurance described in Schedule 2 and each other contract and policy of insurance effected or maintained from time to time by the Borrower, including in respect of life, disability or critical illness put on risk after the date of this deed and in respect of which the Borrower is the insured party, together with all moneys paid or payable in respect of that policy.

Secured Assets: all the assets, property and undertaking for the time being subject to any Security created by this deed (and references to the Secured Assets shall include references to any part of them).

Secured Liabilities: all present and future monies, obligations and liabilities from time to time owed by the Borrower to the Bank (including, without limitation, those arising under clause 24.3(b)), whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations and liabilities.

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect together with any guarantee, indemnity, suretyship, letter of credit, performance bond or any other agreement or arrangement having a similar effect.

Security Period: the period starting on the date of this deed and ending on the date on which the Bank is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

In this deed:

- (a) terms defined in the Facility Letter have the same meanings when used in this deed unless otherwise defined in this deed;
- (b) clause, Schedule and paragraph headings shall not affect the interpretation of this deed;
- (c) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;

- (d) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (e) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (f) a reference to a party shall include that party's successors, permitted assigns and permitted transferees;
- (g) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (h) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (i) a reference to **writing** or **written** includes fax but not e-mail;
- (j) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (k) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- (l) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- (m) any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (n) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- (o) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (p) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (q) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- (r) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- (s) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If the Bank considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 Perpetuity period

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

1.5 Schedules

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2. COVENANT TO PAY

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

3. GRANT OF SECURITY

3.1 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Bank absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) the benefit of each Relevant Agreement;
- (b) all its rights in each Relevant Policy, including the proceeds of any claims under any Relevant Policy;
- (c) the benefit of all other contracts, guarantees, appointments, warranties and other documents to which the Borrower is a party, which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatsoever accruing to or for its benefit arising from any of them), to the extent not effectively assigned under clause 3.1(a) or clause 3.1(b); and
- (d) all authorisations (statutory or otherwise) held or required in connection with the use of any Secured Assets, and all rights in connection with them,

provided that nothing in this clause 3.1 shall constitute the Bank as a mortgagee in possession.

3.2 Borrower entitled to exercise rights

Until the security constituted by this deed has become enforceable or the Bank serves a notice on the Borrower to the contrary, the Borrower shall be entitled to exercise all its rights in the Secured Assets, subject to the other provisions of this deed.

3.3 Assured's Consent

The Assured consents to the Borrower charging the Relevant Policy to the Bank.

4. LIABILITY OF THE BORROWER

4.1 Liability not discharged

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Bank that is or becomes wholly or partially illegal, void or unenforceable on any ground;
- (b) the Bank renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

4.2 Immediate recourse

The Borrower waives any right it may have to require the Bank to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Borrower.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to the Bank.

5.2 Ownership of Secured Assets

The Borrower is the legal and beneficial owner of, and has good, valid and marketable title to the Secured Assets.

5.3 Secured Assets

- (a) The counterparts and instruments comprising the Relevant Agreements, Relevant Policies or other document, agreement or arrangement comprising the Secured Assets as provided to the Bank before the date of this deed, evidence all terms of the relevant Secured Assets, and there are no other documents, agreements or arrangements that may affect the operation or enforceability of any Secured Assets.
- (b) No Relevant Agreement, Relevant Policy or other document, agreement or arrangement comprising the Secured Assets is void, voidable or otherwise unenforceable.
- (c) No variation of any Relevant Agreement, Relevant Policy or other document, agreement or arrangement comprising the Secured Assets is contemplated.
- (d) The Borrower is not in breach of its obligations under any Relevant Agreement, Relevant Policy or other document, agreement or arrangement comprising the Secured Assets and nothing has occurred:
 - (i) which is, or would constitute (with the giving of notice or passage of time or both), an event of default (however described) under any Relevant Agreement, Relevant Policy or other document, agreement or arrangement comprising the Secured Assets; or
 - (ii) which would entitle a person to terminate or rescind a Relevant Agreement, Relevant Policy or other document, agreement or arrangement comprising the Secured Assets.

5.4 No Security

The Secured Assets are free from any Security other than the Security created by this deed.

5.5 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.6 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

5.7 No breach of laws

There is no breach of any law or regulation, which materially and adversely affects the Secured Assets.

5.8 Avoidance of security

No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

5.9 No prohibitions

There is no prohibition on assignment in any Relevant Policy or Relevant Agreement, and the entry into this deed by the Borrower does not and will not constitute a breach of any Relevant Policy or Relevant Agreement or any other agreement, instrument or obligation binding on the Borrower or its assets.

5.10 Enforceable security

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.11 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.10 are made by the Borrower on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition].

6. COVENANTS

6.1 Negative pledge and disposal restrictions

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

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed;
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Secured Assets; or
- (c) create or grant (or purport to create or grant) any interest in any Secured Asset in favour of a third party.

6.2 Preservation of Secured Assets

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Bank or diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

6.3 Relevant Agreements

The Borrower shall, unless the Bank agrees otherwise in writing:

- (a) comply with the terms of;
- (b) not amend or vary or agree to any change in, or waive any requirement of;
- (c) not settle, compromise, terminate, rescind or discharge (except by performance); and
- (d) not abandon, waive, dismiss, release or discharge any action, claim or proceedings against any Counterparty or other person in connection with,

any Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets (other than the Relevant Policies).

6.4 Rights

The Borrower shall:

- (a) not waive any of the Bank's rights or release any person from its obligations in connection with the Secured Assets; and
- (b) take all necessary or appropriate action against any person (including as reasonably required by the Bank) to protect and enforce its rights, and recover money or receive other property in connection with, the Secured Assets.

6.5 Payment of money

The Borrower shall ensure that all money payable to, or other property receivable by, the Borrower under or in relation to any Secured Assets is paid or delivered to the Bank (or that the Borrower pays over or delivers such amounts to the Bank) to be applied in accordance with the Finance Documents.

6.6 Borrower's waiver of set-off

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

6.7 Compliance with laws and regulations

- (a) The Borrower shall not, without the Bank's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- (b) The Borrower shall:
 - (i) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of them or any part of them; and
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset.

6.8 Enforcement of rights

The Borrower shall use its best endeavours to:

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties (including each Counterparty in respect of a Relevant Agreement and each insurer in respect of a Relevant Policy); and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Bank may require from time to time.

6.9 Notice of misrepresentations and breaches

The Borrower shall, promptly on becoming aware of any of the same, notify the Bank in writing of:

- (a) any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this deed.

6.10 Notices to be given by Borrower

The Borrower shall:

- (a) immediately on the execution of this deed:
 - (i) give notice to each Counterparty to a Relevant Agreement, in the form set out in Part 1 of Schedule 3, of the assignment of the Borrower's rights and interest in and under that Relevant Agreement pursuant to clause 3.1(a); and
 - (ii) use reasonable endeavours to procure that each Counterparty will promptly provide to the Bank an acknowledgement of the notice, in the form set out in Part 2 of Schedule 3, of the Bank's interest;
- (b) immediately on the execution of this deed:
 - (i) give notice to the relevant insurers, in the form set out in Part 1 of Schedule 4, of the assignment of the Borrower's rights and interest in, and under, each Relevant Policy (including the proceeds of any claims under that Relevant Policy) pursuant to clause 3.1(b); and
 - (ii) use reasonable endeavours to procure that each insurer will promptly provide to the Bank an acknowledgement of the notice, in the form set out in Part 2 of Schedule 4, of the Bank's interest;
- (c) immediately on the execution of this deed:
 - (i) give notice to the other parties to each other contract, guarantee, appointment, warranty or authorisation relating to the Secured Assets and any other document to which the Borrower is a party, substantially in the form set out in Part 1 of Schedule 3 (and except only to the extent the Bank agrees otherwise in writing), of the

assignment of the Borrower's rights and interest in and under it pursuant to clause 3.1(c) or clause 3.1(d); and

- (ii) use reasonable endeavours to procure that each addressee of such notice will promptly provide to the Bank an acknowledgement of the notice, substantially in the form set out in Part 2 of Schedule 3 (and except only to the extent the Bank agrees otherwise in writing), of the Bank's interest; and
- (d) in the case of each Relevant Agreement, Relevant Policy or other document, agreement or arrangement designated as Secured Assets after the date of this deed, the Borrower shall, give the relevant notices and procure each relevant acknowledgement referred to in clause 6.10(a) to clause 6.10(c) on the later of that Relevant Agreement, document, agreement or arrangement coming into existence or, in the case of a Relevant Policy, being put on risk, or being designated Secured Assets.

6.11 Appointment of accountants

- (a) The Borrower shall:
 - (i) at its own cost, if at any time so required by the Bank, appoint an accountant or firm of accountants nominated by the Bank to investigate the financial affairs of the Borrower and those of its subsidiaries and report to the Bank; and
 - (ii) co-operate fully with any accountants so appointed and immediately provide those accountants with all information requested.
- (b) The Borrower authorises the Bank to make an appointment as it shall think fit at any time, without further authority from the Borrower. In every case, the Borrower shall pay, or reimburse the Bank for, the fees and expenses of those accountants.

6.12 Documents

The Borrower shall, if so required by the Bank, deposit with the Bank and the Bank shall, for the duration of this deed, be entitled to hold all the Borrower's original counterparts of, and instruments comprising, each Relevant Agreement and Relevant Policy and each other document, instrument or agreement comprising the Secured Assets.

6.13 Information

The Borrower shall:

- (a) give the Bank such information concerning the Secured Assets as the Bank may require; and
- (b) promptly notify the Bank in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or

of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim or demand and shall, subject to the Bank's prior approval, implement those proposals at its own expense.

6.14 Insurance

The Borrower shall:

- (a) not amend, waive or release any rights or interests in a Relevant Policy;
- (b) if requested by the Bank, deliver to the Bank the policy, certificate or cover note relating to any Relevant Policy; and
- (c) if requested by the Bank, procure that a note of the Bank's interest is endorsed upon each Relevant Policy maintained by it or any person on its behalf and procure that the terms of each Relevant Policy require the relevant insurer not to invalidate that Relevant Policy as against the Bank by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Bank.

6.15 Insurance premiums

The Borrower shall:

- (a) promptly pay all premiums in respect of each Relevant Policy and do all other things necessary to keep that Relevant Policy in full force and effect; and
- (b) (if the Bank so requires) give to the Bank copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Relevant Policy.

6.16 No invalidation of insurance

The Borrower shall not do, or permit to be done, or omit or permit to be omitted, any thing that if done or not done as the case may be, may invalidate or otherwise prejudice any Relevant Policy.

6.17 Proceeds from Relevant Policies

All monies received or receivable under any Relevant Policy at any time (whether or not the security constituted by this deed has become enforceable) shall:

- (a) immediately be paid to the Bank;
- (b) if they are not paid directly to the Bank by the insurers, be held by the Borrower as trustee of the same for the benefit of the Bank (and the Borrower shall account for them to the Bank); and

- (c) at the option of the Bank, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received, or in or towards discharge or reduction of the Secured Liabilities

6.18 Payment of outgoings

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Bank.

6.19 Compliance with covenants

The Borrower shall observe and perform all covenants, stipulations and conditions to which any Secured Assets, or the use of them, is or may be subjected and (if the Bank so requires) produce to the Bank evidence sufficient to satisfy the Bank that those covenants, stipulations and conditions have been observed and performed.

7. POWERS OF THE BANK

7.1 Power to remedy

- (a) The Bank shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed.
- (b) The Borrower irrevocably authorises the Bank and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Bank in remedying a breach by the Borrower of its obligations contained in this deed, shall be reimbursed by the Borrower to the Bank on a full indemnity basis and shall carry interest in accordance with clause 14.1 and shall be Secured Liabilities for the purposes of this deed.

7.2 Exercise of rights

The rights of the Bank under clause 7.1 are without prejudice to any other rights of the Bank under this deed. The exercise of any rights of the Bank under this deed shall not make the Bank liable to account as a mortgagee in possession.

7.3 Bank has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Bank in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

7.4 Conversion of currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Bank may convert any monies received, recovered or realised by it under

this deed (including the proceeds of any previous conversion under this clause 7.4) from their existing currencies of denomination into such other currencies of denomination as the Bank may think fit.

- (b) Any such conversion shall be effected at Lloyds Bank plc's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 7.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

7.5 New accounts

- (a) If the Bank receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Bank may open a new account for the Borrower in the Bank's books. Without prejudice to the Bank's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Bank does not open a new account immediately on receipt of the notice, or deemed notice, under clause 7.5(a), then, unless the Bank gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Bank shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Bank.

7.6 Bank's set-off rights

If the Bank has more than one account for the Borrower in its books, the Bank may at any time after:

- (a) the security constituted by this deed has become enforceable; or
- (b) the Bank has received, or is deemed to have received, notice of any subsequent Security or other interest affecting all or any part of the Secured Assets,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit. After making any such transfer, the Bank shall notify the Borrower of that transfer.

7.7 Indulgence

The Bank may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Borrower) in respect of any

of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs.

8.2 Discretion

After the security constituted by this deed has become enforceable, the Bank may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

9. ENFORCEMENT OF SECURITY

9.1 Enforcement powers

(a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Bank and a purchaser from the Bank, arise on and be exercisable at any time after the execution of this deed, but the Bank shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 8.1.

(b) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

9.2 Access on enforcement

(a) At any time after the Bank has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this deed or the Facility Letter, the Borrower will allow the Bank or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies. In particular (and without limitation), to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Bank or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Borrower for, or by any reason of, that entry.

(b) At all times, the Borrower must use its best endeavours to allow the Bank or its Receiver access to any premises for the purpose of clause 9.2(a) (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

9.3 Prior Security

At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Bank may:

- (a) redeem that or any other prior Security;
- (b) procure the transfer of that Security to it; and
- (c) settle and pass any account of the holder of any prior Security.

The settlement and passing of any such account shall, in the absence of any manifest error, be conclusive and binding on the Borrower. All monies paid by the Bank to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Bank, be due from the Borrower to the Bank on current account and shall bear interest at the Default Rate of Interest specified in the Facility Letter and be secured as part of the Secured Liabilities.

9.4 Protection of third parties

No purchaser, mortgagee or other person dealing with the Bank, any Receiver or Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Bank, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Bank, any Receiver or any Delegate is to be applied.

9.5 Privileges

Each Receiver and the Bank is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

9.6 No liability as mortgagee in possession

Neither the Bank, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

9.7 Conclusive discharge to purchasers

The receipt of the Bank or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Bank, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

10. RECEIVER

10.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Borrower, the Bank may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

10.2 Removal

The Bank may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Bank may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, which shall be due and payable immediately on its being paid by the Bank.

10.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Bank under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

10.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Bank despite any prior appointment in respect of all or any part of the Secured Assets.

10.6 Agent of the Borrower

Any Receiver appointed by the Bank under this deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that, the Receiver shall act as principal and shall not become the agent of the Bank.

11. POWERS OF RECEIVER

11.1 General

- (a) Any Receiver appointed by the Bank under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 11.2 to clause 11.15.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 11 may be on behalf of the Borrower, the directors of the Borrower or himself.

11.2 Employ personnel and advisers

A Receiver may provide services and employ, or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

11.3 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Bank may prescribe or agree with him.

11.4 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

11.5 Dispose of Secured Assets

A Receiver may sell or assign (or concur in selling or assigning), all or any of the Secured Assets in respect of which he is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

11.6 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

11.7 Make settlements

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

11.8 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit.

11.9 Insurance

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 14, effect with any insurer, any policy of insurance either in lieu or satisfaction of, or in addition to, that insurance.

11.10 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

11.11 Borrow

A Receiver may, for any of the purposes authorised by this clause 11, raise money by borrowing from the Bank (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Bank consents, terms under which that security ranks in priority to this deed).

11.12 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

11.13 Delegation

A Receiver may delegate his powers in accordance with this deed.

11.14 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

11.15 Incidental powers

A Receiver may do any other acts and things that he:

- (a) may consider desirable or necessary for realising any of the Secured Assets;

- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
- (c) lawfully may or can do as agent for the Borrower.

12. DELEGATION

12.1 Delegation

The Bank or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 16.1).

12.2 Terms

The Bank and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

12.3 Liability

Neither the Bank nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

13. APPLICATION OF PROCEEDS

13.1 Order of application of proceeds

All monies received by the Bank, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable (other than sums received pursuant to any Relevant Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Bank (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Bank determines; and
- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

13.2 Appropriation

Neither the Bank, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or

appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

13.3 Suspense account

All monies received by the Bank, a Receiver or a Delegate under this deed (other than sums received pursuant to any Relevant Policy, which are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Bank, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Bank and the Borrower; and
- (c) may be held in that account for so long as the Bank, Receiver or Delegate thinks fit.

14. COSTS AND INDEMNITY

14.1 Costs

The Borrower shall, on demand, pay to, or reimburse, the Bank and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Bank, any Receiver or any Delegate in connection with:

- (a) this deed or the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Bank's, a Receiver's or a Delegate's rights under this deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Letter.

14.2 Indemnity

The Borrower shall indemnify the Bank, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Borrower in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 14.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

15. FURTHER ASSURANCE

The Borrower shall, at its own expense, take whatever action the Bank or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Bank or any Receiver in respect of any Secured Asset,

including, without limitation (if the Bank or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Bank or to its nominee) and the giving of any notice, order or direction and the making of any registration.

16. POWER OF ATTORNEY

16.1 Appointment of attorneys

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

- (a) the Borrower is required to execute and do under this deed; or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Bank, any Receiver or any Delegate.

16.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 16.1.

17. RELEASE

Subject to clause 24.3, on the expiry of the Security Period (but not otherwise), the Bank shall, at the request and cost of the Borrower, take whatever action is necessary to:

- (a) release the Secured Assets from the security constituted by this deed; and
- (b) reassign the Secured Assets to the Borrower.

18. ASSIGNMENT AND TRANSFER

18.1 Assignment by Bank

- (a) At any time, without the consent of the Borrower, the Bank may assign or transfer any or all of its rights and obligations under this deed.
- (b) The Bank may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this deed that the Bank considers appropriate.

18.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

19. SET-OFF

19.1 Bank's right of set-off

The Bank may at any time set off any liability of the Borrower to the Bank against any liability of the Bank to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Bank may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Bank of its rights under this clause 19 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

20. AMENDMENTS, WAIVERS AND CONSENTS

20.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

20.2 Waivers and consents

- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) Any time or forbearance allowed by the Bank to the Borrower and/or any failure or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Bank shall be effective unless it is in writing.

20.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

21. SEVERANCE

21.1 Severance

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

22. COUNTERPARTS

22.1 Counterparts and Borrowers

- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Where more than one person is named as Borrower or where the Borrower is a partnership each person or partner individually and all persons or partners jointly are liable for the payment and performance of the obligations under the Finance Documents.

23. THIRD PARTY RIGHTS

23.1 Third party rights

- (a) A person who is not a party to this deed (other than a permitted successor or assign, any Receiver or any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

24. FURTHER PROVISIONS

24.1 Independent security

This deed shall be in addition to, and independent of, any other security or guarantee that the Bank may hold for any of the Secured Liabilities at any time. No prior security held by the Bank over the whole or any part of the Secured Assets shall merge in the security created by this deed.

24.2 Continuing security

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

24.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Bank shall be deemed conditional on no payment or security received by the Bank in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) the Bank or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Bank deems necessary to provide the Bank with security against any such avoidance, reduction or order for refund; and
- (b) the Bank may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

24.4 Certificates

A certificate or determination by the Bank as to any amount for the time being due to it from the Borrower under this deed and the Facility Letter shall be, in the absence of any manifest error, conclusive evidence of the amount due.

24.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

25. NOTICES

25.1 Delivery

Each notice or other communication required to be given under or in connection with this deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and
- (c) sent to:
 - (i) the Borrower at:
15 Meadowfields Close, Wordsley, Stourbridge, United Kingdom
DY8 5AE
Attention: Mr Anjum Raza and Mrs Aneesa Farooq
 - (ii) the Bank at:
WESLEYAN BANK LIMITED, Colmore Circus, Birmingham, B4
6AR.
Attention: Head of Underwriting
 - (iii) the Assured at: 15 Meadowfields Close, Wordsley, Stourbridge DY8
5AE
Attention: Mr Anjum Raza and Mrs Aneesa Farooq
 - (iv) the relevant Counterparty or insurer at its principal place of business,
the details of which are provided in Schedule 1 or Schedule 2 (as
applicable),

or to any other address or fax number as is notified in writing by one party to the other from time to time.

25.2 Receipt by Borrower

Any notice or other communication that the Bank gives to the Borrower shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first class post or other next working day delivery service, on the second Business Day after posting; and
- (c) if sent by fax, when received in legible form.

A notice or other communication given as described in clause 25.2(a) or clause 25.2(c) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

25.3 Receipt by Bank

Any notice or other communication given to the Bank shall be deemed to have been received only on actual receipt.

25.4 Service of proceedings

This clause 25 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

25.5 No notice by e-mail

A notice or other communication given under or in connection with this deed is not valid if sent by e-mail.

26. GOVERNING LAW AND JURISDICTION

26.1 Governing law

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

26.2 Jurisdiction

Each party irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Bank to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 Relevant Agreements

None.

Schedule 2 Relevant Policies

Life Insurance Policy

Application Number: PAP0000W0PH

Policy Number:

Policy Type: Business Protection – Decreasing Life Cover and Critical Illness

Name of Provider: Zurich Assurance Ltd

Plan Owner: The Borrower – A & F Pharma Limited

Lives covered: The Assured – Anjum Raza and Aneesa Farooq

Indemnity Cover: £224,400.00

Term of Policy: 15 years

Schedule 3 Notice and acknowledgement of assignment of Relevant Agreement

Part 1. Form of notice of assignment

[On the letterhead of the Borrower]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear Sirs,

Security assignment (Assignment) dated [DATE] between [BORROWER] and Wesleyan Bank Limited

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Assignment [(a copy of which is attached)] we have assigned to Wesleyan Bank Limited (the “**Bank**”), by way of security, all our rights, title and interest and benefit in and to the Contract.

We irrevocably instruct and authorise you to:

- Comply with the terms of any written instructions received by you from the Bank relating to the Contract, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Contract to the order of the Bank.
- Pay, or release, all monies to which we are entitled under the Contract to the Bank, or to such persons as the Bank may direct.
- Disclose information in relation to the Contract to the Bank on request by the Bank.

Neither the Assignment nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the foregoing, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Bank. Thereafter, we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Bank.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Bank.

The instructions in this notice may only be revoked or amended with the prior written consent of the Bank.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Bank at Wesleyan Bank Limited, Colmore Circus, Birmingham, B4 6AR, with a copy to us.

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

Yours faithfully,

.....

[NAME OF BORROWER]

Part 2. Form of acknowledgement of assignment

[On the letterhead of the Counterparty]

Wesleyan Bank Limited

Colmore Circus

Birmingham

B4 6AR

[DATE]

Dear Sirs,

Security assignment (Assignment) dated [DATE] between [BORROWER] and Wesleyan Bank Limited

We confirm receipt from [BORROWER] (Borrower) of a notice (Notice) dated [DATE] of an assignment, by way of security, of all the Borrower's rights under [DESCRIBE RELEVANT AGREEMENT] (Contract).

[Terms defined in the Notice shall have the same meaning when used in this acknowledgement.]

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.

- There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Bank at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- The Bank will not in any circumstances have any liability in relation to the Contract.
- The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Bank.

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

Yours faithfully,

.....

[COUNTERPARTY]

Schedule 4 Notice and acknowledgement of assignment of Relevant Policy

Part 1. Form of notice of assignment

[On the letterhead of the Borrower]

[NAME OF INSURANCE COMPANY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear Sirs,

Security assignment (Assignment) dated [DATE] between [BORROWER] and Wesleyan Bank Limited

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (Policy).

This letter constitutes notice to you that under the Assignment [(a copy of which is attached)] we have assigned to Wesleyan Bank Limited (the “**Bank**”), by way of security, all our rights, title and interest and benefit in and to the Policy.

We irrevocably instruct and authorise you to:

- [Note the Bank's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY LENDER TO BE ENDORSED ON POLICY, FOR EXAMPLE, "FIRST MORTGAGEE"] and first loss payee **OR** Name the Bank on the Policy as co-insured].
- Comply with the terms of any written instructions received by you from the Bank relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Policy to the order of the Bank.
- Pay, or release, all monies to which we are entitled under the Policy to the Bank, or to such persons as the Bank may direct.
- Disclose information in relation to the Policy to the Bank on request by the Bank.

Neither the Assignment nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Bank. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Bank.

The instructions in this notice may only be revoked or amended with the prior written consent of the Bank.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Bank at Wesleyan Bank Limited, Colmore Circus, Birmingham B4 6AR, with a copy to us.

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

Yours faithfully,

.....

[NAME OF BORROWER]

Part 2. Form of acknowledgement of assignment

[On the letterhead of the insurance company]

Wesleyan Bank Limited

Colmore Circus
Birmingham
B4 6AR

[DATE]

Dear Sirs,

Security assignment (Assignment) dated [DATE] between [BORROWER] and Wesleyan Bank Limited

We confirm receipt from [BORROWER] (Borrower) of a notice (Notice) dated [DATE] of an assignment, by way of security, of all the Borrower's rights under [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (Policy).

[Terms defined in the Notice shall have the same meaning when used in this acknowledgement.]

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.

- We have noted the Bank's interest on the Policy as [DESCRIBE NOTATION REQUIRED BY LENDER TO BE ENDORSED ON POLICY, FOR EXAMPLE, "FIRST MORTGAGEE AND FIRST LOSS PAYEE" OR AS "CO-INSURED"].
- There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.
- We will not cancel, avoid, release or otherwise allow the Policy to lapse without giving the Bank at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its 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.
- The Bank will not in any circumstances be liable for the premiums in relation to the Policy.
- The Policy shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Bank.

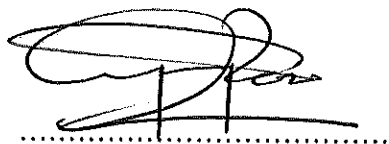
This letter, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....

[COUNTERPARTY]

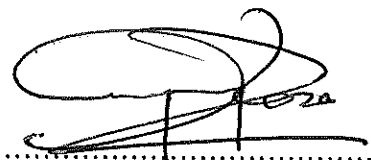
Executed and delivered as a deed by
A & F PHARMA LIMITED
acting by ANJUM RAZA
a director, in the presence of:


.....
Director

Witness

Signature : Mr. N. Maione.
Name : NICOLAS MAIONE
Occupation : Counsellor
Address : 10, Murdoch Drive
Kingwinford
DY6 9HJ

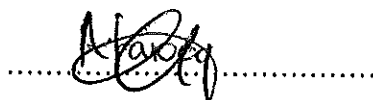
Executed and delivered as a deed by
ANJUM RAZA
in the presence of:


.....

Witness

Signature : Mr. N. Maione.
Name : NICOLAS MAIONE
Occupation : Counsellor
Address : 10, Murdoch Drive
Kingwinford
DY6 9HJ

Executed and delivered as a deed by
ANEESA FAROOQ
in the presence of:


.....

Witness

Signature : Mr. N. Maione.
Name : NICOLAS MAIONE
Occupation : Counsellor
Address : 10, Murdoch Drive.
Kingwinford,
DY6 9HJ

Executed and delivered as a deed by

as attorney for

WESLEYAN BANK LIMITED

in the presence of:

Witness

Signature :

Name :

Occupation :

Address :