



## Registration of a Charge

LLP name: **SIGLION DEVELOPMENTS LLP**

LLP number: **OC394705**

Received for Electronic Filing: **09/06/2015**



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## Details of Charge

Date of creation: **09/06/2015**

Charge code: **OC39 4705 0001**

Persons entitled: **SIGLION LLP**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

## Authentication of Form

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

## Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 AS APPLIED BY THE LIMITED LIABILITY PARTNERSHIPS (APPLICATION OF COMPANIES ACT 2006) REGULATIONS 2009 THE ELECTRONIC**

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

Certified by:

**BEN EDWARDS**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

LLP number: OC394705

Charge code: OC39 4705 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th June 2015 and created by SIGLION DEVELOPMENTS LLP was delivered pursuant to Part 25 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Application of Companies Act 2006) (Amendment) Regulations 2013 on 9th June 2015 .

Given at Companies House, Cardiff on 10th June 2015

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under the Limited Liability Partnership  
(Application of the Companies Act 2006) Regulations 2009 SI 2009/1804



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

EXECUTION COPY

DATED 9 June 2015

(1) SIGLION DEVELOPMENTS LLP  
(as Chargor)

(2) SIGLION LLP  
(as Chargee)

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DEBENTURE  
in respect of the  
Development (SDV) A Loan Notes

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Note: This Debenture is subject to the terms of the Members' Agreement and the Intercreditor Agreement (as such terms are defined in this Debenture)

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THIS DEED is dated 9 June 2015

**BETWEEN:-**

- (1) **SIGLION DEVELOPMENTS LLP** a limited liability partnership registered in England (LLP Number OC394705) whose registered office is at Dale House, 35 Dale Street, Manchester M1 2HF (the "**Chargor**"); and
- (2) **SIGLION LLP** a limited liability partnership registered in England (LLP number OC394683) whose registered office is at Dale House, 35 Dale Street, Manchester M1 2HF (the "**Chargee**").

**BACKGROUND:-**

- (A) The Chargor enters into this Deed in connection with the Loan Note Instrument (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED as follows:-**

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed:-

"Act"	means the Law of Property Act 1925
"Business Day"	any day (other than a Saturday, Sunday or a public holiday in England) on which clearing banks in the City of London are open for the transaction of normal sterling banking business
"C Loan Note Debenture"	means the debenture granted by the Chargor in favour of the Council in connection with the C Loan Notes
"C Loan Note Discharge Date"	means the first date on which all liabilities expressed to be secured by the C Loan Note Debenture have been fully and finally discharged to the satisfaction of the Council (acting reasonably)
"C Loan Notes"	the C loan notes constituted by a loan note instrument and to be issued pursuant to a resolution of the Partnership Board as outstanding from time to time
"C Noteholder"	the person whose name is for the time being entered in the relevant register as the holder of C Loan Notes
"Charged Contracts"	means each and all of the following both present and future:- <ol style="list-style-type: none"><li>(a) all development documents entered into by the Chargor in connection with the Development including, but not limited to, the Investment Agreement and any building contract, sub-contracts, appointments and collateral warranties</li></ol>

	<p>(b) each contract in respect of any disposal of any Security Asset</p> <p>(c) each occupational lease relating to which the Chargor is party</p> <p>(d) any managing agent's agreement and</p> <p>(e) all other agreements relating to the Development in which a Chargor has an interest</p> <p>in each case, including any guarantees or sureties entered into in respect of them</p>
<b>"Council"</b>	means The Council of the City of Sunderland of Civil Centre, Burdon Road, Sunderland, SR2 7DN
<b>"Council Default Event"</b>	has the meaning ascribed to it in the Members' Agreement
<b>"Dangerous Substances"</b>	means any substances capable of causing harm to man or any other living organism or damaging the environment
<b>"D Loan Notes"</b>	the D loan notes constituted by a loan note instrument and to be issued pursuant to a resolution of the Partnership Board as outstanding from time to time
<b>"D Noteholder"</b>	the person whose name is for the time being entered in the relevant register as the holder of D Loan Notes
<b>"Default Event"</b>	has the meaning ascribed to it in the Members' Agreement
<b>"Development Business Plan"</b>	has the meaning given to that term in the Members' Agreement
<b>"Development Site"</b>	has the meaning given to that term in the Members' Agreement
<b>"Enforcement Date"</b>	means the date on which all or any part of the security constituted by this Deed is enforced in accordance with Clause 11 of this Deed
<b>"Environmental Law"</b>	means all laws, regulations, directives, codes of practice (imposing mandatory requirements), circulars (imposing mandatory requirements), guidance notices (imposing mandatory requirements) and court decisions (whether in the UK or elsewhere) concerning the protection of human health or welfare or the environment or the conditions of the work place or degeneration, transportation, storage, treatment or disposal of Dangerous Substances
<b>"Environmental Licence"</b>	means any licence, authorisation or approval required by Environmental Law
<b>"Event of Default"</b>	means any of the events of default set out in



Schedule 10 (*Events of Default*)

<b>"Finance Documents"</b>	means:- <ul style="list-style-type: none"><li>(a) the Loan Note Instrument</li><li>(b) the Loan Notes and</li><li>(c) the Intercreditor Deed</li></ul>
<b>"Fixed Plant and Equipment"</b>	means all plant, machinery or equipment of the Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building
<b>"Fixtures"</b>	means all things of any kind now or at any time affixed to the Mortgaged Property for any purpose
<b>"Insurances"</b>	means all contracts and policies of insurance or assurance taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest
<b>"Intellectual Property"</b>	means any of the following:- <ul style="list-style-type: none"><li>(a) any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above</li><li>(b) any invention, copyright, design right or performance right</li><li>(c) any trade secrets, know-how and confidential information and</li><li>(d) the benefit of any agreement or licence for the use of any such right</li></ul>
<b>"Intercreditor Deed"</b>	means the intercreditor deed dated [***] 2015 between (1) the Chargor, (2) the C Noteholders, (3) the D Noteholders, (4) the SDV and (4) Siglion Investments LLP and any other deed entered into from time to time by the Chargor and the holders of any class of loan note issued by the Chargor whereby the priority of those notes is regulated
<b>"Loan Note Instrument"</b>	has the meaning given to the term " <i>Development (SDV) A Loan Note Instrument</i> " in the Members' Agreement
<b>"Loan Note"</b>	has the meaning given to the term " <i>Development (SDV) A Loan Note</i> " in the Members' Agreement

<b>"Loose Plant and Equipment"</b>	means, all plant, machinery, equipment and motor vehicles now or at any time owned by the Chargor as a capital asset which is not Fixed Plant and Equipment
<b>"Members' Agreement"</b>	means the members' agreement relating to the Chargor dated on or about the date of this Deed between (1) the Council, (2) the SIP, (3) the SDV, (4) Siglion Investments LLP, (5) Siglion Nominee Limited and (6) the Chargor
<b>"Members"</b>	has the meaning given to that term in the Members' Agreement
<b>"Monetary Claims"</b>	means all book and other debts and monetary claims now or in the future owing to the Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt
<b>"Mortgaged Property"</b>	means any freehold or leasehold property the subject of the security created by this Deed
<b>"Noteholders"</b>	means the persons whose names are for the time being entered in the register of holders of Loan Notes and <b>"Noteholder"</b> means any of them
<b>"Occupational Lease"</b>	means any occupational lease or licence or other right of occupation to which the Mortgaged Property may be subject from time to time
<b>"Planning Acts"</b>	means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Local Government Planning and Land Act 1980, and any subordinate legislation made (before or after this Deed) under those statutes and any other statute governing or controlling the use or development of land and property
<b>"Policy"</b>	means each policy of insurance in which the Chargor has any interest
<b>"Premises"</b>	means all buildings and erections included in the definition of <b>"Security Assets"</b>
<b>"Principal Amount"</b>	the principal amount of the Loan Notes outstanding from time to time
<b>"Receiver"</b>	means a receiver and manager or a receiver, in each case, appointed under this Deed
<b>"Related Rights"</b>	means in relation to any Security Asset:-  (a) the proceeds of sale of any part of that

Security Asset

- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Security Asset
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Security Asset and
- (d) any moneys and proceeds paid or payable in respect of that Security Asset

"SDV"

Siglion LLP, a limited liability partnership registered in England (LLP number OC394683) whose registered office is at Dale House, 35 Dale Street, Manchester M1 2HF

"Secured Account"

means the bank account with sort code 56-00-61 and account number 42087406 (and any renewal or redesignation of such account)

"Secured Liabilities"

means any liability to be expressed to be due, owing or payable by the Chargor to the Chargee under or in connection with any of the Finance Documents (in each case, whether alone or jointly, or jointly or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise)

"Securities"

means all the right, title and interest of the Chargor, now or in the future, in any:-

- (a) stocks, shares, bonds, deeds, loan stocks, or other securities issued by any person
- (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, deeds, loan stocks or other securities or investments issued by any person and
- (c) units or other interests in any unit trust or collective investment scheme,

including (without limitation) the Shares and all of the Chargor's (in its own capacity) interest in any partnership (including without limitation any limited partnership or any limited liability partnership) and all rights and powers therein and arising therefrom together with all distributions, interests, returns of contribution deriving from or incidental to any partnership interest and any other income paid or payable and all rights, monies or property accruing or offered at any time in relation to such assets whether by way of redemption, substitution, exchange, bonus or preference

<b>"Security Assets"</b>	means all assets of the Chargor which are, or purport to be, the subject of any security created or intended to be created by this Deed
<b>"Security Interest"</b>	means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security
<b>"Security Period"</b>	means the period beginning on the date of this Deed and ending on the date on which the Chargee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full
<b>"Shares"</b>	means the Chargor's interests in any share in the share capital of any entity
<b>"SIP"</b>	means Carillion (Maple Oak) Limited, a company registered in England (Company Number 01469541) whose registered office is at 24 Birch Street, Wolverhampton, West Midlands WV1 4HY
<b>"Termination Event"</b>	has the meaning given to that term in the Members' Agreement

## 1.2 Construction

- 1.2.1 Capitalised terms defined in the Loan Note Instrument have, unless expressly defined in this Deed, the same meaning in this Deed.
- 1.2.2 The provisions of Clause 2.2 of the Loan Note Instrument apply to this Deed as though they were set out in full in this Deed except that references to the Instrument are to be construed as references to this Deed.
- 1.2.3 The terms of the other 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 the Mortgaged Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.4 Each mortgage, charge and assignment created under this Deed is made by the Chargor with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- 1.2.5 If the Chargee considers that an amount paid to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the person that paid that amount or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.2.6 All obligations, covenants, representations and warranties on the part of two or more persons are entered into, given or made by such persons jointly and severally.
- 1.2.7 If there is a conflict between the provisions of this Deed and the provisions of the Members' Agreement, the provisions of the Members' Agreement shall prevail.

## 2. COVENANT TO PAY

The Chargor covenants that it will on demand pay and discharge any or all of the Secured Liabilities when due together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full unqualified indemnity basis, which may be incurred by the Chargee in relation to any such Secured Liabilities.

## 3. FIXED SECURITY

### 3.1 Creation of fixed security

The Chargor, as continuing security for the payment and discharge of all of the Secured Liabilities, charges with full title guarantee all of its rights, title and interest from time to time in each of the following assets in favour of the Chargee:-

#### 3.1.1 by way of a legal mortgage:-

- (a) all the property specified in Schedule 1 (*Real Property*) to this Deed; and
- (b) all estates or interests in any freehold or leasehold property (except any Security Assets specified in Clause 3.1.1(a) above), now or hereafter vested in the Chargor; and

#### 3.1.2 by way of a fixed charge each of the following (including enforcement rights of the same):-

- (a) (to the extent that they are not the subject of an effective mortgage under Clause 3.1.1 above) all estates or interests in any freehold or leasehold property now or hereafter vested in the Chargor;
- (b) the Fixed Plant and Equipment;
- (c) the Loose Plant and Equipment;
- (d) the Intellectual Property;
- (e) the Monetary Claims;
- (f) the Shares;
- (g) the Securities;
- (h) all easements, licences and other rights present or future relating to any Mortgaged Property in which it has an interest;
- (i) its rights, title and interest in and to the Members' Agreement;
- (j) all benefits in respect of the Insurances and all claims and returns of premiums in respect of them;
- (k) (to the extent they are not subject to a perfected assignment under Clause 3.2 (*Assignment*) below) the Charged Contracts and all its right under and interest in each agreement or document to which the Chargor is a party;

- (l) (to the extent they are not subject to an a perfected assignment under Clause 3.2 (*Assignment*) below) all its right under and interest in each Occupational Lease;
- (m) the benefit of all licences, consents, planning permissions and authorisations (statutory or otherwise) held in connection with its business, the Business Plans or the use of any Security Asset specified in any other sub-clause in this Clause 3.1.2 and the right to recover and receive all compensation which may be payable to it in respect of them;
- (n) so far as permitted under the relevant document, its rights under the appointment of any managing agent of or contractors in respect of the Mortgaged Property;
- (o) so far as permitted under the relevant document, its rights under any agreement relating to the purchase or disposal of the Mortgaged Property or any other estate or interest in any freehold or leasehold property;
- (p) the Related Rights under or in connection with the Shares and the Securities, the Fixed Plant and Equipment, the Loose Plant and Equipment, the Intellectual Property and the Monetary Claims; and
- (q) all present and future goodwill.

### 3.2 Assignment

The Chargor, as continuing security for the payment and discharge of all the Secured Liabilities, assigns and agrees to assign absolutely to the Chargee by way of security:-

- 3.2.1 all its rights, title and interest from time to time in and to each Account and to the debts represented by the sums standing to the credit of each such Account;
- 3.2.2 all its rights, title and interest from time to time in and to each Policy and the proceeds of each such Policy; and
- 3.2.3 to the extent permitted by such contract, all its right, title and interest from time to time in and to each Charged Contract and the proceeds of such Charged Contracts;

together with all Related Rights in respect of such Security Assets provided that the Chargor is entitled to exercise all rights assigned under this Clause 3.2 (*Assignments*) (subject to the terms of the Finance Documents) and the Chargee will reassign any such rights to the extent necessary to enable the Chargor to do so.

### 3.3 Trust

If or to the extent that for any reason the assignment or charging of any Security Assets is prohibited, the Chargor shall hold it on trust for the Chargee.

### 3.4 Miscellaneous

A reference in this Deed to a charge or mortgage of any freehold or leasehold property includes:-

- 3.4.1 all buildings and Fixtures on that property;
- 3.4.2 the proceeds of sale of any part of that property; and

- 3.4.3 the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

#### **4. FLOATING CHARGE**

##### **4.1 Creation of floating charge**

The Chargor, as a continuing security for the payment and discharge of all of the Secured Liabilities, charges in favour of the Chargee by way of a floating charge all its undertaking and all its property assets and rights, whatsoever and wheresoever both present and future not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage or charge or assignment by Clause 3 (*Fixed Security*).

##### **4.2 Conversion: by notice**

- 4.2.1 Without prejudice to the security constituted or intended to be constituted by this Deed (and subject to the provisions of paragraph 43 of Schedule A1 of the Insolvency Act 1986), the Chargee may by notice in writing to the Chargor convert the floating charge created by this Deed with immediate effect into a fixed charge as regards all or any of the Chargor's assets specified in the notice if:-

- (a) the Chargee considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
- (b) an Event of Default has occurred and is continuing.

- 4.2.2 The Chargee may by notice in writing to the Chargor reconvert any charge over any assets specified in a notice under this Clause 4.2 into a floating charge.

##### **4.3 Conversion: Automatic**

The floating charge created by this Clause 4 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the Security Assets subject to the floating charge if:-

- 4.3.1 the Chargor creates or attempts to create any Security Interest (other than as permitted pursuant to the terms of the Finance Documents) over any of the Security Assets; or
- 4.3.2 any person levies or attempts to levy any distress, execution or other process against any of the Security Assets; or
- 4.3.3 any step is 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 the Chargor, over all or any part of its assets, or if such person is appointed.

##### **4.4 Qualifying Floating Charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to Clause 4.1 (*Creation of floating charge*) above.



**5. REPRESENTATIONS AND WARRANTIES**

**5.1 Representations and Warranties**

The Chargor makes the representations and warranties set out in this Clause 5 to the Chargee.

**5.2 Security**

This Deed creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise.

**5.3 Environmental matters**

5.3.1 The Chargor shall promptly obtain all requisite Environmental Licences applicable to it and will at all times comply in all material respects with the terms of those Environmental Licences and all other applicable Environmental Law.

5.3.2 No Dangerous Substance has been used, disposed of, generated, stored, transported, dumped, deposited, buried or emitted at, on, from or under any premises (whether or not owned, leased, occupied or controlled by the Chargor) in circumstances where this is reasonably likely to result in a liability on the Chargor.

**5.4 Centre for main interests**

Its centre of main interests (for the purpose of the EC Regulation on Insolvency Proceedings 2000) is in England and Wales.

**5.5 Times for making representations and warranties**

The representations and warranties set out in this Clause 4 are made on the date of this Deed and are deemed to be repeated by the Chargor on each date during the Security Period with reference to the facts and circumstances then existing.

**6. GENERAL UNDERTAKINGS**

**6.1 Duration**

The undertakings in this Clause 6 remain in force throughout the Security Period.

**6.2 Restrictions on dealing**

The Chargor shall not at any time during the Security Period without the prior consent of the Chargee in accordance with the terms of the Members' Agreement or on the written directions of all the Members:-

6.2.1 create or permit to subsist any Security Interest on any Security Asset other than any Security Interest created by this Deed or any Security Interest permitted under the terms of the Finance Documents; or

6.2.2 sell, transfer, assign, grant, lease or hire out, factor, discount, licence, lend, part with its interest in or otherwise dispose of (whether outright, by a sale and repurchase or sale and leaseback arranged or otherwise) or grant any rights whether of pre-emption or otherwise over any Security Asset or permit or enter into any agreement to permit the same to occur provided that until the floating charge created by Clause 4 (*Floating Charge*) is converted into a



fixed charge, the Chargor may hold, enjoy and deal with any asset charged by this Deed by way of floating charge only.

**6.3 Covenant to perform**

The Chargor shall at all times comply with the terms (express or implied) of this Deed and of all contracts relating to the Secured Liabilities.

**6.4 Notices to banks operating Accounts**

The Chargor shall, after the C Loan Note Discharge Date promptly upon receiving written instructions to do so by the Chargee whilst an Event of Default is continuing unwaived, give notice to each bank operating an Account substantially in the form of Schedule 2 (*Form of notice to the bank operating an account*) and shall use reasonable endeavours to ensure that bank acknowledges that notice substantially in the form of Schedule 3 (*Form of acknowledgement from the bank operating an account*).

**6.5 Notice to insurers**

The Chargor shall, after the C Loan Note Discharge Date and promptly upon receiving written instructions to do so by the Chargee, give notice to each relevant insurer in respect of the Policies substantially in the form of Schedule 4 (*Form of notice to insurers*) and shall use reasonable endeavours to procure that the insurer acknowledges that notice substantially in the form of Schedule 5 (*Form of acknowledgement from insurer*).

**6.6 Intellectual Property**

The Chargor shall, after the C Loan Note Discharge Date and if requested by the Chargee and at the Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Chargee may require and do all acts that the Chargee may require to perfect the Security Interest taken by, or to record the interest of, the Chargee in any registers relating to any registered Intellectual Property.

**6.7 Notice to Charged Contract counterparty**

The Chargor shall, after the C Loan Note Discharge Date and promptly upon receiving written instructions to do so by the the Chargee, give notice to each other party to a Charged Contract substantially in the form of Schedule 6 (*Form of notice to Charged Contract counterparty*) and shall use its reasonable endeavours to procure that the Charged Contract counterparty acknowledges that notice substantially in the form of Schedule 7 (*Form of acknowledgement from Charged Contract counterparty*).

**6.8 Notice to partners**

The Chargor shall, after the C Loan Note Discharge Date and promptly upon receiving written instructions to do so by the Chargee, give notice to each other partner of each partnership in which the Chargor has a Partnership Interest substantially in the form of Schedule 8 (*Form of notice re Members Agreement*) and shall use its reasonable endeavours to procure that the relevant partner acknowledges that notice substantially in the form of Schedule 9 (*Form of acknowledgement re Members Agreement*).

**7. PROPERTY UNDERTAKINGS**

**7.1 Duration**

The undertakings in this Clause 7 remain in force throughout the Security Period.

**7.2 Acquisitions and legal mortgage**

The Chargor shall:-

7.2.1 notify the Chargee as soon as reasonably practicable following completion of the acquisition by the Chargor of any freehold or leasehold property; and

7.2.2 as soon as reasonably practicable following completion of the acquisition by the Chargor of any freehold or leasehold property deliver to the Chargee a legal mortgage in favour of the Chargee of any freehold or leasehold property which becomes vested in it after the date of this Deed in a form and substance that is to the reasonable satisfaction to the Chargee.

### **7.3 Notices**

The Chargor shall, as soon as reasonably practicable after the receipt by the Chargor of any application, requirement, order or notice served or given by any public or local or any other authority with respect to the Security Assets (or any part of them) deliver a copy to the Chargee.

### **7.4 Land Registry**

The Chargor shall in respect of any freehold or leasehold property which is acquired after the date of this Deed by the Chargor, the title to which is registered at the Land Registry or the title to which is required to be so registered, at the request of the Chargee as soon as reasonably practicable following completion of the acquisition of such property, give the Land Registry written notice of this Deed and use reasonable endeavours to procure that notice of this Deed is duly noted in the register to each such title.

### **7.5 Insurance**

The Chargor will ensure that the Mortgaged Property is kept insured for such amount or amounts which may be incurred in or about repair, rebuilding or reinstatement and in accordance with the insurance provisions of the Occupational Leases in such name or names and against loss or damage due to such risks and with such insurer as the Chargee may in each case and from time to time reasonably require.

### **7.6 Power to remedy**

In case of default (howsoever described) by the Chargor in performing any term affecting the Mortgaged Property, the Chargor shall permit the Chargee or its agents and contractors:-

7.6.1 subject to the Chargor having the right to do so at that time, to enter on the Mortgaged Property;

7.6.2 to comply with or object to any notice served on the Chargor in respect of the Mortgaged Property; and

7.6.3 to take any action as the Chargee may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

## **8. SECURITIES**

### **8.1 Securities: Before Enforcement Date**

Prior to the occurrence of the Enforcement Date, the Chargor shall:-

8.1.1 pay all dividends, interest and other monies arising from the Securities into an Account; and

8.1.2 exercise all voting rights in relation to the Securities for any purpose not inconsistent with the terms of the Finance Documents.

## **8.2 Securities: After Enforcement Date**

After the occurrence of the C Loan Note Discharge Date and the Enforcement Date, the Chargee may at its discretion (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor):-

- 8.2.1 exercise (or refrain from exercising) any voting rights in respect of the Securities;
- 8.2.2 apply all dividends, interest and other monies arising from the Securities in accordance with Clause 15;
- 8.2.3 transfer the Securities into the name of such nominee(s) of the Chargee as it shall require; and
- 8.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Securities,

in each case, in such manner and on such terms as the Chargee may think fit, and the proceeds of any such action shall form part of the Security Assets.

## **8.3 Securities: Payment of Calls**

The Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Securities which are not fully paid (unless reasonably contested), and in any case of default by the Chargor in such payment, the Chargee may, if it thinks fit, make such payment on behalf of the Chargor in which case any sums paid by the Chargee shall be reimbursed by the Chargor to the Chargee on demand and shall carry interest from the date of payment by the Chargee until reimbursed at the rate notified to the Chargor by the Chargee.

## **8.4 Securities: Exercise of Rights**

The Chargor shall not exercise any of its respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Chargee, would prejudice the effectiveness of, or the ability of the Chargee to realise, the security created by or pursuant to this Deed.

## **9. ACCOUNTS**

### **9.1 Accounts: Notification and Variation**

The Chargor, during the subsistence of this Debenture:-

- 9.1.1 shall promptly deliver to the Chargee on the date of this Debenture (and, if any change occurs after the date of this Debenture, on that date), details of each Account maintained by it with any bank or financial institution; and
- 9.1.2 shall not, without the Chargee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account unless such account closure is notified in advance to the Chargee.

### **9.2 Accounts: Operation Before Enforcement Date**

The Chargor shall, prior to the occurrence of the Enforcement Date, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

**9.3 Accounts: Operation After Enforcement Date**

After the occurrence of the B Loan Note Discharge Date and the Enforcement Date, the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Chargee.

**9.4 Accounts: Application of Moneys**

10. The Chargee shall, upon the occurrence of the B Loan Note Discharge Date and the Enforcement Date, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Proceeds*).

**11. WHEN SECURITY BECOMES ENFORCEABLE**

- 11.1 The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by Section 101 of the Act, as varied or amended by this Deed, shall be exercisable following the occurrence of an Event of Default that is continuing unwaived.

- 11.2 After the security constituted by this Deed has become exercisable, the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Deed in any manner it sees fit.

**12. ENFORCEMENT OF SECURITY**

**12.1 General**

- 12.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due on the date of this Deed.

- 12.1.2 Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to the security constituted by this Deed.

- 12.1.3 The statutory powers of leasing conferred on the Chargee are extended so as to authorise the Chargee to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee may think fit and without the need to comply with any provision of Section 99 or 100 of the Act.

**12.2 Contingencies**

If the Chargee enforces the security constituted by this Deed at a time when no amounts are due under the Finance Documents but at a time when amounts may or will become so due, the Chargee (or the Receiver) may pay the proceeds of any recoveries effected by it into an Account.

**12.3 No liability**

The Chargee and any Receiver shall not be liable in respect of any loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise any of their respective powers under this Deed.

**12.4 No liability as mortgagee in possession**

Neither the Chargee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss

on realisation or for any default or omission for which a mortgagee in possession might be liable.

**12.5 Agent of the Chargor**

Each Receiver is deemed to be the agent of the Chargor for all purposes and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Chargee shall not incur any liability (either to the Chargor or to any other person) by reason of the Chargee making his appointment as a Receiver or for any other reason.

**12.6 Privileges**

Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that Section 103 of the Act does not apply.

**12.7 Protection of third parties**

No person (including a purchaser) dealing with the Chargee or a Receiver or its or his agents will be concerned to enquire:-

- 12.7.1 whether the Secured Liabilities have become payable; or
- 12.7.2 whether any power which the Chargee or the Receiver is purporting to exercise has become exercisable; or
- 12.7.3 whether any money remains due from the Chargor to the Chargee; or
- 12.7.4 how any money paid to the Chargee or to the Receiver is to be applied.

**12.8 Redemption of prior Mortgages**

At any time after the security constituted by this Deed has become enforceable, the Chargee may:-

- 12.8.1 redeem any prior Security Interest against any Security Asset; and/or
- 12.8.2 procure the transfer of that Security Interest to itself; and/or
- 12.8.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrances; any accounts so settled and passed shall be conclusive and binding on the Chargor.

All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Chargee on demand.

**13. RECEIVER**

**13.1 Appointment of Receiver**

- 13.1.1 At any time after the security constituted by this Deed becomes enforceable and following an Event of Default which is continuing unwaived, or if any person intends, or takes any step, to make or file an administration application in relation to the Chargor or to give or file notice of an intention to appoint an administrator in relation to the Chargor or any such application is

made or filed or any such notice of intention to appoint or notice of appointment is given, made or filed, or if the Chargor so requests the Chargee in writing, at any time, the Chargee may without further notice appoint under seal or in writing under its hand any one or more persons to be a Receiver of all or any part of the Security Assets in like manner in every respect as if the Chargee had become entitled under the Act to exercise the power of sale conferred under the Act or may at its sole discretion appoint (or may apply to the court to appoint) any person or persons to be an administrator of the Chargor pursuant to Schedule B1 to the Insolvency Act 1986. This Clause 13.1.1 shall operate subject to the provisions of paragraph 43 of Schedule A1 to the Insolvency Act 1986.

13.1.2 Section 109(1) of the Act shall not apply to this Deed.

### **13.2 Removal**

The Chargee may by writing under its hand:-

13.2.1 remove any Receiver appointed by it; and

13.2.2 may, whenever it deems it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### **13.3 Remuneration**

The Chargee may fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Act shall not apply.

### **13.4 Relationship with the Chargee**

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) upon a Receiver of the Security Assets may after the security created by this Deed becomes enforceable be exercised by the Chargee in relation to any Security Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver.

## **14. POWERS OF RECEIVER**

### **14.1 General**

14.1.1 Each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out below in this Clause 14 (but not limited thereto) in addition to those conferred by the Act on any receiver appointed under the Act.

14.1.2 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 Receivers.

14.1.3 Each Receiver has all the rights, powers and discretions set out in Schedule 1 to the Insolvency Act, 1986.

### **14.2 Possession**

A Receiver may take immediate possession of, get in and collect any Security Assets.

### **14.3 Carry on business**

A Receiver may carry on the business of the Chargor as he thinks fit.

#### **14.4 Protection of assets**

A Receiver may:-

- 14.4.1 make and effect all repairs and insurances and do all other acts which the Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Security Assets;
- 14.4.2 commence and/or complete any building operations on the Mortgaged Property; and
- 14.4.3 apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence

in each case as he may think fit.

#### **14.5 Employees**

A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he may think proper and discharge any such persons appointed by the Chargor.

#### **14.6 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to the security constituted by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit. No person lending that money is concerned to enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

#### **14.7 Sale of assets**

A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

#### **14.8 Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

#### **14.9 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

#### **14.10 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Security Asset which may seem to him to be expedient.



**14.11 Receipts**

A Receiver may give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Security Asset.

**14.12 Subsidiaries**

A Receiver may form a subsidiary of the Chargor and transfer to that subsidiary any Security Asset.

**14.13 Delegation**

A Receiver may delegate his powers in accordance with Clause 17 (*Delegation*).

**14.14 Other powers**

A Receiver may:-

14.14.1 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

14.14.2 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of the same

and may use the name of the Chargor for any of the above purposes.

**15. APPLICATION OF PROCEEDS**

15.1 Subject to section 176A of the Insolvency Act 1986, any moneys received by the Chargee or any Receiver after the security constituted by this Deed has become enforceable shall be applied in the following order of priority (but without prejudice to the right of the Chargee to recover any shortfall from the Chargor):-

15.1.1 in satisfaction of or provision for all costs, charges and expenses incurred and payments made by the Chargee or any Receiver (including but not limited to costs and expenses incurred by the Chargee or any Receiver in the course of carrying on the business of the Chargor) and of all remuneration due to any Receiver under this Deed;

15.1.2 in or towards payment of the Secured Liabilities or such part of them as is then due and payable to the Chargee in accordance with the terms of the Intercreditor Deed; and

15.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it,

and section 109(8) of the Act shall not apply.

15.2 For the avoidance of doubt, any distribution by an administrator appointed under Clause 4.4 (*Qualifying Floating Charge*) of this Agreement will be made in accordance with the requirements of the Insolvency Act 1986.

**16. EXPENSES AND INDEMNITY**

The Chargor shall promptly pay all reasonable costs and expenses (including legal fees) reasonably incurred in connection with this Deed by the Chargee, or any Receiver, attorney, manager, agent or other person appointed by the Chargee under this Deed, and indemnify, and keep each of them indemnified, against any and all



claims, costs, expenses and liabilities which they may suffer or incur in connection with this Deed or any failure or delay in paying the same (including any arising from any actual or alleged breach by any person of any Environmental Law or Environmental Licence).

**17. DELEGATION**

The Chargee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them under this Deed. Any such delegation may be made upon the terms (including the power to sub-delegate) and subject to any regulations which the Chargee or such Receiver (as the case may be) may think fit. Neither the Chargee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

**18. FURTHER ASSURANCES**

**18.1** The Chargor shall, at its own expense, take whatever action the Chargee or a Receiver may, in the case of Clause 18.1.1 below only, reasonably require for:-

**18.1.1** creating, perfecting, protecting or maintaining the security intended to be created by this Deed over any Security Asset; or

**18.1.2** facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable, by the Chargee or any Receiver or any of its or their delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Chargee or to its nominees, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Chargee may think expedient.

**18.2** The Chargor shall execute and do at its own cost and in such form as is reasonably required by the Chargee:

**18.2.1** such further additional mortgages, charges, assignments, transfers and conveyances; and

**18.2.2** such assurances, deeds, documents, acts and things,

as the Chargee may require to supplement, perfect or protect the security created by this Deed create security over assets acquired by the Chargor after the date of this Deed and/or to facilitate or effect any dealing with the Charged Assets in connection with this Deed.

**19. POWER OF ATTORNEY**

The Chargor, by way of security, irrevocably and severally appoints the Chargee, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed, including, without limitation, under Clause 18 (*Further Assurances*) and Clause 7.2 (*Acquisitions and legal mortgage*). The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause.

**20. MISCELLANEOUS**

**20.1 Covenant to pay**

The Chargor covenants that it will on demand pay or discharge the Secured Liabilities when due in the manner provided for in the Finance Documents.

## **20.2 Continuing security**

The security constituted by this Deed is continuing and will extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

## **20.3 Waiver of Defences**

Neither the Security Interest created by this Deed nor the obligations of the 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 Interest or any of those obligations (whether or not known to it or the Chargee) including:-

- 20.3.1 any time, waiver or consent granted to, or composition with, the Chargor;
- 20.3.2 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 Interest over assets of the Chargor 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 Interest;
- 20.3.3 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- 20.3.4 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security Interest;
- 20.3.5 any unenforceability, illegality or invalidity of any obligation of, or any Security Interest created by, any person under any Finance Document or any other document; or
- 20.3.6 an insolvency, liquidation, administration or similar procedure.

## **20.4 Additional security**

The security constituted by this Deed is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Chargee for any of the Secured Liabilities.

## **20.5 The Land Registry**

Whenever any application shall be made to note this Deed in the charges register relating to the title to any registered land of the Chargor which shall be the subject of any of the charges constituted by this Deed, the parties to this Deed apply and agree to apply to the Chief Land Registrar for a restriction to be entered on the register of the Chargor's title relating to any such registered land in the form set out in any Form RX1 which accompanies any such application.

## **20.6 Members' Agreement and Intercreditor Deed**

The terms and provisions of this Agreement are subject to the terms of the Members' Agreement and the Intercreditor Deed.

## **20.7 Subordination**

If the board of directors of the Chargor agrees a funding package with a third party funder, the Chargee hereby agrees to subordinate to such funder its rights under this Debenture and the other Finance Documents, on terms required by such funder.

**20.8 Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

20.8.1 the validity or enforceability of any other provision, in any jurisdiction; or

20.8.2 the validity or enforceability of that particular provision, in any other jurisdiction.

**20.9 Amendments and variations**

This Deed shall remain in full force and effect notwithstanding any amendments or variations from time to time to the Finance Documents (including, without limitation, any increase in the amount of the Secured Liabilities) and all references to any Finance Documents in this Deed shall be taken as referring to such Finance Document as amended, novated, supplemented, extended, restated or varied from time to time.

**20.10 Contracts (Rights of Third Parties) Act 1999**

20.10.1 The Chargee, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or to enjoy the benefit of any term of this Deed.

20.10.2 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.

**20.11 Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

**21. RELEASE**

21.1 Upon the expiry of the Security Period or the irrevocable and unconditional payment and discharge in full of the Security Liabilities, (but not otherwise), the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from the Security Interests constituted by this Deed and re-assign the Security Assets that have been assigned to the Chargee under this Deed.

**22. ASSIGNMENT**

The benefit of this Deed shall be assignable by the Chargee only upon an assignment of Loan Notes in the circumstances permitted by and as regulated in the Loan Note Instrument and the Members' Agreement and no assignment in breach of this clause shall be recognised by the Chargor or any Receiver.

**23. NOTICES**

**23.1 Communications in Writing**

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter, and will only be effective if delivered to the address specified in Clause 23.3.1, (or, if the relevant party has notified a change of details under Clause 23.3.2, to the new address). The

Chargee shall send a copy of each notice which is to be delivered to the Chargor under and in connection with the terms of this Deed to the SIP.

## 23.2 Delivery

23.2.1 Each communication made by letter will be effective only if:

- (a) delivered by hand;
- (b) sent by first class post (if the address is in the UK); or
- (c) sent by airmail (if the address is elsewhere).

23.2.2 Each communication by the Chargee will become effective as stated:

- (a) a hand-delivered letter will be effective as soon as it is delivered (or, if it is delivered after 5pm or on a day that it is not a business day, it will be effective at 9am on the next business day);
- (b) a letter sent by post to an address in the UK will be effective at 9am on the second business day after it is posted; and
- (c) a letter sent by post to an address elsewhere will be effective at 9am on the tenth business day after it is posted.

23.2.3 In Clause 23.2.2 above;

- (a) references to times are to times in the place of delivery of the communication; and
- (b) a "business day" is a day (other than a Saturday or a Sunday) on which banks are open for general business in the place of delivery.

## 23.3 Addresses

23.3.1 The parties' contact details are as follows:

### THE CHARGOR

Address: The Chargor's registered office from time to time

For the attention of the Chief Executive (or such other person as directed by the Chargor from time to time)

### THE CHARGEES

Address: The Chargee's registered office from time to time

For the attention of the Chief Executive (or such other person as directed by the Chargee from time to time)

23.3.2 If a person's contact details change, it must notify the others within a reasonable time after such change.

## 23.4 English language

23.4.1 Any notice given under or in connection with this Deed must be in English.

- 23.4.2 All other documents provided under or in connection with this Deed must be in English.

**24. ENFORCEMENT**

**24.1 Jurisdiction of English Courts**

- 24.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "**Dispute**").

- 24.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

**25. GOVERNING LAW**

- 25.1 This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and shall be construed in accordance with English law.

This Deed has been entered into as a deed on the date stated at the beginning of this Deed.

**SCHEDULE 1**  
**REAL PROPERTY**

This schedule has been intentionally left blank

## SCHEDULE 2

### FORM OF NOTICE TO THE BANK OPERATING AN ACCOUNT

[On the letterhead of the Chargor]

To: [BANK]

For the attention of: [ ]

Date: [ ]

Dear Sirs

**DEBENTURE ("DEBENTURE") DATED [ ] BETWEEN [CHARGOR] AND [CHARGE] (THE "CHARGE")**

We give you notice that we have assigned and charged to the Chargee all of our right, title and interest in and to account number [ ], sort code [ ], account name [ ] (including any renewal or redesignation of the account) and all monies standing to the credit of that account from time to time (the "Account").

With effect from the date of your receipt of this notice:

- (1) any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the Chargee or to its order (with a copy to us); and
- (2) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Chargee.

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

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Chargee with a copy to ourselves.

Yours faithfully

.....  
(Authorised Signatory)  
[CHARGOR]

### SCHEDULE 3

#### FORM OF ACKNOWLEDGEMENT FROM THE BANK OPERATING AN ACCOUNT

[On the letterhead of the bank operating an Account]

To: [CHARGE]

Attention: [ ]

Date: [ ]

Dear Sirs

DEBENTURE ("DEBENTURE") DATED [ ] BETWEEN [CHARGOR] (THE "COMPANY") AND [CHARGE]

We confirm receipt from the Company of a notice dated [ ] of a charge upon the terms of the Debenture over all moneys standing to the credit of the Account (as defined in that notice) and the debt represented by it.

We confirm that we:-

- (a) accept the instructions contained in the notice and undertake to comply with the notice;
- (b) will act only in accordance with the instructions given by persons authorised by the Chargee and we shall send all statements and other notices given by us relating to the Account to the Chargee;
- (c) have not received notice of the interest of any third party in any of the Accounts maintained with us; and
- (d) have neither claimed or exercised nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account, the moneys in the Account or the debts represented by it.

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

Yours faithfully

.....  
(Authorised signatory)

[BANK]



#### SCHEDULE 4

#### FORM OF NOTICE TO INSURER

[On the letterhead of the Chargor]

To: [ ]

[DATE]

Dear Sirs

We refer to the insurance policy [ ] dated [ ] and made between [ ] and [ ] (the "Policy").

We, [CHARGOR], give you notice that by a Debenture (the "Debenture") dated [ ] we charged and assigned (by way of fixed security) to [CHARGEES] (the "Chargees") all our right, title and interest in and to the Policy and the proceeds of the Policy.

We irrevocably instruct and authorise you, until you receive notice from the Chargees to the contrary and notwithstanding any previous instructions given by us to you to:-

1. pay any proceeds payable by you under the Policy to the Chargees at [account details] or to its order as it may specify in writing from time to time;
2. note the interest of the Chargees on the Policy; and
3. disclose to the Chargees such information regarding the Policy as it may from time to time request and to send it copies of all notices issued by you under the Policy.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Chargees.

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

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

Yours faithfully

.....  
For  
[CHARGOR]

## SCHEDULE 5

### FORM OF ACKNOWLEDGEMENT FROM INSURER

To: [CHARGEES]  
Attention: [ ]

Date: [ ]

Dear Sirs

[POLICY]

We acknowledge receipt of a notice dated [ ] (the "Notice") and addressed to us by [CHARGOR] (the "Company") in relation to the Policy (as defined in the Notice) and we accept the instructions and authorisations contained in the Notice.

We confirm that:-

- (a) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Company under or in respect of the Policy (as defined in the Notice);
- (b) we shall pay all proceeds and all other monies payable by us under the Policy to the Chargee until we receive your written instructions to the contrary; and
- (c) no amendment or termination of the Policy shall be effective unless we have given the Chargee [30] days written notice or, if it is not possible to comply with such notification in accordance with the provisions of such policy, the notice shall be provided to the Chargee in relation to such termination as soon as possible.

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

Yours faithfully

.....  
For and on behalf of  
[INSURER]

## SCHEDULE 6

### FORM OF NOTICE TO CHARGED CONTRACT COUNTERPARTY

To: [name and address of counterparty]

Dated: [date]

Dear Sirs,

**Re:** [here identify relevant Charged Contract] [the "Contract"] made between (1) [Chargor] (the "Chargor") and (2) [here insert name of counterparty]

We, the Chargor, give you notice that, by a debenture dated [date] (the "Debenture") and made by ourselves in favour of [CHARGE] (the "Charge"), we have charged by way of fixed charge and assigned to the Chargee, as priority chargee and assignee, all of our rights, title and interest in the Contract.

We further irrevocably and unconditionally:

1. notify you that we may not agree to amend, modify or terminate the Contract without the prior written consent of the Chargee;
2. confirm that, subject to paragraph 1 above, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Chargee, but authorise and instruct you that, after you have received such notice, we will cease to have any right to deal with you in relation to the Contract except in accordance with the instructions of the Chargee and therefore from that time you may deal directly with the Chargee;
3. authorise and instruct you to disclose information in relation to the Contract to the Chargee promptly on request, without any enquiry by you as to the justification for such disclosure or reference to or further authority from us;
4. authorise and instruct you to pay or release all monies to which we are entitled under the Contract directly into [specify designated bank account] or, if the Chargee so instructs you, into such other account as the Chargee shall specify;
5. authorise and instruct you that, whenever you serve any notice upon us under the Contract, you should supply a copy of such notice to the Chargee at its address given in the copy of this notice (or as otherwise notified to you by it from time to time); and
6. notify you that the provisions of this notice may only be revoked with the written consent of the Chargee.

Please sign the copy of this notice and deliver it to the Chargee (with a further copy to us).

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

Yours faithfully,

.....  
For and on behalf of  
[Chargor]:

By: .....

## SCHEDULE 7

### FORM OF ACKNOWLEDGEMENT FROM CHARGED CONTRACT COUNTERPARTY

To: [name and address of Chargee]

Copy to: [name and address of Chargor]

We [name of counterparty] acknowledge receipt of a notice dated [ ] (the "Notice") and addressed to us by [CHARGOR] (the "Company") in relation to the Contract (as defined in the Notice).

We:

1. accept the instructions and authorisations set out in the notice and undertake to act in accordance with such instructions and authorisations; and
2. confirm that we have not received notice that the Chargor has assigned its rights under the Contract to a third party or created any other interest (whether by way or security or otherwise) in the Contract in favour of a third party.

Terms defined in the notice apply to this endorsement, which is governed by English law together with any non-contractual obligations arising out of or in connection with it.

Signed:.....

for and on behalf of [name of counterparty]

Dated: [date]

## SCHEDULE 8

### FORM OF NOTICE RE MEMBERS' AGREEMENT

To: [name and address of partner]

Dated: [date]

Dear Sirs,

Re: [here identify relevant members' agreement] [the "Agreement"] made between (1) [Chargor] (the "Chargor") and (2) [here insert name of party]

We, the Chargor, give you notice that, by a debenture dated [date] (the "Debenture") and made by ourselves in favour of [Chargee] (the "Chargee"), we have charged by way of fixed charge

3. our [limited] partnership interest in [here identify relevant partnership] (the "Partnership") and all rights and powers therein and arising therefrom, including, without limitation, all distributions, dividends, interest, income and returns of contribution deriving from or incidental to such limited partnership interest (the "Partnership Interests"); and
4. all our right, title and interest from time to time to and in all such Partnership Interests;

Capitalised terms used in this notice, unless otherwise defined in this Notice, have the meaning given to them in the Debenture.

This notice may not be amended in any respect without the Chargee's prior written consent.

Please sign the copy of this notice and deliver it to the Chargee (with a further copy to us).

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

Yours faithfully,

.....  
For and on behalf of  
[Chargor]:

By: .....

## SCHEDULE 9

### FORM OF ACKNOWLEDGEMENT RE MEMBER'S AGREEMENT

To: [name and address of Chargee]

Copy to: [name and address of Chorgor]

We [name of partner] acknowledge receipt of a notice dated [ ] (the "Notice") and addressed to us by [CHARGOR] (the "Company") in relation to the Agreement (as defined in the Notice).

We confirm that we have not received notice of any previous assignments or charges of or over any of the right and remedies in connection with the Partnership Interest and that we will comply with the terms of that notice.

Terms defined in the notice apply to this endorsement, which is governed by English law together with any non-contractual obligations arising out of or in connection with it.

Signed: .....

for and on behalf of [name of partner]

Dated: [date]

## SCHEDULE 10

### EVENTS OF DEFAULT

Each of the events and circumstances set out in this Schedule 10 is an Event of Default:

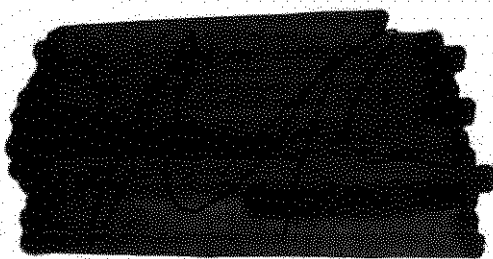
1. failure by the Chargor to make payment of any amount payable under the Finance Documents within 10 Business Days of its due date;
2. failure by the Chargor to comply with any provision of or covenant on its part contained in the Finance Documents;
3. any representation or warranty made (or deemed to be made) by the Chargor in or pursuant to the Finance Documents, at any time being or becoming untrue or incorrect in any respect as of the date on which it is made or deemed to be made or there being any adverse change in the position as set out in such representation or warranty;
4. an order is made or effective resolution is passed for the winding up or the entry into administration of the Chargor;
5. any encumbrancer takes possession or a receiver or administrator is appointed of or over all or a material part of the undertaking, property and assets of the Chargor;
6. a proposal for a voluntary arrangement is made by the Chargor with its creditors pursuant to section 1 Insolvency Act 1986;
7. a petition is presented for an administration order to be made, or an application is made for the appointment of an administrator, in respect of the Chargor under the Insolvency Act 1986;
8. a distress or execution is levied or enforced against any of the chattels or property of the Chargor;
9. any step or event is taken or arises outside the United Kingdom in relation to the Chargor which is similar or analogous to any of the steps or events referred to in paragraphs 4 to 8 (inclusive);
10. the Chargor is unable or admits inability to pay its debts as they fall due or is deemed to or declared to be unable to pay its debts under applicable law, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
11. any person or group of connected persons who does not have control of the Chargor at the date of this Deed acquires such control of the Chargor, save where permitted pursuant to the Members' Agreement;
12. any indebtedness of or created by the Chargor becomes due and payable or capable of being declared due and payable prior to its stated maturity or any security created by the Chargor for any such indebtedness becomes enforceable; or
13. an order is made for the compulsory purchase of the Security Assets unless the net compensation proceeds are paid to the Chargee;
14. any person takes possession of, in the context of enforcing security, or exercises or attempts to exercise any power of sale in relation to any of the Security Assets;



15. a Default Event occurring under the terms of the Members' Agreement which has a material adverse effect on the value of the Chargor or its ability to perform its payment obligations under the Finance Documents but not including a Council Default Event; or
16. a Termination Event occurring under the terms of the Members' Agreement which leads to a winding up of the Chargor or SDV in accordance with the provisions of the Members' Agreement.

EXECUTION PAGE

EXECUTED and DELIVERED as a )  
deed on the date hereinbefore first )  
mentioned by )  
SIGLION DEVELOPMENTS LLP )  
acting by its member, SIGLION LLP )



.....  
Carillion (Maple Oak) Limited, signing on behalf of Siglion LLP

Witness Signature



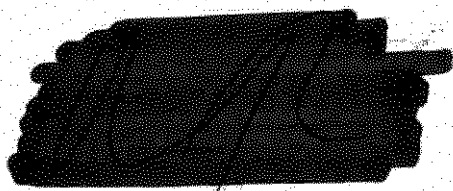
Witness Name



Witness Address

Project Office  
Durhamgate  
Spennymoor, Co Durham  
DL16 6FY

EXECUTED and DELIVERED as a )  
deed on the date hereinbefore first )  
mentioned by )  
SIGLION LLP acting by its member, )  
CARILLION (MAPLE OAK) )  
LIMITED )



.....  
Carillion (Maple Oak) Limited

Witness Signature



Witness Name



Witness Address

Project Office  
Durhamgate  
Spennymoor, Co Durham  
DL16 6FY