

MR01

Particulars of a charge

135269 / 23



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A fee is payable with this form
Please see 'How to pay' on the last page.

What this form is for
You may use this form to register a charge created or evidenced by an instrument.

What this form is NOT for
You may not use this form to register a charge when the instrument is a court order extending the time for delivery.



A09
ABB2BCLF
03/08/2019 #329
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If the form is delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 0 0 6 3 8 8 9 1

Company name in full Saga Group Limited

For official use
26
→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date 3 1 0 7 2 0 1 9

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge.

Name Acromas Insurance Company Limited

Name

Name

Name

If there are more than four names, please supply any four of these names then tick the statement below.

I confirm that there are more than four persons, security agents or trustees entitled to the charge.

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Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space.

Brief description

The freehold land known as Former Research Laboratories, Bonehurst Road, Redhill and registered under title number SY670417.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

Yes

No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

Yes Continue

No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

Yes

No

8

Trustee statement ⓘ

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

ⓘ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here.

Signature

X *Jan B. Dui* X

Signature

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge

Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Elias Choueifati

Company name Payne Hicks Beach

Address 10 New Square

Lincoln's Inn

Post town London

County/Region

Postcode

W	C	2	A	3	Q	G
---	---	---	---	---	---	---

Country United Kingdom

DX DX 40 London Chancery Lane

Telephone 020 7465 4300

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have included a certified copy of the instrument with this form.
- You have entered the date on which the charge was created.
- You have shown the names of persons entitled to the charge.
- You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- You have given a description in Section 4, if appropriate.
- You have signed the form.
- You have enclosed the correct fee.
- Please do not send the original instrument; it must be a certified copy.

Important information

Please note that all information on this form will appear on the public record.

How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'

Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 638891

Charge code: 0063 8891 0026

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2019 and created by SAGA GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd August 2019.

Given at Companies House, Cardiff on 12th August 2019

(H)



Companies House



DATED 31 July 2019

Saga Group Limited (1)

- and -

Acromas Insurance Company Limited (2)

LEGAL MORTGAGE

- relating to -

the Property (as defined herein)

CERTIFIED AS A TRUE COPY
AND A TRUE LIKENESS OF THE ORIGINAL

SIGNED 

DATED 01 / 08 / 2019
ELIAS CHOUEIFATI, SOLICITOR

PAYNE | HICKS | BEACH

10 New Square, Lincoln's Inn, London WC2A 3QG
DX 40 London/Chancery Lane
Tel: 020 7465 4300 Fax: 020 7465 4400 www.phb.co.uk

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THIS DEED is made on the day of 31 July 2019

BETWEEN

- (1) **SAGA GROUP LIMITED** incorporated and registered in England and Wales with company number 00638891 whose registered office is at Enbrook Park, Sandgate, Folkestone, Kent CT20 3SE, United Kingdom (the "**Borrower**");
- (2) **ACROMAS INSURANCE COMPANY LIMITED** incorporated and registered in Gibraltar with company number 88716 whose registered office is at 57-63 Line Wall Road, Gibraltar (the "**Lender**").

RECITALS

- (A) The Lender has agreed, under the Loan Agreement, to provide the Borrower with a £5,750,000 loan on a secured basis.
- (B) The Borrower owns the Property.
- (C) Under this Deed, the Borrower provides security to the Lender for the loan made or to be made under the Loan Agreement.

IT IS HEREBY AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this Deed:

- "Business Day"** a day other than a Saturday, Sunday or public holiday in England when banks in London and Gibraltar are open for business.
- "Charged Assets"** all the assets and property of the Borrower, which are, or are intended to be, subject to the Security created by, or pursuant to, this Deed (and references to the Charged Assets shall include references to any part of them).
- "Delegate"** any person appointed by the Lender or any Receiver under clause 15 and any person appointed as attorney of the Lender, Receiver or Delegate.
- "Event of Default"** has the meaning given to that expression in the Loan Agreement.
- "Insurance Policy"** each contract and policy of insurance effected or maintained by the Borrower from time to time relating to the Property.
- "Lease"** the lease of the Property to be entered into on or around the date of this Deed between the Borrower and ST&H Limited (company number 02174052).

"Loan Agreement"	the loan agreement dated on the date of this Deed between the Borrower and the Lender for the provision of the loan facilities secured by this Deed.
"LPA 1925"	the Law of Property Act 1925.
"Property"	the freehold property owned by the Borrower described in Schedule 1.
"Receiver"	a receiver or receiver and manager appointed by the Lender under clause 13.
"Rental Income"	all amounts paid or payable to or for the account of the Borrower in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property.
"Secured Liabilities"	all present and future obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Loan Agreement or this Deed (including, without limitation, those arising under clause 27.3.2), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or 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.
"Security Period"	the period starting on the date of this Deed and ending on the date on which the Lender 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.
"VAT"	value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 INTERPRETATION

In this Deed:

- 1.2.1 clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;
- 1.2.2 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);

- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes email but not fax;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 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;
- 1.2.11 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;
- 1.2.12 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;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisisation, registration and resolution;
- 1.2.16 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
- 1.2.17 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 Lender 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 NATURE OF SECURITY OVER REAL PROPERTY

A reference in this Deed to a **charge or mortgage of or over the Property** includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;

1.4.2 the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;

1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property, and any monies paid or payable in respect of those covenants; and

1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 LAW OF PROPERTY (MISCELLANEOUS PROVISIONS) ACT 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Loan Agreement and of any side letters between any parties in relation to the Loan Agreement are incorporated into this Deed.

1.6 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).

1.7 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 Lender and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 LEGAL MORTGAGE AND FIXED CHARGES

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

3.1.1 by way of a first legal mortgage, the Property; and

3.1.2 by way of a first fixed charge:

- 3.1.2.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, the Rental Income and the benefit of any guarantee or security in respect of the Rental Income to the extent not effectively assigned under clause 3.2;
- 3.1.2.2 the benefit of all other contracts, guarantees and warranties relating to the Charged Assets and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the occupation of the Charged Assets or otherwise relating to the Charged Assets (including, in each case, but without limitation, the right to demand and receive all monies whatever 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 whatever accruing to or for its benefit arising from any of them); and
- 3.1.2.3 all licences, consents and authorisations (statutory or otherwise) it holds in connection with the Property or the use of any Charged Asset, and all rights in connection with them.

3.2 **ASSIGNMENT**

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

- 3.2.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy; and
- 3.2.2 the Rental Income and the benefit of any guarantee or security in respect of the Rental Income,

provided that nothing in this clause 3.2 shall constitute the Lender as mortgagee in possession.

4. **PERFECTION OF SECURITY**

4.1 **REGISTRATION OF LEGAL MORTGAGE AT THE LAND REGISTRY**

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of Acromas Insurance Company Limited referred to in the charges register."

4.2 **CAUTIONS AGAINST FIRST REGISTRATION AND NOTICES**

If any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to the Property, the Borrower shall

immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. LIABILITY OF THE BORROWER

5.1 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:

5.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

5.1.2 the Lender renewing, determining, varying or increasing any loan 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

5.1.3 any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 IMMEDIATE RECOURSE

The Borrower waives any right it may have to require the Lender 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.

6. REPRESENTATIONS AND WARRANTIES

6.1 TIME FOR MAKING REPRESENTATIONS AND WARRANTIES

The Borrower makes the representations and warranties set out in this clause 6 to the Lender on the date of this Deed.

6.2 OWNERSHIP OF CHARGED ASSETS

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

6.3 NO SECURITY

The Charged Assets are free from any Security other than the Security created by this Deed.

6.4 NO ADVERSE CLAIMS

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

6.5 NO ADVERSE COVENANTS

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

6.6 NO BREACH OF LAWS

There is no breach of any law or regulation that materially and adversely affects the Charged Assets.

6.7 NO OVERRIDING INTERESTS

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in the Property.

6.8 NO PROHIBITIONS OR BREACHES

There is no prohibition on the Borrower assigning its rights in any of the Charged Assets referred to in clause 3.2 and the entry into of this Deed by the Borrower does not, and will not, constitute a breach of any policy, agreement, document, instrument or obligation binding on the Borrower or its assets.

6.9 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.

6.10 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 Charged Assets in accordance with its terms.

7. GENERAL COVENANTS

7.1 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Borrower shall not (other than pursuant to the Lease) at any time, except with the prior written consent of the Lender:

7.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Charged Asset other than any Security created by this Deed;

7.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Charged Assets; or

7.1.3 create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.

7.2 PRESERVATION OF CHARGED 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 Lender or materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Deed.

7.3 COMPLIANCE WITH LAWS AND REGULATIONS

7.3.1 The Borrower shall not, without the Lender's prior written consent, use or permit the Charged Assets to be used in any way contrary to law.

7.3.2 The Borrower shall:

- 7.3.2.1 comply with the requirements of any law or regulation relating to or affecting the Charged Assets or the use of them or any part of them;
- 7.3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations it requires in connection with the Charged Assets or their use or that are necessary to preserve, maintain or renew any Charged Asset; and
- 7.3.2.3 promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Charged Assets.

7.4 ENFORCEMENT OF RIGHTS

The Borrower shall use its best endeavours to:

- 7.4.1 procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged Assets of the covenants and other obligations imposed on such counterparty; and
- 7.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Assets that the Lender may require from time to time.

7.5 NOTICE OF MISREPRESENTATION AND BREACH

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

- 7.5.1 any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made; and
- 7.5.2 any breach of any covenant set out in this Deed.

7.6 TITLE DOCUMENTS

The Borrower shall, on request by the Lender, deposit with the Lender and the Lender shall, for the duration of this Deed, be entitled to hold:

- 7.6.1 all deeds and documents of title relating to the Charged Assets that are in the possession or control of the Borrower (and if these are not within the possession or control of the Borrower, the Borrower undertakes to obtain possession of all these deeds and documents of title); and
- 7.6.2 each Insurance Policy.

7.7 NOTICES TO BE GIVEN BY THE BORROWER

The Borrower shall on request by the Lender give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.2.1.

8. PROPERTY COVENANTS

8.1 INSURANCE

- 8.1.1 The Borrower shall insure and keep insured the Charged Assets against:

- 8.1.1.1 loss or damage by fire or terrorist acts, including any third-party liability arising from such acts; and
- 8.1.1.2 any other risk, perils and contingencies as the Lender may reasonably require.
- 8.1.2 Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Charged Asset (meaning, in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years, including provision for increases in rent during the period of insurance.
- 8.1.3 The Borrower shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to any insurance required by clause 8.1.1.
- 8.1.4 The Borrower shall, if requested by the Lender, procure that the Lender is named as composite insured in respect of its own separate insurable interest under each Insurance Policy (other than public liability and third party liability insurances) effected or maintained by the Borrower or any person on its behalf in accordance with clause 8.1.1 but without the Lender having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.

8.2 **INSURANCE PREMIUMS**

The Borrower shall:

- 8.2.1 promptly pay all premiums in respect of each Insurance Policy required by clause 8.1.1 and do all other things necessary to keep that policy in full force and effect; and
- 8.2.2 (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy required by clause 8.1.1.

8.3 **NO INVALIDATION OF INSURANCE**

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy required by clause 8.1.1.

8.4 **PROCEEDS FROM INSURANCE POLICIES**

All monies payable under any Insurance Policy required by clause 8.1.1 shall (whether or not the security constituted by this Deed has become enforceable):

- 8.4.1 be paid immediately to the Lender; or
- 8.4.2 if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and

- 8.4.3 be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this Deed has become enforceable and if the Lender so directs, in or towards discharge or reduction of the Secured Liabilities.

8.5 LEASES AND LICENCES AFFECTING THE PROPERTY

The Borrower shall not (other than pursuant to, or in relation to, the Lease), without the prior written consent of the Lender (which consent, in the case of clause 8.5.4, is not to be unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay its consent):

- 8.5.1 grant any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- 8.5.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Property);
- 8.5.3 let any person into occupation, or share occupation, of the whole or any part of the Property; or
- 8.5.4 grant any consent or licence under any lease or licence affecting the Property.

8.6 NO RESTRICTIVE OBLIGATIONS

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property.

8.7 PROPRIETARY RIGHTS

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender.

8.8 COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Borrower shall:

- 8.8.1 observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- 8.8.2 enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

8.9 NOTICES OR CLAIMS RELATING TO THE PROPERTY

8.9.1 The Borrower shall:

8.9.1.1 give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and

8.9.1.2 (if the Lender so requires) promptly, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.

8.10 INSPECTION

The Borrower shall permit the Lender, any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice.

8.11 VAT OPTION TO TAX

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

8.11.1 exercise any VAT option to tax in relation to the Property; or

8.11.2 revoke any VAT option to tax exercised before the date of this Deed.

9. RENTAL INCOME COVENANTS

9.1 NOTICE OF ASSIGNMENT OF RENTAL INCOME

The Borrower shall, promptly following the occurrence of an Event of Default, give notice to the relevant tenant, guarantor or surety of the assignment under clause 3.2.2 of the Borrower's rights and interest to the Rental Income and each guarantee or security in respect of the Rental Income.

10. POWERS OF THE LENDER

10.1 POWER TO REMEDY

10.1.1 The Lender 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.

10.1.2 The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.

10.1.3 Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this Deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 17.1.

10.1.4 In remedying any breach in accordance with this clause 10.1, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

10.2 EXERCISE OF RIGHTS

The rights of the Lender under clause 10.1 are without prejudice to any other rights of the Lender under this Deed. The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.

10.3 LENDER HAS RECEIVER'S POWERS

To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Charged Assets whether or not it has taken possession of any Charged Asset and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

10.4 INDULGENCE

The Lender 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.

11. WHEN SECURITY BECOMES ENFORCEABLE

11.1 SECURITY BECOMES ENFORCEABLE ON EVENT OF DEFAULT

The security constituted by this Deed shall become immediately enforceable if an Event of Default occurs.

11.2 DISCRETION

After the security constituted by this Deed has become enforceable, the Lender 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 Charged Assets.

12. ENFORCEMENT OF SECURITY

12.1 ENFORCEMENT POWERS

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

12.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 11.1.

12.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

12.2 EXTENSION OF STATUTORY POWERS OF LEASING

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of the Borrower, to:

12.2.1 grant a lease or agreement for lease;

12.2.2 accept surrenders of leases; or

12.2.3 grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender), as the Lender or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

12.3 **PROTECTION OF THIRD PARTIES**

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

12.3.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

12.3.2 whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or

12.3.3 how any money paid to the Lender, any Receiver or any Delegate is to be applied.

12.4 **PRIVILEGES**

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

12.5 **NO LIABILITY AS MORTGAGEE IN POSSESSION**

Neither the Lender nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Charged Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Charged Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

12.6 **RELINQUISHING POSSESSION**

If the Lender, any Receiver or Delegate enters into or takes possession of a Charged Asset, it or he/she may at any time relinquish possession.

12.7 **CONCLUSIVE DISCHARGE TO PURCHASERS**

The receipt of the Lender, 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 Charged Assets or in making any acquisition in the exercise of their respective powers, the Lender, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

13. **RECEIVERS**

13.1 **APPOINTMENT**

At any time after the security constituted by this Deed has become enforceable, or at the request of the Borrower, the Lender 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 Charged Assets.

13.2 **REMOVAL**

The Lender 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.

13.3 REMUNERATION

The Lender 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, to the extent not otherwise discharged.

13.4 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 Lender 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.

13.5 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 Lender despite any prior appointment in respect of all or any part of the Charged Assets.

13.6 AGENT OF THE BORROWER

Any Receiver appointed by the Lender 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 Lender.

14. POWERS OF RECEIVER

14.1 POWERS ADDITIONAL TO STATUTORY POWERS

14.1.1 Any Receiver appointed by the Lender under this Deed shall, in addition to the rights, powers and discretions conferred on him/her by statute, have the rights, powers and discretions set out in clause 14.2 to clause 14.18.

14.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether he/she is an administrative receiver or not.

14.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

14.1.4 Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Borrower, the directors of the Borrower or himself/herself.

14.2 REPAIR AND DEVELOP THE PROPERTY

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning

permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

14.3 GRANT OR ACCEPT SURRENDERS OF LEASES

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Property on any terms, and subject to any conditions, that he/she thinks fit.

14.4 EMPLOY PERSONNEL AND ADVISERS

14.4.1 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/she thinks fit.

14.4.2 A Receiver may discharge any such person or any such person appointed by the Borrower.

14.5 MAKE AND REVOKE VAT OPTIONS TO TAX

A Receiver may make, exercise or revoke any VAT option to tax as he/she thinks fit.

14.6 CHARGE FOR REMUNERATION

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

14.7 TAKE POSSESSION

A Receiver may take immediate possession of, get in and realise any Charged Asset.

14.8 DISPOSE OF CHARGED ASSETS

A Receiver may grant options and licences over all or any part of the Charged Assets, grant any other interest or right over, sell, exchange, assign or lease (or concur in granting options and licences over all or any part of the Charged Assets, granting any other interest or right over, selling, exchanging, assigning or leasing) all or any of the Charged Assets in respect of which he/she is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he/she thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Assets to be disposed of by him/her.

14.9 SEVER FIXTURES AND FITTINGS

A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.

14.10 GIVE VALID RECEIPTS

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

14.11 MAKE SETTLEMENTS

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of the Borrower or relating in any way to any Charged Asset.

14.12 BRING LEGAL ACTION

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

14.13 INSURE

A Receiver may, if he/she thinks fit, but without prejudice to the indemnity in clause 17.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this Deed.

14.14 FORM SUBSIDIARIES

A Receiver may form a subsidiary of the Borrower and transfer to that subsidiary any Charged Asset.

14.15 BORROW

A Receiver may, for whatever purpose he/she thinks fit, raise and borrow money either unsecured or on the security of all or any of the Charged Assets in respect of which he/she is appointed on any terms that he/she thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this Deed).

14.16 DELEGATION

A Receiver may delegate his/her powers in accordance with this Deed.

14.17 ABSOLUTE BENEFICIAL OWNER

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

14.18 INCIDENTAL POWERS

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

14.18.1 may consider desirable or necessary for realising any of the Charged Assets;

14.18.2 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

14.18.3 lawfully may or can do as agent for the Borrower.

15. DELEGATION

15.1 DELEGATION

The Lender 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 or him/her by this Deed (including the power of attorney granted under clause 19.1).

15.2 TERMS

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

15.3 **LIABILITY**

Neither the Lender 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.

16. **APPLICATION OF PROCEEDS**

16.1 **ORDER OF APPLICATION OF PROCEEDS**

All monies received or recovered by the Lender, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed (other than sums received under any Insurance 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 (but without prejudice to the Lender's right to recover any shortfall from the Borrower):

16.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (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;

16.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and

16.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

16.2 **APPROPRIATION**

Neither the Lender, 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.

17. **COSTS AND INDEMNITY**

17.1 **COSTS**

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

17.1.1 this Deed or the Charged Assets;

17.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed; or

17.1.3 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, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate of 1% above the Bank Rate of the Bank of England, as varied from time to time, and in the manner specified in the Loan Agreement.

17.2 INDEMNITY

17.2.1 The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including 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:

17.2.1.1 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 Charged Assets;

17.2.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or

17.2.1.3 any default or delay by the Borrower in performing any of its obligations under this Deed.

17.2.2 Any such past or present employee or agent may enforce the terms of this clause 17.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

18. FURTHER ASSURANCE

18.1 FURTHER ASSURANCE

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

18.1.1 creating, perfecting or protecting the security created or intended to be created by this Deed;

18.1.2 facilitating the realisation of any Charged Asset; or

18.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Charged Asset,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Charged Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.

19. POWER OF ATTORNEY

19.1 APPOINTMENT OF ATTORNEYS

By way of security, the Borrower irrevocably appoints the Lender, 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 that:

19.1.1 the Borrower is required to execute and do under this Deed; or

19.1.2 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 Lender, any Receiver or any Delegate.

19.2 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 19.1.

20. RELEASE

20.1 RELEASE

Subject to clause 27.3, at the end of the Security Period, the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to:

20.1.1 release the Charged Assets from the security constituted by this Deed; and

20.1.2 reassign the Charged Assets to the Borrower.

21. ASSIGNMENT AND TRANSFER

21.1 ASSIGNMENT BY LENDER

21.1.1 At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights and obligations under this Deed.

21.1.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Charged Assets and this Deed that the Lender considers appropriate.

21.2 ASSIGNMENT BY BORROWER

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

22. SET-OFF

22.1 LENDER'S RIGHT OF SET-OFF

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender 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 Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 22.1 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

22.2 NO OBLIGATION TO SET OFF

The Lender is not obliged to exercise its rights under clause 22.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

22.3 EXCLUSION OF BORROWER'S RIGHT OF SET-OFF

All payments made by the Borrower to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

23. AMENDMENTS, WAIVERS AND CONSENTS

23.1 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).

23.2 WAIVERS AND CONSENTS

23.2.1 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.

23.2.2 A 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 Lender shall be effective unless it is in writing.

23.3 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.

24. 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.

25. COUNTERPARTS

25.1 COUNTERPARTS

25.1.1 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.

25.1.2 Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by email (in PDF format) shall take effect as delivery of an executed counterpart of this Deed. If such method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the other with the original of such counterpart as soon as reasonably possible thereafter.

25.1.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

26. THIRD PARTY RIGHTS

26.1 THIRD PARTY RIGHTS

Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties)

Act 1999 to enforce, or 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. The rights of the parties to agree any amendment or waiver under this Deed are not subject to the consent of any other person.

27. FURTHER PROVISIONS

27.1 INDEPENDENT SECURITY

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time.

27.2 CONTINUING SECURITY

The security constituted by 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 Lender discharges this Deed in writing.

27.3 DISCHARGE CONDITIONAL

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

27.3.1 the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Assets, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

27.3.2 the Lender 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.

27.4 CERTIFICATES

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower under this Deed and the Loan Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.

27.5 CONSOLIDATION

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

28. NOTICES

28.1 DELIVERY

Any notice or other communication given to a party under or in connection with this Deed shall be:

28.1.1 in writing;

28.1.2 delivered by hand, by pre-paid airmail or sent by email; and

28.1.3 sent to:

28.1.3.1 the Borrower at:

Address: its address stated at the beginning of this agreement

For the attention of: The Company Secretary

Email address: companysecretary@saga.co.uk

28.1.3.2 the Lender at:

Address: Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE

For the attention of: The Company Secretary

Email address: companysecretary@saga.co.uk

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

28.2 RECEIPT

Any notice or other communication shall be deemed to have been received:

28.2.1 if delivered by hand, on signature of a delivery receipt;

28.2.2 if posted by pre-paid airmail, at 9.00 am on the fifth Business Day after posting or at the time recorded by the delivery service; and

28.2.3 if sent by email, at the time of transmission.

A notice or other communication given as described in clause 28.2.1 or clause 28.2.3 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.

28.3 SERVICE OF PROCEEDINGS

This clause 28 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.

29. GOVERNING LAW AND JURISDICTION

29.1 GOVERNING LAW

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

29.2 JURISDICTION

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more

jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

29.3 **OTHER SERVICE**

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 29.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

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

SCHEDULE 1
Property

The freehold land known as Former Research Laboratories, Bonehurst Road, Redhill and registered under title number **SY670417**.

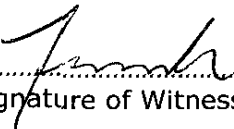
Executed as deed by **SAGA GROUP LIMITED** acting
by a duly authorised director:

In the presence of:



Name: JAMES QUINN

Position: Director


Signature of Witness

Name: STUART WILES (HEAD OF TAX & TREASURY)

Address: ENBROOK PARK, SANDGATE HIGH STREET, FOLKESTONE, KENT, CT20 3SE

Occupation: HEAD OF TAX & TREASURY

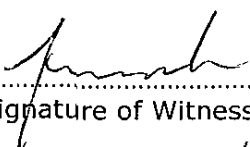
Executed as deed by **ACROMAS INSURANCE
COMPANY LIMITED** acting by a duly authorised
representative, in accordance with its constitution and
the laws of Gibraltar, being the territory of its
incorporation:

In the presence of:



Name: R W ALLAN

AICL CEO


Signature of Witness

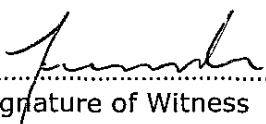
Name: STUART WILES (HEAD OF TAX & TREASURY)

Address: ENBROOK PARK, SANDGATE HIGH STREET, FOLKESTONE, KENT, CT20 3SE

Occupation: HEAD OF TAX & TREASURY

Executed as deed by **SAGA GROUP LIMITED** acting by a duly authorised director:

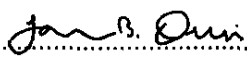
In the presence of:


.....
Signature of Witness

Name: STUART WILES.....

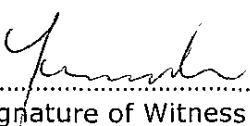
Address: ENBROOK PARK SANDGATE HIGH STREET FOLKESTONE, CT20 3SE

Occupation: HEAD OF TAX & TREASURY


.....
Name: JAMES QUINN
Position: Director

Executed as deed by **ACROMAS INSURANCE COMPANY LIMITED** acting by a duly authorised representative, in accordance with its constitution and the laws of Gibraltar, being the territory of its incorporation:

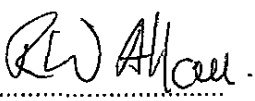
In the presence of:


.....
Signature of Witness

Name: STUART WILES.....

Address: ENBROOK PARK SANDGATE HIGH STREET, FOLKESTONE, CT20 3SE

Occupation: HEAD OF TAX & TREASURY


.....
Name: ROBERT ALLAN
ACIL CEO