

382854/10

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01

Particulars of a charge



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

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

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 where the instrument is not an instrument Use form MR02



A05 20/03/2015 #255
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 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		For official use	
	Company number	0 6 6 8 4 5 7 8	2	
	Company name in full	Zest Investment Group Limited		
		→ Filing 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	d1 d8 m0 m3 y2 y0 y1 y5

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	Sistine Properties (Thetford) Limited
Name	
Name	
Name	
	If there are more than four names, please supply any four of these names then tick the statement below <input type="checkbox"/> I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01

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

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 ¹

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

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

X *DLA Piper UK LLP.* X

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

Signature

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 Sarah Sharkey

Company name DLA Piper UK LLP

Address Princes Exchange

Princes Square

LEEDS

Post town

County/Region

Postcode

L	S	1		4	B	Y
---	---	---	--	---	---	---

Country

DX DX 12017 LEEDS

Telephone 08700 111 111

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 £13 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.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6684578

Charge code: 0668 4578 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th March 2015 and created by ZEST INVESTMENT GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th March 2015

Df

Given at Companies House, Cardiff on 26th March 2015



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 19/03/2015
SIGNED DLA Piper UK LLP
DLA PIPER UK LLP

DATED 18 March 2015

(1) ZEST INVESTMENT GROUP LIMITED

- and -

(2) SISTINE PROPERTIES (THETFORD) LIMITED

DEBENTURE

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THIS DEBENTURE is made on

18 March

2015

BETWEEN:

- (1) **ZEST INVESTMENT GROUP LIMITED**, a company incorporated and registered under the laws of England and Wales with number 06684578 with its registered office at 2nd Floor, 16 High Street, Yarm, Cleveland TS15 9AE (the "**Chargor**"), and
- (2) **SISTINE PROPERTIES (THETFORD) LIMITED** a company incorporated and registered under the laws of England and Wales with number 06697722 with its registered office at Faceby Manor, Carlton-in-Cleveland, Middlesbrough, Cleveland TS9 7DP (the "**Lender**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed

- (a) terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed), and

- (b) at all times the following terms have the following meanings

"**Act**" means the Law of Property Act 1925,

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*),

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration,

"**Charged Investments**" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,

"**Charged Securities**" means:

- (a) the securities specified in part 2 of schedule 1 (*Details of Security Assets*), and
- (b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "**investments**" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor, held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time;

"**Debenture Security**" means the Security created or evidenced by or pursuant to this Deed or any Accession Deed,

"**Default Rate**" means the rate of interest determined in accordance with clause 7 of the Facility Agreement,

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Lender or by a Receiver,

"Facility Agreement" means the facility letter dated on or about the same date as this Deed and made between (1) the Company and (2) the Lender, pursuant to which the Lender agrees to make certain facilities available to the Borrower,

"Finance Documents" means the Facility Agreement and this Deed,

"Insurances" means all policies of insurance (and all cover notes) which are at any time held by or written in favour of the Chargor or in which the Chargor from time to time has an interest, including, without limitation the policies of insurance (if any) specified in part 4 of schedule 1 (*Details of Security Assets*) and excluding contracts and policies of insurance or assurance which relate to third parties,

"Intellectual Property" means all legal and/or equitable interests (including, without limitation, the benefit of all licences in any part of the world) of the Chargor in, or relating to

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist),

(including, without limitation, the intellectual property rights (if any) specified in part 3 of schedule 1 (*Details of Security Assets*)),

"Party" means a party to this Deed,

"Planning Acts" means (a) the Town and Country Planning Act 1990, (b) the Planning (Listed Buildings and Conservation Areas) Act 1990, (c) the Planning (Hazardous Substances) Act 1990, (d) the Planning (Consequential Provisions) Act 1990, (e) the Planning and Compensation Act 1991, (f) any regulations made pursuant to any of the foregoing and (g) any other legislation of a similar nature,

"Quasi-Security" means an arrangement or transaction by the Chargor to (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Chargor, (b) sell, transfer or otherwise dispose of any of its Receivables on recourse terms, (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or (d) enter into any preferential arrangement having similar effect in circumstances where the arrangement or transaction is entered into primarily as a method of raising monies or of financing the acquisition of an asset,

"Real Property" means all estates and interests in freehold, leasehold and other immovable property (wherever situated) now or in future belonging to the Chargor or in which the Chargor has an interest at any time (including the registered and unregistered land (if any) in England and Wales specified in part 1 of schedule 1 (*Details of Security Assets*)), together with

- (a) all buildings and fixtures (including trade fixtures) and fixed plant and machinery at any time thereon,

- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof,

but excluding in each case Short Leasehold Properties and, for the avoidance of doubt, structures and fixtures and the proceeds of sale of all or any part of any Short Leasehold Property,

"Receivables" means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with

- (a) the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
- (b) all proceeds of any of the foregoing,

"Receiver" means a receiver, or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Lender under this Deed,

"Related Rights" means, in relation to any Charged Security

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Chargor to the Lender under or pursuant to any Finance Document (including all monies covenanted to be paid under this Deed),

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed,

"Security Period" means the period beginning on the date of this Deed and ending on the date on which

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) the Lender has no further commitment, obligation or liability under or pursuant to the Finance Documents,

"Short Leasehold Properties" means all leasehold properties for a term of less than seven years unexpired at the date of the acquisition of the lease (whether registered or unregistered) owned by the Chargor where so ever situate,

"**Subsidiary**" means a subsidiary within the meaning of section 1159 of the Companies Act 2006, and

"**VAT**" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature

1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed
- (b) Unless a contrary indication appears, any reference in this Deed to
 - (i) the "**Chargor**", the "**Lender**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
 - (ii) "**this Deed**", the "**Facility Agreement**", any other "**Finance Document**" or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or provides for further advances),
 - (iii) an Event of Default which is "**continuing**" shall be construed as meaning an Event of Default that has not been remedied or Lender (acting reasonably),
 - (iv) "**including**" or "**includes**" means including or includes without limitation,
 - (v) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor,
 - (vi) a provision of law is a reference to that provision as amended or re-enacted, and
 - (vii) the singular includes the plural and vice versa.
- (c) References to clauses are to be construed, unless otherwise stated, as references to clauses of this Deed
- (d) Clause headings are for convenience only and shall not affect the constructions of this Deed.
- (e) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed
 - (i) must be complied with at all times during the Security Period, and
 - (ii) is given by the Chargor for the benefit of the Lender
- (f) The terms of the other Finance Documents and of any side letters between any of the parties to them in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any disposition of the Real Property contained in

this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

- (g) If the Lender reasonably considers that an amount paid by the Chargor to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (h) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand

1.3 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Lender that it will pay and discharge the Secured Obligations in the manner provided for in the Finance Documents from time to time when they fall due pursuant to the Finance Documents
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of the Lender to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to the Lender, shall operate in satisfaction to the same extent of the covenant contained in clause 2 1(a)

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the Finance Documents under which such amount is payable and, in the absence of such agreement, at the Default Rate from time to time
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Lender states are appropriate

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made

- (a) in favour of the Lender,
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and

- (c) as continuing security for payment of the Secured Obligations

3.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by the Chargor, or in which it from time to time has an interest

- (a) by way of first legal mortgage
 - (i) the Real Property (if any) specified in part 1 of schedule 1 (*Details of Security Assets*), and
 - (ii) all other Real Property (if any) at the date of this Deed vested in, or charged to, the Chargor (not charged by clause 4 1(a)(i)),
- (b) by way of first fixed charge
 - (i) all other Real Property and all interests in Real Property (not charged by clause 4 1(a)),
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land, and
 - (iii) the proceeds of sale of all Real Property;
- (c) by way of first fixed charge all plant and machinery (not charged by clause 4 1(a) or 4 1(b)) and the benefit of all contracts, licences and warranties relating to the same which do not contain any restrictions on charging,
- (d) by way of first fixed charge
 - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 4 1(c)), and
 - (ii) the benefit of all contracts, licences and warranties relating to the same,

other than any which are for the time being part of the Chargor's stock-in-trade or work-in-progress) or which require the consent of any third party before they can be charged,
- (e) by way of first fixed charge:
 - (i) the Charged Securities referred to in part 2 of schedule 1 (*Details of Security Assets*), and

(ii) all other Charged Securities (not charged by clause 4 1(e)(i)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments,

(f) by way of first fixed charge all accounts of the Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts, together with all interest from time to time accrued or accruing on such monies and all rights to repayment of any of the foregoing,

(g) by way of first fixed charge

(i) the Intellectual Property (if any) specified in part 3 of schedule 1 (*Details of Security Assets*), and

(ii) all other Intellectual Property (if any) (not charged by clause 4 1(g)(i)),

(h) to the extent that any Assigned Asset is not effectively assigned under clause 4 2 (*Security assignments*), by way of first fixed charge such Assigned Asset,

(i) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed and provided that they do not require the consent of any third party to any charge)

(i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets, and

(ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it, and

(j) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor

4.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption and to the consent of any third party being obtained) all of its present and future right, title and interest in and to

(a) each of the following

(i) all Insurances (if any) specified in Part 4 of schedule 1 (*Details of Security Assets*), and

(ii) all other Insurances (not assigned by clause 4 2(a)(i)), and

(iii) all claims under the Insurances and all proceeds of the Insurances, and

(b) all other Receivables (not assigned under clause 4 2(a))

To the extent that any Assigned Asset described in clause 4 2(a) is not assignable or capable of assignment, the assignment which that clause purports to effect shall operate as an

assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances

4.3 Notice of assignment and/or charge - immediate notice

Immediately upon the occurrence of an Event of Default which is continuing the Chargor shall, in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Lender an acknowledgement, in each case in the respective forms set out in schedule 2 (*Form of notice to and acknowledgement by insurers*),

5. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed, and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Lender may, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if

- (a) an Event of Default has occurred and is continuing, or
- (b) the Lender (acting reasonably) considers those assets specified in the notice 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

6.2 Small companies

The floating charge created under this Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) the Chargor creates (or attempts or purports to create) any Security on or over the relevant Security Asset without the prior written consent of the Lender, or

- (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Lender receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

6.4 Scottish property

Clause 6.3 (*Automatic conversion*) will not apply to any assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to section 72 of the Insolvency Act 1986 by reason of such automatic conversion

6.5 Partial conversion

The giving of a notice by the Lender pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Lender under this Deed to serve similar notices in respect of any other class of assets or of any other right of the Lender

7. CONTINUING SECURITY

7.1 Continuing security

The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Lender may at any time hold for any Secured Obligation

7.3 Right to enforce

This Deed may be enforced against the Chargor without the Lender first having recourse to any other right, remedy, guarantee or Security held by or available to it

8. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation

9. REPRESENTATIONS

9.1 General

The Chargor makes the representations and warranties set out in this clause 9 to the Lender

9.2 No Security Interests

No Security or Quasi-Security exists over all or any of the present or future Security Assets of the Chargor other than

- (a) as created by this Deed, and
- (b) as permitted by the Facility Agreement

9.3 Ranking

The Debenture Security has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security

9.4 Ownership of Security Assets

The Chargor is the sole legal and beneficial owner of all the Security Assets identified in schedule 1 (*Details of Security Assets*)

9.5 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency have, to the best of its knowledge and belief (having made due and careful enquiry), been started or threatened against it or any of its Subsidiaries

9.6 Charged Securities

The Charged Securities listed in part 2 of schedule 1 (*Details of Security Assets*) are fully paid and constitute the entire share capital owned by the Chargor in the relevant company

9.7 Real Property

In relation to the Real Property part 1 of schedule 1 (*Details of Security Assets*) identifies all freehold and leasehold Real Property which is beneficially owned by the Chargor at the date of this Deed

9.8 Time when representations made

- (a) All the representations and warranties in this clause 9 are made by the Original Chargor on the date of this Deed and (except for those in clause 9.6 (*Charged Securities*) and 9.7 (*Real Property*)) are also deemed to be made by the Chargor on each date interest is due to be paid under the Facility Agreement,
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made

10. UNDERTAKINGS BY THE CHARGOR

10.1 Negative pledge and Disposals

The Chargor shall, during the Security Period, not do or agree to do any of the following without the prior written consent of the Lender (such consent not to be unreasonably withheld):

- (a) create or permit to subsist any Security or Quasi-Security on any Security Asset other than as created by this Deed, or
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) the whole or any part of its interest in any Security Asset

10.2 Security Assets generally

The Chargor shall

- (a) notify the Lender within 20 days of receipt of every material notice, order, application, requirement or proposal given or made in relation to, any material Security Assets by any competent authority, and (if required by the Lender)
 - (i) promptly provide it with a copy of the same, and
 - (ii) either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as the Lender may require or approve,
- (b) pay all rates, rents, and other outgoings owed by it in respect of the Security Assets except to the extent that the Chargor contends (acting reasonably) that such payments are not due or have been incorrectly charged,
- (c) comply with
 - (i) all obligations in relation to the Security Assets under any present or future regulation or requirement of any competent authority or any Authorisation, and
 - (ii) all material covenants and obligations affecting any Security Asset (or its manner of use),where failure to do so has or is reasonably likely to have a material adverse effect,
- (d) not, except with the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed), enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Facility Agreement),
- (e) provide the Lender with all information which it may reasonably request in relation to the Security Assets, and
- (f) not do, cause or permit to be done anything which may to a material extent depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

10.3 Deposit of documents and notices

The Chargor shall

- (a) unless the Lender otherwise confirms in writing (and without prejudice to clause 10.8(a)), deposit with the Lender:

- (i) all deeds and documents of title which are in its possession or control relating to the Security Assets, and
- (ii) all local land charges, land charges and HM Land Registry search certificates and similar documents received by or on behalf of the Chargor,

(each of which the Lender may hold throughout the Security Period), and
- (b) immediately on request by the Lender, affix to any plant, machinery, fixtures, fittings, and other asset for the time being owned by it (in a prominent position) a durable notice of this Deed (in any form required by the Lender (acting reasonably))

10.4 Real Property undertakings - acquisitions and notices to HM Land Registry

- (a) The Chargor shall notify the Lender promptly upon the acquisition of any estate or interest in any freehold or leasehold property
- (b) The Chargor shall, in respect of any freehold or leasehold Real Property which is acquired by it after the date of this Deed, the title which is registered at HM Land Registry or the title to which is required to be so registered
 - (i) give HM Land Registry written notice of this Deed, and
 - (ii) procure that notice of this Deed is clearly noted in the Register to each such title

10.5 Real Property undertakings - maintenance

- (a) The Chargor shall maintain all buildings and erections forming part of the Security Assets in a reasonable state of repair
- (b) The Chargor shall not, except with the prior written consent of the Lender (such consent not to be unreasonably withheld) (or as expressly permitted under the Facility Agreement) or where it is in the ordinary course of business:
 - (i) confer on any person any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power),
 - (ii) confer on any person any right or licence to occupy any land or buildings forming part of the Real Property, or
 - (iii) grant any licence to assign or sub-let any part of the Real Property
- (c) The Chargor shall not carry out any development within the meaning of the Planning Acts in or upon any part of the Real Property without first obtaining such permissions as may be required under or by virtue of the Planning Acts and, in the case of development involving a substantial change in the structure of, or a change of use of, any part of the Real Property, without first obtaining the written consent of the Lender
- (d) The Chargor shall not do, or knowingly permit to be done, anything as a result of which any lease may be liable to forfeiture or otherwise be determined

- (e) The Chargor shall permit the Lender and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it

10.6 Insurance

- (a) The Chargor shall at all times maintain insurance policies with reputable insurance providers appropriate for the business carried on by the Chargor
- (b) The Chargor shall notify the Lender if any claim arises or may be made under the Insurances with a value in excess of £100,000
- (c) The Chargor shall, subject to the rights of the Lender under clause 10 6(d), diligently pursue its rights under the Insurances
- (d) In relation to the proceeds of Insurances
 - (i) all claims and monies received or receivable under any Insurances shall (subject to the rights or claims of any lessor or landlord of any part of the Security Assets) be applied,
 - (A) in repairing, replacing, restoring or rebuilding the property damaged or destroyed, or
 - (B) as approved by the Lender (acting reasonably),or, in each case after the occurrence of an Event of Default which is continuing, in permanent reduction of the Secured Obligations

10.7 Dealings with and realisation of Receivables

At any time following the occurrence of an Event of Default which is continuing, the Chargor shall deal with the Receivables (both collected and uncollected) in accordance with any directions given in writing from time to time by the Chargee and hold all monies so received upon trust for the Lender

10.8 Charged Investments - protection of Security

- (a) The Chargor shall, promptly upon execution of this Deed or (if later), as soon as is practicable after its acquisition of any Charged Securities in certificated form by way of security for the Secured Obligations
 - (i) deposit with the Lender (or as the Lender may direct), all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights, and
 - (ii) execute and deliver to the Lender
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (B) such other documents as the Lender shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a

legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser)

- (b) The Chargor shall
 - (i) as soon as practicable give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in a form the Lender may require, and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Lender may require
- (c) The Chargor shall promptly pay all calls or other payments which may become due in respect of the Charged Investments
- (d) The Chargor shall not nominate another person to enjoy or exercise all or any of its specified rights in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise
- (e) Without limiting its obligations under clause 10 2(e), the Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 and, if it fails to do so, the Lender may provide such information as it may have on behalf of the Chargor

10.9 Rights in respect of Charged Investments

- (a) Until an Event of Default occurs, the Chargor shall be entitled to
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities, and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by the Finance Documents, or
 - (B) which is prejudicial to the interests of the Lender
- (b) At any time following the occurrence of an Event of Default which is continuing, the Lender may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select
- (c) At any time when any Charged Security is registered in the name of the Lender or its nominee, the Lender shall be under no duty to
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee, or
 - (ii) verify that the correct amounts are paid or received, or

- (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security

11. POWER TO REMEDY

11.1 Power to remedy

If at any time the Chargor does not comply with any of its material obligations under this Deed, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary to rectify that default.

11.2 Mortgagee in possession

The exercise of the powers of the Lender under this clause 11 shall not render it liable as a mortgagee in possession.

11.3 Monies expended

The Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 11, together with interest at the Default Rate from the date on which those monies were expended by the Lender (both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*).

12. WHEN SECURITY BECOMES ENFORCEABLE

12.1 When enforceable

This Debenture Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

12.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

12.3 Enforcement

After this Debenture Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of the Debenture Security in such manner as it sees fit.

13. ENFORCEMENT OF SECURITY

13.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Debenture Security.

13.2 Powers of leasing

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

13.3 Powers of Lender

- (a) At any time after the Debenture Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Lender may without further notice (unless required by law)
- (i) appoint any qualified person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver, and/or
 - (iv) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them
- (b) The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor

13.4 Redemption of prior mortgages

At any time after the Debenture Security has become enforceable, the Lender may

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself, and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor

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

13.5 Privileges

- (a) Each Receiver and the Lender 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

- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226)) each Receiver and the Lender shall have the right after this Debenture Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 13 5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

13.6 No liability

- (a) Neither the Lender nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct)
- (b) Without prejudice to the generality of clause 13 6(a), neither the Lender nor any Receiver shall 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

13.7 Protection of third parties

No person (including a purchaser) dealing with the Lender or any Receiver or Delegate will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which the Lender or the Receiver is purporting to exercise has become exercisable, or
- (c) whether any money remains due under any Finance Document, or
- (d) how any money paid to the Lender or to the Receiver is to be applied

14. RECEIVER

14.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated

14.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document)

14.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender)

14.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Obligations shall be capable of being applied by the Lender in discharge of the Secured Obligations

14.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall incur no liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

15. POWERS OF RECEIVER

15.1 General powers

Any Receiver shall have

- (a) all the powers which are conferred on the Lender by clause 13.3 (*Powers of Lender*);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers

15.2 Additional powers

In addition to the powers referred to in clause 15.1 (*General powers*), a Receiver shall have the following powers

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit,
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act and without limitation
 - (i) fixtures may be severed and sold separately from the Real Property containing them, without the consent of the Chargor;

- (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party), and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land),
 - (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor,
 - (g) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),
 - (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit,
 - (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Lender shall direct);
 - (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm),
 - (k) to form one or more Subsidiaries of the Chargor, and to transfer to any such Subsidiary all or any part of the Security Assets,
 - (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease, and
 - (m) to
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and
 - (iii) use the name of the Chargor for any of the above purposes

16. APPLICATION OF PROCEEDS

16.1 Application

All monies received by the Lender or any Receiver after the Debenture Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Debenture Security) be applied in the following order

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by the Lender or any Receiver or Delegate and of all remuneration due to the Receiver in connection with this Deed or the Security Assets,
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations (or such part of them as is then due and payable in accordance with the terms of the Finance Documents) in accordance with clause 16.3 (*Appropriation and suspense account*), and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it

16.2 Contingencies

If the Debenture Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at normal commercial rates as the Lender (acting reasonably) may determine.

16.3 Appropriation and suspense account

- (a) Subject to clause 16.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by the Chargor
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at normal commercial rates as the Lender (acting reasonably) may determine without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations

17. SET-OFF

17.1 Set-off rights

- (a) The Lender may (but shall not be obliged to) at any time after the occurrence of an Event of Default which is continuing set off any obligation which is due and payable by the Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Lender by the Chargor) against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation
- (b) At any time after the Debenture Security has become enforceable (and in addition to its rights under clause 17.1(a)), the Lender may (but shall not be obliged to) set-off

any contingent liability owed by the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation

- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith (acting reasonably) to be the amount of that obligation

17.2 Time deposits

Without prejudice to clause 17.1 (*Set-off rights*), if any time deposit matures on any account which the Chargor has with the Lender at a time within the Security Period when

- (a) this Debenture Security has become enforceable, and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Lender in its absolute discretion considers appropriate unless the Lender otherwise agrees in writing

18. DELEGATION

Each of the Lender 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 upon any terms (including power to sub-delegate) which it may think fit. Neither the Lender nor any Receiver shall 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 Delegate

19. FURTHER ASSURANCES

19.1 Further action

The Chargor shall, at its own expense, promptly do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Finance Document, and
- (b) facilitating the realisation of any Security Asset,
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender, or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law, or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Finance Document

This includes

- (i) the re-execution of this Deed or such Finance Document,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee, and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender reasonably may think expedient

19.2 Finance Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents

19.3 Specific security

Without prejudice to the generality of clause 19.1 (*Further action*), the Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*))

20. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of the Debenture Security has occurred which the Chargor is obliged to take under this Deed, including under clause 19 (*Further assurances*) or, in no Event of Default is continuing, which the Chargor has failed to take after a period of 20 days or more. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

21. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Lender's Spot Rate of Exchange

22. CHANGES TO THE PARTIES

22.1 Charging Companies

The Chargor may not assign any of its rights or obligations under this Deed

22.2 Lender

The Lender may assign or transfer all or any part of its rights under this Deed pursuant to the Facility Agreement. The Chargor shall, immediately upon being requested to do so by the Lender, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

23. MISCELLANEOUS

23.1 New accounts

- (a) If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

23.2 Tacking

- (a) The Lender shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

23.3 Land Registry

- (a) The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Lender) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [◆] 20[◆] in favour of [◆] referred to in the charges register or their conveyancer."

- (b) The Chargor shall promptly make all applications to and filings with Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Debenture Security.

24. NOTICES

- (a) Clause 11 of the Facility Agreement (*Notices*) is incorporated into this Deed as if fully set out in this Deed.
- (b) The address and fax numbers of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the

execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Facility Agreement or this Deed

25. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates

26. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired

27. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law

28. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Lender and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given

29. COUNTERPARTS

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

30. RELEASE

30.1 Release

Upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Chargor, promptly take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Debenture Security and return all deeds and documents of title delivered to the Lender.

30.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under

this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

31. GOVERNING LAW

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

IN WITNESS of which this Deed has been duly executed by the Original Chargor as a deed and duly executed by the Lender and has been delivered on the first date specified on page 1 of this Deed by the Original Chargor.

SCHEDULE 1: DETAILS OF SECURITY ASSETS

Part 1: Real Property

Registered land			
Address	Administrative area	Title number	
N/A	N/A	N/A	
Unregistered land			
Address	Document describing the Real Property		
	Date	Document	Parties
N/A	N/A	N/A	N/A

Part 2: Charged Securities

Name of company (and company number) in which shares are held	Class of shares held	Number of shares held	Issued share capital
Zest Investment (Watton) Limited (06684430)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Portadown) Limited (06707890)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Omagh) Limited (06708014)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Bridgewater) Limited (06717307)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Bohill) Limited (06774343)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Newtonards) Limited (06550615)	Ordinary	1 ordinary £1 share	1 share
Zest Investment (Swaffham) Limited	Ordinary	1 ordinary £1 share	1 share

Name of company (and company number) in which shares are held	Class of shares held	Number of shares held	Issued share capital
(NI 53414)			
Zest Investment Property Group Limited (NI 58855)	Ordinary	1 ordinary £1 share	1 share
Zest Care Homes Limited (06315771)	Ordinary	999 ordinary £1 shares	999 shares

Part 3: Intellectual Property

Part 3A - Trade marks				
Proprietor/ADP number	TM number	Jurisdiction/apparent status	Classes	Mark text
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
Part 3B - Patents				
Proprietor/ADP number	Patent number	Description		
N/A	N/A	N/A		
N/A	N/A	N/A		
N/A	N/A	N/A		

Part 4: Insurances

Insurer	Insured risks	Policy number
N/A	N/A	N/A
N/A	N/A	N/A

SCHEDULE 2: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: *[Insert name and address of insurer]*

Dated [◆] 20[◆]

Dear Sirs

[DESCRIBE INSURANCE POLICIES] DATED [◆] 20[◆] BETWEEN (1) YOU AND (2) [◆] (THE "CHARGOR")

- 1 We give notice that, by a debenture dated [◆] 20[◆] (the "Debenture"), we have [assigned] to [◆] (the "Lender") all our present and future right, title and interest in and to the Policies (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies
- 2 We irrevocably authorise and instruct you from time to time
 - (a) to disclose to the Lender at our expense without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Lender may from time to time request,
 - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Lender,
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Lender from time to time,
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction), and
 - (e) to send copies of all notices and other information given or received under the Policies to the Lender
- 3 [We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Lender's interest as loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above]
- 4 We are not permitted to receive from you, otherwise than through the Lender, any amount in respect of or on account of the sums payable to us from time to time under the Policies or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Lender
5. This notice may only be revoked or amended with the prior written consent of the Lender

- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice,
 - (b) you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Lender promptly if you should do so in future,
 - (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Lender, and
 - (d) [you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without the prior written consent of the Lender][If you make any attempt to terminate or amend the Policies, you will liaise with and notify the Lender and not us]
- 7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[On copy]

To [◆]
as Lender
[ADDRESS]

Copy to [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms We confirm and agree to the matters set out in paragraph 6 in the above notice

for and on behalf of
[Name of relevant insurer]


Dated [◆] 20[◆]

EXECUTION PAGE

THE ORIGINAL CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by ZEST)
INVESTMENT GROUP LIMITED acting by)
in the presence of

Director



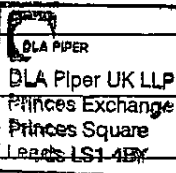
Witness signature



Witness name

Sarah Shorkey

Witness address


DLA PIPER
DLA Piper UK LLP
Princes Exchange
Princes Square
Leeds LS1 4BY

Address: 2nd Floor, 16 High Street, Yarm,
Cleveland TS15 9AE

Facsimile No: 01325 360060

THE LENDER

Signed by *Paul Scott* for)
and on behalf of SISTINE PROPERTIES)
(THETFORD) LIMITED

Signature 

Address: Faceby Manor, Carlton-in-
Cleveland, Middlesbrough
TS9 7DP

Facsimile No: *paul@sisstineproperties.co.uk*

Attention: *Paul Scott*