



Registration of a Charge

Company name: **REGENT LEISURE SERVICES LIMITED**

Company number: **02238447**



X745ISM3

Received for Electronic Filing: **18/04/2018**

Details of Charge

Date of creation: **18/04/2018**

Charge code: **0223 8447 0002**

Persons entitled: **DISTRIBUTION FINANCE CAPITAL LIMITED**

Brief description: **THE VESSEL SUPERNOVA OF LONDON**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **W G R KELLY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2238447

Charge code: 0223 8447 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th April 2018 and created by REGENT LEISURE SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th April 2018 .

Given at Companies House, Cardiff on 20th April 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



THIS DEED OF COVENANTS is made this 18 April 2018

Between

- (1) **Distribution Finance Capital Ltd** a limited liability company incorporated in England and Wales (Company Number 10198535) whose registered office is at 2nd Floor, City House, Sutton Park Road, Sutton, England, SM1 2AE ("DFC"), and
- (2) **Regent Leisure Services Limited**, a limited liability company incorporated in England and Wales (Company Number 02238447) whose registered office is at 11 Nanhurst Park, Elmbridge Road, Cranleigh, Surrey, GU6 8JX (the "Borrower").

1 PURPOSE

DFC has agreed to make a loan for the amount shown in the Loan Agreement available to the Borrower. In order to secure the due repayment of the loan and all other sums due under the Loan Agreement or otherwise owed to DFC the Borrower has agreed to grant the security described in clause 5 of this Deed.

2 DEFINITIONS

- 2.1 In this Deed the following terms shall have the following meanings (unless the context otherwise requires):

Approved Brokers means the insurance brokers appointed by the Borrower with DFC's prior approval.

Event of Default means any of the events referred to in clause 9 of the Loan Agreement.

Excess Risks means the proportion of claims for general average, salvage charges and under the ordinary running-down clause which is not recoverable as a result of the value at which the Vessel is assessed for the purpose of such claims exceeding its insured value.

Facility Documents means each of this Deed, the Loan Agreement, the Mortgage, and any other mortgage, loan, lease, lease purchase, assignment, charge, security agreement entered into by the Borrower with DFC or any Guarantee or other credit support agreement entered into or to be entered into by a Guarantor with DFC in connection with the Indebtedness.

Facility means the loan facility made available to the Borrower by DFC pursuant to the terms of the Loan Agreement.

Guarantee means any guarantee of the Borrower's obligations under the Loan Agreement executed by a Guarantor.

Guarantor means any guarantor of the Borrower's obligations under the Loan Agreement.

Loan Agreement means the Loan Agreement dated 18 April 2018 from DFC to the Borrower.

Indebtedness means the aggregate of all amounts whatsoever whether principal, interest or otherwise which may from time to time or at any time be or become due actually or contingently from the Borrower (whether as principal, surety or otherwise) to DFC including but not limited to all amounts whatsoever whether principal, interest or otherwise which may from time to time or at any time be or become due under or in connection with any of the Facility Documents.

Insurance Documents means all slips, cover notes, contracts, policies, certificates of entry or other insurance documents evidencing or constituting the Insurances from time to time in effect (including letters of undertaking where the context so requires).

Insurances means all policies and contracts of insurance (which expression includes all entries of Vessel in a protection and indemnity or mutual hull or war risks association) or such other arrangements by way of insurance which are from time to time entered into in connection with the Vessel pursuant to clause 8 (but excluding any insurance taken out by DFC pursuant to clause 8.3) and all benefits thereof including all claims of whatsoever nature and return of premiums.

Insurers mean the underwriters, insurance companies, mutual insurance associations or other associations with which the Insurances are placed.

Mortgage means the first priority statutory mortgage on the Vessel in its official form granted by the Borrower to DFC.

Permitted Encumbrance means:

- (a) any Encumbrance subsisting under or in connection with any of the Facility Documents;
- (b) maritime liens;
- (c) any other right of set off or lien, in each case arising by operation of law;
- (d) any retention of title to goods supplied to the Borrower (including under any hire purchase agreement) in the ordinary course of its trading activities;
- (e) any agreement entered into by the Borrower in the ordinary course of its trading activities to sell or otherwise dispose of any asset on terms whereby that asset is or may be leased to or re-acquired or acquired by the Borrower;
- (f) any right of set-off arising under a contract made between the Borrower and a local authority, or other governmental or quasi-governmental body in the ordinary course of its trading activities relating to deferred consideration in respect of the supply of assets to the Borrower from that authority or body where the consideration is set off against the payments for services carried out under the relevant contract;
- (g) any Encumbrance over an asset purchased by Borrower which is discharged within one hundred twenty (120) days of purchase of such asset; or
- (h) Encumbrances granted with the prior written consent of DFC.

Protection and Indemnity Risks means the usual risks covered by a protection and indemnity association including (but not limited to) the proportion (if any) of any claim not recoverable in the case of collision under the hull and machinery policies, liability for third party risks and pollution liability.

Requisition Compensation means all compensation payable by reason of requisition for title or other compulsory acquisition of the Vessel other than requisition for hire.

Required Insurance Value means the greater of (a) the market value of the Vessel and (b) one hundred and twenty per cent (120%) of the outstanding principal amount of the Loan.

Security Documents means the Guarantee from all Guarantors, this Deed and the Mortgage and any other guarantee, indemnity and security executed and delivered to DFC by the Borrower and/or the Guarantors as security for the Indebtedness.

Security Period means the period commencing on the date of this Deed and ending on the date on which the Indebtedness is repaid in full to DFC.

Vessel means the Fairline Targa 53 motor yacht with Hull Identification Number GBFLY15046H718 and to be named "SUPERNOVA" (or similar) and registered in the name of the Borrower including the hull, machinery, equipment, fuel, lubricating oil and stores of the Vessel whether now owned or subsequently acquired and all additions, improvements and replacements subsequently made in or to the Vessel or any part thereof and any share or interest in Vessel.

Total Loss means:

- (a) the actual or constructive or compromised or arranged or agreed total loss of the Vessel;
- (b) the requisition for title or other compulsory acquisition of the Vessel other than requisition for hire; or
- (c) the capture, seizure, arrest, detention or confiscation of the Vessel by any government or by a person acting or purporting to act on behalf of any government where the Vessel is not released within thirty (30) days after the occurrence thereof.

- 2.2 Other terms used in this Deed with capital initial letters shall have the respective meanings given to them in the Schedules to this Deed or in the Loan Agreement or any other Facility Documents.

3 INTERPRETATION

- 3.1 Clause headings are inserted for ease of reference only and are not to affect the interpretation of this Deed.
- 3.2 Words referring to the singular number shall include the plural and vice versa.
- 3.3 References to a person are to be construed to include corporations, firms, companies, partnerships, limited liability partnerships, individuals, associations, states and administrative, governmental and other agencies whether or not a separate legal entity.
- 3.4 Any reference to a document is a reference to that document as the same may have been and may from time to time hereafter be amended and/or supplemented.
- 3.5 References to clauses, paragraphs and schedules are to the clauses, paragraphs and schedules to this Deed.
- 3.6 Any reference to a statute or statutory instrument or regulation is a reference to that statute, statutory instrument or regulation as the same may have been and may from time to time hereafter be modified, amended or re-enacted.
- 3.7 The liquidation, winding up or dissolution of a company or body corporate and the appointment of a receiver, manager or administrator of a company or body corporate or any of its assets shall be construed so as to include any equivalent or analogous proceedings or event under the law of the jurisdiction in which it is incorporated or any jurisdiction in which it carries on business or has assets or liabilities.

4 REPRESENTATIONS & WARRANTIES

The Borrower represents that:

- (a) prior to the execution of this Deed the Vessel is free from any mortgages, liens and encumbrances;
- (b) the Borrower is the sole legal and beneficial owner of the Vessel and the Vessel is registered in the name of the Borrower with the registry of shipping stated in the Agreement Details;
- (c) the Borrower has not assigned, transferred, pledged or charged or otherwise disposed of the Earnings.

5 CHARGE & ASSIGNMENT BY THE BORROWER

As a continuing security for the punctual payment and discharge of the Indebtedness to DFC the Borrower unconditionally and irrevocably and with full title guarantee hereby:

- (a) mortgages and charges the Vessel to DFC by way of a first legal mortgage;
- (b) assigns absolutely and agrees to assign to DFC the whole benefit of and all of its right, title and interest (present and future) in and to the Insurances;
- (c) covenants and agrees that the Vessel shall be held subject to the Mortgage which shall be held by DFC to secure the payment of the Indebtedness except the security created by the Mortgage and this Deed shall be a continuing security and this Deed shall continue in full force and effect until the Indebtedness has been paid to DFC in full.

6 CONDITIONS PRECEDENT

The Borrower acknowledges that its obligations to DFC under this Deed are subject to the conditions precedent set out in the Loan Agreement.

7 PAYMENT BY BORROWER

- 7.1 The Borrower covenants to pay the Indebtedness to DFC as set out in the Facility Documents or otherwise in accordance with the terms governing such Indebtedness.
- 7.2 All payments to be made by the Borrower under this Deed shall be made in full, without any set off or counterclaim whatsoever and free and clear of any deduction or withholdings.

8 INSURANCE

- 8.1 The Borrower covenants with DFC during the Security Period to:
 - (a) insure and keep the Vessel insured in Sterling or such other currency as may be approved in writing by DFC, at its own expense in the full insurable value of the Vessel but in no event for an amount less than the Required Insurance Value or such other figure as DFC may approve against fire, marine and other risks (including Excess Risks) covered by hull and machinery policies;
 - (b) insure and keep the Vessel insured against protection and indemnity risks (including pollution risks for the highest amount in respect of which cover is or may become available for ships of the same type, size, age and flag as the Vessel) for the full value and tonnage of the Vessel;
 - (c) insure and keep the Vessel insured in respect of such other matters of whatsoever nature and howsoever arising in respect of which insurance would be maintained by a prudent owner of the Vessel.
- 8.2 The Borrower further covenants with DFC during the Security Period to:
 - (a) effect the Insurances through the Approved Brokers with such Insurers and on such terms as shall from time to time be approved in writing by DFC;
 - (b) renew the Insurances at least fourteen (14) days before the relevant Insurances expire and to procure that the Approved Brokers or the Insurers promptly confirm in writing to DFC as and when each such renewal is effected;
 - (c) punctually pay all premiums, calls, contributions or other sums payable in respect of the Insurances and to produce all relevant receipts when so required in writing by DFC;
 - (d) arrange for the execution of such guarantees as may from time to time be required by any protection and indemnity or war risks association;
 - (e) give notice of assignment of the Insurances to the Insurers in the form of Schedule 1 and to procure that a loss payable clause in the form of the Schedule 2 or Schedule 3 (as may be relevant) is endorsed on or attached to the Insurance Documents;

- (f) procure that the Approved Brokers shall provide DFC with an acknowledgement of the assignment of the Insurances from the Insurers and shall provide DFC with certified copies of the Insurance Documents relating to the Insurances placed by the Approved Brokers;
- (g) procure that the protection and indemnity and war risks associations in which the Vessel is entered shall provide DFC with a letter or letters of undertaking (in such form as DFC may reasonably request or, as the case may be, in the standard form for such protection and indemnity and war risks associations) and shall provide DFC with a copy of the certificate or certificates of entry, upon request by DFC;
- (h) procure that the Insurance Documents shall provide that the lien or set off for unpaid premiums or calls shall be limited to the premiums or calls due in relation to the Insurances on the Vessel and for fourteen (14) days' prior written notice to be given to DFC by the Insurers in the event of a cancellation, termination or non-renewal of the Insurances and in the event of the non-payment of the premiums or calls for the right to pay the premiums or calls within a reasonable time;
- (i) promptly provide DFC with full information regarding any casualties or damage to the Vessel in an amount in excess of 15% of the Required Insurance Value or in consequence of which the Vessel has become or may become a Total Loss;
- (j) not do any act nor permit any act to be done by which any of the Insurances may be suspended or avoided and not to permit the Vessel to engage in any voyage or to carry any cargo not permitted under the Insurances in effect without first covering the Vessel to the amount stated in Clause 8.1(a) with insurance satisfactory to DFC for such voyage or the carriage of such cargo, and (without limitation to the generality of the foregoing) not to permit the Vessel to enter or trade in any zone which is declared a war zone by any government or by the Vessel's War Risks Insurers unless DFC shall first have given its consent in writing and there shall have been effected by the Borrower and at its expense such special insurance as DFC may require;
- (k) procure that all amounts payable under the Insurances are paid in accordance with the loss payable clauses and to apply all amounts as are paid to the Borrower to the repair of the damage and the reparation of the loss in respect of which the amounts shall have been received.

9 BORROWER'S COVENANTS

The Borrower further covenants with DFC during the Security Period that it will:

- (a) keep the Vessel registered as a United Kingdom ship (unless prior written consent is obtained from DFC to change the flag of the Vessel, which consent DFC shall have full power to withhold or to impose further conditions upon, such as the requirement for the Borrower to execute further security documents) and not do or permit to be done anything whereby such registration may be forfeited or imperilled;
- (b) maintain the corporate existence of the Borrower under the laws of England and comply with all relevant legislation applicable to the Borrower;
- (c) pay when due and payable all taxes, assessments, levies, governmental charges, fines and penalties lawfully imposed on and enforceable against the Vessel unless contested in good faith by the Borrower by the appropriate proceedings;
- (d) not use the Vessel for residential purposes nor sell, transfer, mortgage, charge, hypothecate or abandon (save in the case of maritime necessity) the Vessel or any share or interest therein nor assign the Insurances without the prior written consent of DFC which it shall have full power to withhold;
- (e) not cause or permit the Vessel to be operated in any manner contrary to law and not engage in any unlawful trade or carry any cargo that will expose the Vessel to penalty, forfeiture (whether war be declared or not) not employ the Vessel or permit its employment in carrying any contraband goods;
- (f) reserved
- (g) not create or permit to be created or continued any lien or encumbrance (except the Mortgage and this Deed) whatsoever on the Vessel, the Earnings or the Insurances (other than any Permitted Encumbrances) and in the ordinary course of business discharge or satisfy all claims and demands which if unpaid might in law or by statute or otherwise create a lien or encumbrance on the Vessel;

- (h) on the written request of DFC provide satisfactory evidence that the wages, allotments, insurance and pension contributions of the master and crew of the Vessel are being paid in accordance with the articles of agreement relating to the Vessel and the relevant regulations and that all deductions from the remuneration of the master and crew in respect of any tax liability (including PAYE) and national insurance contributions are being made and accounted for to the relevant authority and that the master has no claim for disbursements other than those properly incurred by him in the ordinary trading of the Vessel on the voyage then in progress;
- (i) if any claim or proceedings shall be issued against the Vessel or if the Vessel shall be otherwise attached, arrested or detained by any proceeding in any court or tribunal or by any government or other authority, immediately notify DFC thereof by e-mail confirmed by letter and as soon as reasonably practicable thereafter cause the Vessel to be released and all liens or encumbrances thereon (except for the Mortgage and this Deed) to be discharged;
- (j) at all times and at its own expense maintain the Vessel in a seaworthy condition and in good running order and repair in accordance with first class Vessel ownership and Vessel management practice;
- (k) submit the Vessel regularly to such periodical or other surveys as may be required and, if so required by DFC in writing, provide DFC with copies of all survey reports and certificates issued in respect thereof;
- (l) notify DFC immediately by e-mail of any recommendation or requirement imposed by the MCA, the Insurers or any other competent authority which is not complied with in accordance with its terms;
- (m) give DFC prior notice of any proposed dry docking or any underwater survey so that DFC (if it so requires) can arrange for a representative to be present;
- (n) at all times comply with all legal requirements whether imposed by statute, regulation, common law or otherwise (including, without limitation, all port state control requirements) and have on board the Vessel as and when legally required valid certificates showing compliance therewith;
- (o) comply with, and procure that all servants and agents of the Borrower comply with, all environmental laws in relation to the Vessel including without limitation its operation and/or management from time to time;
- (p) not remove or permit the removal of any part of the Vessel or any equipment belonging thereto, nor make or permit to be made any alteration in the structure, type or speed of the Vessel which materially reduces the value of the Vessel (unless such removal or alteration is required by law) without the prior written consent of DFC which it shall have full power to withhold;
- (q) at all reasonable times permit DFC or its authorised representative full and complete access to the Vessel for the purpose of inspecting the state and condition of the Vessel and papers and at the written request of DFC deliver for inspection copies of all contracts and documents relating to the Vessel whether on board or not;
- (r) promptly provide DFC with information concerning the insurance, use, employment and position of the Vessel, when so requested by DFC;
- (s) in the event of requisition of the Vessel by any government authority or other competent authority, execute any assignment that DFC may request in relation to all amounts which such authority shall be liable to pay as compensation for the Vessel or for its use and if received by the Borrower to pay such amounts immediately to DFC, provided that if such requisition applies only to the use of the Vessel the provisions of this clause shall not apply if there has been no Event of Default;
- (t) execute any further document or documents required by DFC in order to complete the security created by the Security Documents;
- (u) permit inspections for ongoing valuations as DFC may from time to time reasonably require; and
- (v) keep the Vessel at Puerto Portals, 07181 Calvia, Mallorca and not elsewhere without DFC's consent.

10 PROTECTION OF SECURITY

- 10.1 Without prejudice to its other rights and powers under this Deed DFC shall have the right but be under no duty at any time to take such action as it considers necessary for the purpose of protecting the security created by the Security Documents and the Borrower shall pay to DFC on demand all amounts paid by DFC in providing such protection of the security with interest at the rate shown in clause 2.4 of the Loan Agreement from the date of payment of the said amounts by DFC until the date of repayment by the Borrower to DFC whether before or after judgment.
- 10.2 Without prejudice to the generality of clause 10.1:
- (a) in the event of a default in compliance with the provisions of clause 8 DFC shall have the right to insure the Vessel as provided in clause 8 and to pay any unpaid premiums or calls then outstanding;
 - (b) in the event of a default in compliance with clauses 9.1(j) and/or 9.1(k) DFC shall have the right to effect such surveys and repairs as it considers necessary;
 - (c) in the event of a default in compliance with clauses 9.1(c), 9.1(g) and/or 9.1(i) DFC shall have the right to pay and discharge all such debts and liabilities and if the Vessel has been arrested or detained to take such action as it considers necessary for the purpose of securing the release of the Vessel.
- 10.3 For the avoidance of doubt in no circumstances whatsoever will DFC be under any liability to the Borrower or any third party to pay any amount referred to in clause 10.2 or otherwise.

11 REQUISITION

The Borrower agrees that:

- (a) if the Vessel is requisitioned for hire by any governmental or other competent authority during the currency of this Deed and the Mortgage then, following such requisition, unless and until the Vessel becomes a Total Loss this Deed and the Mortgage shall continue in full force and effect and the Borrower shall be fully responsible for due compliance with all its obligations under this Deed (other than those with which it is physically unable to comply owing to the aforesaid requisition for hire) provided that if it is proved to DFC's reasonable satisfaction and confirmed in writing that such requisition is upon terms whereby the requisitioning authority has assumed the responsibility of the Borrower to DFC to indemnify or recompense DFC in respect of or otherwise to make good all losses which would otherwise be covered by the Insurances required to be effected by the Borrower under this Deed the Borrower shall be relieved from its insurance obligations under this Deed in respect of such period of requisition or, in the event that the requisitioning authority shall have assumed only a partial responsibility as aforesaid, its insurance obligations under this Deed shall be modified in such manner and to such extent as DFC may decide; and
- (b) the Borrower shall, subject to DFC's right to retain from it any moneys due from the Borrower to DFC under this Deed or the Mortgage, and provided there has been no breach on the part of the Borrower under this Deed or the Mortgage be entitled to all requisition hire and/or compensation relating to such requisition paid during the currency of this Deed and the Mortgage to DFC or to the Borrower by such governmental or other competent authority or by any person acting by the authority of the same on account of such requisition; and
- (c) the Borrower shall, as soon as practicable after the end of any requisition for hire, whether or not such requisition ends within or after the end of the currency of this Deed or of the Mortgage cause the Vessel to comply in all respects with the provisions of this Deed provided that, if the Borrower considers it impractical so to do, the Borrower shall consult with DFC as to the course of action to be taken but without prejudice to DFC's right to insist on the full performance and observance of the terms and conditions of this Deed.

12 POWERS FOLLOWING EVENT OF DEFAULT

- 12.1 If any one or more Event of Default shall occur then the Indebtedness shall become repayable in accordance with the provisions of the Loan Agreement and DFC shall have the right and power to:
- (a) take possession of the Vessel and exercise all the rights and powers of a mortgagee;
 - (b) institute legal proceedings to recover judgment against the Borrower for the Indebtedness;
 - (c) to appoint a receiver of the Vessel;
 - (d) order the master of the Vessel to proceed forthwith at the Borrower's risk and expense to a port or place nominated by DFC;
 - (e) sell the Vessel or any shares therein (whether as mortgagee, attorney-in-fact for the Borrower or otherwise) either by public auction or private contract and whether or not on deferred terms of payment with the power to DFC to make any such special or other stipulations as it shall deem proper and to postpone the sale without being liable for any resulting loss;
 - (f) pending the sale of the Vessel, insure, manage, maintain, repair, charter, operate, employ, lay up or otherwise use the Vessel for such time and upon such terms as it may consider to its advantage without being responsible for any loss or damage thereto and accounting only for the net profits if any arising from such use ;
 - (g) recover from the Borrower on demand all losses, expenses, payments and disbursements incurred by DFC in or incidental to the exercise by it of any of its powers together with interest thereon at the rate shown in Clause 2.4 of the Loan Agreement from the date when such losses, expenses, payments or disbursements were incurred or made by DFC until the date of reimbursement whether before or after judgment;
 - (h) require all Insurance Documents and all claims correspondence to be delivered to DFC or to the broker or adjuster nominated by it;
 - (i) defend, discharge, compound, release or compromise all claims against the Borrower in respect of the Vessel and/or the Earnings, the Insurances or the Requisition Compensation including (but not limited to) those which have given or may give rise to any charge or lien on the Vessel or which are or may be enforceable by proceedings against the Vessel;
 - (j) recover, institute, pursue, discharge, compound, release or compromise all claims by the Borrower in respect of the Vessel, the Earnings, the Insurances or the Requisition Compensation against the Insurers, any charterer or any other third party whatsoever; and
 - (k) pay all amounts as DFC considers appropriate in order to maintain and enforce its rights and powers under the Security Documents.
- 12.2 The Borrower undertakes to execute and deliver to DFC such documents as DFC may request in order to complete a sale of the Vessel by DFC under its powers in this Deed.
- 12.3 Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.
- 12.4 No purchaser, assignee or other person dealing with DFC shall be concerned to enquire whether the Indebtedness has become payable or whether any power which it is purporting to exercise has become exercisable or whether any amount is due under the Mortgage and this Deed or as to the application of any amount paid or as to the regularity of any sale by or other dealing with DFC . All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with DFC as if the Indebtedness had become due and the power of sale in relation to the Vessel had arisen on the date of this Deed.

13 RECEIVERS

The appointment of a receiver referred to in Clause 12.1(c) above may be made in writing signed by any one of the directors of DFC, its secretary or its duly appointed power of attorneys and the receiver shall thereupon become a receiver of the Vessel upon such terms

as to remuneration and otherwise as DFC shall think fit and DFC may from time to time remove any receiver so appointed and appoint another in his place.

14 POWER OF RECEIVERS

14.1 A receiver appointed hereunder shall be the agent of the Borrower for all purposes and shall have power:

- (a) to take possession of the Vessel and to take proceedings for that purpose whether in the name of the Borrower or not;
- (b) to sell hire or dispose of the Vessel (or concur in so doing) or otherwise to deal with it on the terms in the interest of the Borrower as DFC shall think fit;
- (c) to carry any sale hiring or disposal into effect by delivering conveying or transferring the Vessel in the name of the Borrower and on its behalf;
- (d) to exercise any of the powers which DFC would be entitled to exercise hereunder in respect of the Vessel;
- (e) to make any arrangements or compromise which the receiver shall think expedient.

14.2 Nothing herein contained shall make DFC liable to any receiver in respect of his remuneration costs charges or expenses or otherwise.

15 PROCEEDS OF SALE

The proceeds of a sale of the Vessel, the net income from any charter, operation or other use of the Vessel by DFC under any of the rights or powers herein specified, all other amounts including insurance recoveries in respect of a Total Loss received by DFC pursuant to or under the terms of this Deed or in any proceedings in connection with this Deed the application of which has not elsewhere herein been specifically provided for shall be applied in the following order:

FIRST: in payment of all damages, losses, expenses, payments and disbursements (together with interest thereon at the rate shown in clause 2.4 of the Loan Agreement) incurred by DFC in or incidental to the exercise by it of the rights and powers set out in clause 12;

SECOND: in payment of the Indebtedness;

THIRD: in payment of the balance (if any) to the Borrower or to whomsoever shall be entitled thereto.

In the event that the proceeds are insufficient to pay the amounts specified in paragraphs FIRST and SECOND above DFC shall be entitled to collect and recover the balance from the Borrower or any other person liable to pay such balance.

16 INDEMNITY

16.1 The Borrower undertakes to indemnify DFC against all liabilities whatsoever which DFC may incur reasonably and in good faith at any time in relation to the Vessel or otherwise in relation to the security created by the Facility Documents.

16.2 If under any applicable law or regulation or pursuant to a judgment or order being made or registered against the Borrower or the liquidation or bankruptcy of the Borrower or without limitation for any other reason, any payment under or in connection with the Mortgage and this Deed is made or satisfied in a currency (the 'payment currency') other than the currency in which such payment is expressed to be due under the Facility Documents (the 'contractual currency') then to the extent that the amount of such payment actually received by DFC when converted into the contractual currency at the rate of exchange falls short of the amount due under the Mortgage and this Deed, the Borrower as a separate and independent liability shall indemnify and hold harmless DFC against the amount of such shortfall. For the purposes of this clause 'rate of exchange' means the rate at which DFC is able on or about the date of such payment to purchase, in accordance with its normal practice, the contractual currency with the payment currency and shall take into account any premium and other costs of exchange including any taxes or duties incurred by reason of any such exchange.

17 INVALIDITY

In the event that any term or condition of the Mortgage or this Deed is rendered or declared invalid or unenforceable in whole or in part by any statute, rule or regulation or any decision of any court or tribunal of competent jurisdiction then such determination or declaration shall not affect the validity of any other term or condition of the Mortgage or this Deed which (save as aforesaid) will remain in full force and effect and the Borrower undertakes (in addition to the duties imposed by clause 9 to execute such further document or documents as DFC may reasonably require to complete and give effect to the security created by the Mortgage and this Deed.

18 POWER OF ATTORNEY

- 18.1 The Borrower by way of security irrevocably appoints DFC to be the attorney of the Borrower (with full powers of substitution and delegation) and in its name, on its behalf and as its act and deed to sign, seal, execute and deliver instruments, transfers, notices, documents and do all acts which the Borrower may or ought to do under the terms contained in the Mortgage and this Deed.
- 18.2 The Borrower ratifies and confirms and agrees to ratify and confirm anything any such attorney may lawfully and properly do or purport to do under clause 18.1 and all amounts expended by any such attorney shall be deemed to be expenses incurred by DFC under this Deed.

19 DISCHARGE OF SECURITY

- 19.1 The security constituted by the Mortgage and this Deed shall be continuing and shall not be considered as satisfied or discharged by any intermediate payment or settlement of the whole or any part of the Indebtedness or any other event including the insolvency, liquidation, bankruptcy or administration of the Borrower and shall continue in effect until all the Indebtedness has been unconditionally and irrevocably paid and discharged in full.
- 19.2 Upon the irrevocable payment or discharge in full of the Indebtedness DFC will at the request and cost of the Borrower release and discharge the Mortgage and this Deed and transfer and reassign to the Borrower all DFC's right, title and interest in the Vessel, Insurances and any Requisition Compensation.

20 COSTS

- 20.1 The Borrower shall pay on demand and on a full indemnity basis to DFC together with interest thereon at the rate shown in clause 2.4 of the Loan Agreement from the date of payment by DFC until the date of the payment by the Borrower, whether before or after judgment, the amount of all costs and expenses and other liabilities (including legal and out-of-pocket expenses and any value added tax on such costs and expenses) which DFC incurs in connection with:
- (a) the preparation, negotiation, execution and delivery of the Mortgage and this Deed;
 - (b) the registration of the Mortgage and this Deed or any transfer of the Vessel pursuant to the Mortgage or this Deed the priority registration notice and the subsequent registration of the Mortgage and this Deed;
 - (c) any actual or proposed amendment of or waiver or consent under or in connection with the Mortgage and this Deed;
 - (d) any discharge or release of the Mortgage and this Deed;
 - (e) the maintenance or exercise (or attempted maintenance or exercise) of any rights and powers under or in connection with and the enforcement (or attempted enforcement) of the Mortgage and this Deed including (but not limited to) the sale or transfer of the Vessel; and

- (f) dealing with or obtaining advice about any other matter or question arising out of or in connection with the Mortgage and this Deed.

21 NOTICES

- 21.1 Every notice, demand or other communication from one party to the other under the Mortgage and this Deed shall be in writing and may be sent by post, e-mail or delivered personally at the address shown at the beginning of this Deed..
- 21.2 Every notice, demand or other communication shall be deemed to have been received if sent by post on the Business Day after being posted by first class postage prepaid (if posted from and to an address within the UK) and if delivered personally or sent by e-mail at the time of delivery or sending if sent during normal business hours on a Business Day and otherwise at the opening of business on the following Business Day.

22 WAIVER

- 22.1 No delay or omission on the part of DFC in exercising any right, power or remedy under the Mortgage and/or this Deed shall impair that right, power or remedy or operate as or be taken to be a waiver of it nor shall any single, partial or defective exercise of any such right, power or remedy preclude any other further exercise under the Mortgage and/or this Deed of that or any other right, power or remedy.
- 22.2 DFC's rights and powers under the Mortgage and this Deed are cumulative and not exclusive of any rights and powers provided by law and may be exercised from time to time and as often as DFC deems expedient.
- 22.3 Any waiver by DFC of any terms of the Mortgage and this Deed or any consent or approval given by DFC under it shall only be effective if given in writing and then only for the purpose and upon the terms and conditions if any on which it is given.
- 22.4 The security constituted by the Mortgage and this Deed shall be in addition to and shall not be prejudiced, determined or affected by or operate so as in any way to prejudice, determine or affect any security which DFC may now or at any time in the future may hold for or in respect of the Indebtedness or any part of it and shall not be prejudiced by time or indulgence granted to any person or any abstention by DFC in perfecting or enforcing any remedies, securities, guarantees or rights it may now or in the future have from or against the Borrower or any other person or any waiver, release, variation, act, omission, forbearance, unenforceability, indulgence or invalidity of any such remedy, security, guarantee or right.
- 22.5 Any statement, certificate or determination of DFC as to the Indebtedness or without limitation any other matter provided for in the Mortgage and this Deed shall in the absence of manifest error be conclusive and binding on the Borrower.

23 ASSIGNMENT

This Deed and the Mortgage shall enure to the benefit of DFC and its successors and assigns from time to time including, without limitation, any affiliates (under common control of TruFin Plc), any entity with which DFC may merge or amalgamate or by which it may be absorbed or to which it may transfer all or any part of its undertaking or assets and any special purpose financing vehicle outside of a merger or amalgamation. Any change in DFC's constitution or any such merger, amalgamation, absorption or transfer shall not prejudice or affect its rights under the Mortgage or this Deed in any respect. For the avoidance of doubt, DFC shall be entitled to assign any or all of its rights, benefits and obligations under the Mortgage and this Deed without any requirement for the Borrower's consent. The Borrower may not assign or transfer any of its rights, benefits or obligations under the Mortgage or this Deed.

24 PROPER LAW AND JURISDICTION

- 24.1 This Deed and any non-contractual obligations connected with it are governed by and shall be construed in accordance with English law.
- 24.2 The Borrower hereby submits to the jurisdiction of the English Courts but DFC shall have the right to take in rem proceedings against the Vessel or proceedings against the Borrower in any court of competent jurisdiction and the taking of any such proceedings in one or more jurisdictions shall not preclude the taking of proceedings in any other jurisdiction whether concurrently or not (unless precluded by applicable law).

25 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

- 25.1 The Contracts (Rights of Third Parties) Act 1999 is excluded from applying to this Deed and nothing herein confers or purports to confer on any third party any benefit or any right to enforce any term of this Deed.
- 25.2 Provided that for the avoidance of doubt nothing in this clause shall prevent a receiver of the Company or appointed under the Security Documents from enforcing any term of this Deed.

26 THIRD PARTIES

- 26.1 No person dealing with DFC or any Receiver shall be concerned to enquire whether an Event of Default has occurred or whether the power which DFC or such Receiver is purporting to exercise has become exercisable or whether any money remains due on the security of this Deed or the Mortgage or otherwise as to the propriety or regularity of any sale or other dealing by DFC or such Receiver with the Vessel and all the protections to purchasers conferred by applicable law shall apply to such persons dealing with DFC or such Receiver.
- 26.2 The receipt by DFC or any Receiver of any purchase monies shall effectively discharge the purchaser who shall not be concerned with the manner of application of the same.

27 FURTHER ASSURANCE

- 27.1 The Borrower shall, at its own cost, from time to time and at all times whether before or after the security constituted by this Deed or the Mortgage shall have become enforceable at the request of DFC take such actions and execute such additional documents as DFC may reasonably require to perfect or give full effect to this Deed or the Mortgage or for securing the rights or purported rights hereunder of DFC do all things necessary to perfect recognition of this Deed or the Mortgage.
- 27.2 The Borrower shall, at the request of DFC upon a change (with DFC's consent) of registration of the Vessel taking place, execute in favour of DFC a deed amending or supplementing this Deed or the Mortgage and/or any other mortgage/document required by DFC for the purpose of preserving the security intended to be created hereby in such form as DFC may reasonably request.


28 COUNTERPARTS

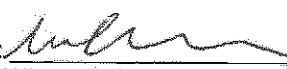
This Deed may be executed in a number of counterparts and by different parties hereto or separate counterparts each of which when executed and delivered shall constitute an original but all counterparts together constitute but one and the same instrument.

In Witness whereof the Borrower has duly executed and delivered this Deed of Covenant as a deed the day and year first above written.

Executed as a Deed by Regent Leisure Services Limited

Acting by:


Name J. BLACKBURN Signature 
Director

In the presence of:  JACQUELINE LANCASTER
Witness' signature Witness' name [print]

AYDA DEL MAR ST, 2A, COSTA DE LA CALMA, 07183, MALLORCA SPAN
Witness' address

Executed as a Deed by Distribution Finance Capital Ltd

Acting by

Name NIGEL PEARCE Signature 
Authorised signatory

In the presence of:  ANDREW WILSON
Witness' signature Witness' name [print]

2ND FLOOR, CITY HOUSE, SUTTON PARK ROAD, SUTTON, SURREY SM1 2AE
Witness' address

Schedule 1

Notice and Acknowledgement of Assignment of Insurances

To:

Date: 2018

Fairline Targa 53 motor yacht with Hull Identification Number GBFLY15046H718 and to be named "**SUPERNOVA**" (or similar) (the "Vessel")

We hereby give you notice that by a Deed of Covenants dated _____ (the "Deed of Covenants") and made between Regent Leisure Services Limited (the "Borrower") and Distribution Finance Capital Ltd (the "Lender"), the Borrower has assigned to the Lender all of its right, title and interest in, to and under, inter alia, the proceeds of the Insurances (excluding proceeds in respect of any third party liability) in respect of the Vessel.

Kindly acknowledge receipt of this notice by sending to the Lender an acknowledgement in the form attached hereto.

Terms used herein shall, unless defined herein and unless the context otherwise requires, have the same meaning as in the Deed of Covenants (including terms defined therein by reference to another document, instrument or agreement).



signed for and on behalf of Regent Leisure Services Limited

Name: J. BLACKBURN

To: Distribution Finance Capital Ltd

We acknowledge receipt of this notice and confirm that we have not previously received any notice of any other assignment of the interest of Regent Leisure Services Limited (the "Borrower") in the above-mentioned Insurances.

Signature

Name:

Title:

For and on behalf of

Schedule 2

LOSS PAYABLE CLAUSE: HULL MACHINERY POLICIES MARINE AND WAR RISKS

It is noted that by a deed of covenants dated 2018 between Regent Leisure Services Limited (the "Borrower") and Distribution Finance Capital Ltd ("DFC") collateral to a mortgage on a Fairline Targa 53 motor yacht with Hull Identification Number GBFLY15046H718 and to be named "SUPERNOVA" (or similar) the Borrower has assigned to DFC, as first mortgagee, its right, title and interest in the insurances (including this policy).

It has nevertheless been agreed between the parties concerned that unless underwriters shall have received notice from DFC to the contrary in which event all claims payable under this policy of insurance shall be payable direct to DFC, all claims shall be payable as follows:

- (a) there shall be paid to DFC any and every amount receivable in respect of a Total Loss (including an actual or constructive or compromised or arranged Total Loss) or of a major casualty (that is to say any casualty (other than a Total Loss) in respect of which the claim or the aggregate of the claims exceeds 15% of the insured value inclusive of any deductible);
- (b) all other amounts receivable in respect of this policy of insurance shall be paid to the Borrower and shall be applied by it for the purpose of the repair of all the damage and the reparation of the loss in respect of which the said amounts shall have been received.

Schedule 3

LOSS PAYABLE CLAUSE: PROTECTION AND INDEMNITY ASSOCIATION

It is noted that by a deed of covenants dated 2018 between Regent Leisure Services Limited (the "Borrower") and Distribution Finance Capital Ltd ("DFC") collateral to a mortgage on a Fairline Targa 53 motor yacht with Hull Identification Number GBFLY15046H718 and to be named "*SUPERNOVA*" (or similar) the Borrower has assigned to DFC, as first mortgagee, its right, title and interest in the insurances relating to this Vessel (including this entry) to the extent permitted by the rules of the Association.

It has nevertheless been agreed between the parties that payment of any recovery the Borrower is entitled to receive out of the funds of the Association in respect of any liability, costs or expenses incurred by it shall be made to the Borrower or to its order unless and until the Association receives notice from DFC to the contrary, in which event all recoveries shall thereafter be paid to DFC or its order, provided always that no liability whatsoever shall be attached to the Association, its Managers or their agents for failure to comply with the latter obligation until after the expiry of two clear business days from the receipt of such notice.