



Registration of a Charge

Company Name: **AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED**

Company Number: **03096708**



Received for filing in Electronic Format on the: **20/06/2022**

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Details of Charge

Date of creation: **17/06/2022**

Charge code: **0309 6708 0011**

Persons entitled: **MILKWOOD ROAD SE24 LIMITED**

Brief description: **THE FREEHOLD PROPERTY BEING LAND ON THE NORTH SIDE OF DYLAN ROAD, HERNE HILL REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER TGL115490 AND THE FREEHOLD PROPERTY BEING LAND ON THE NORTH SIDE OF DYLAN ROAD, LONDON REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER TGL116186.**

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HANNAH COOPER OF RLS LAW, SUITE 30-33 THE HOP EXCHANGE, 24 SOUTHWARK STREET, LONDON SE1 1TY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3096708

Charge code: 0309 6708 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th June 2022 and created by AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th June 2022 .

Given at Companies House, Cardiff on 21st June 2022

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**

I CERTIFY THAT SAVE FOR MATERIAL REDACTED
PURSUANT TO S.859G OF THE COMPANIES ACT 2006
THE COPY INSTRUMENT DELIVERED AS PART OF THIS
APPLICATION FOR REGISTRATION IS A
CORRECT COPY OF THE ORIGINAL INSTRUMENT.

RS law . 20.06.2022

Draft 7/6/22

DATED 17 June 2022

LEGAL MORTGAGE OVER UNITS 3 AND 4 DYLAN ROAD

between

Automotive Environmental Services Limited

and

Milkwood Road SE24 Limited

This deed is dated

17 June

2022

Parties

- (1) **AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED** incorporated and registered in England and Wales with company number 03096708 whose registered office is at Leytonstone House, Leytonstone, London, E11 1GA (**Chargor**)
- (2) **MILKWOOD ROAD SE24 LIMITED** incorporated and registered in England and Wales with company number 14111300 whose registered office is at 60 Cheapside, London EC2V 6AX (**Secured Party**)

Agreed terms

1. Definitions and interpretation

1.1 Definitions

The following definitions apply in this deed:

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

Delegate: any person appointed by the Secured Party or any Receiver under clause 14 and any person appointed as attorney of the Secured Party, Receiver or Delegate;

Default Rate: 3% per annum over the base lending rate of Lloyds Bank PLC from time to time (where such base rate is below zero, it shall be deemed to be zero);

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any of the Property;

Event of Default: has the meaning given to that expression in the Sale Contract;¹

Insurance Policy: each contract and policy of insurance effected or maintained by the Chargor from time to time relating to the Property;

LPA 1925: the Law of Property Act 1925;

Property: the freehold property (whether registered or unregistered) owned by the Chargor described in Schedule 1;

Receiver: a receiver or receiver and manager appointed by the Secured Party under clause 12;

Rental Income: all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property ;

Sale Contract: the contract for the sale and purchase of the Property dated on or about the date of this deed and made between the Chargor and the Secured Party;

Secured Liabilities: all present and future obligations and liabilities of the Chargor to the Secured Party, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Sale Contract or this deed (including, without limitation, those arising under clause 26.3(b)), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

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

VAT: value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this deed:

- (a) clause and Schedule headings shall not affect the interpretation of this deed;
- (b) a **person** includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any

¹ To be confirmed against final form sale contract provisions

association, trust, joint venture or consortium (whether or not having separate legal personality);

- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h) a reference to **writing** or **written** does not include email;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- (k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed;
- (l) any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an **amendment** includes a novation, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution;
- (p) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

- (q) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

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

1.4 Nature of security over real property

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

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;
- (b) the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of the Property, and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Schedule

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

2. Covenant to pay

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

3. Grant of security

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Secured Party by way of a first legal mortgage, the Property.

4. Perfection of security

4.1 Registration of legal mortgage at the Land Registry

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

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated ~~[DATE]~~ in favour of Milkwood Road SE24 Limited referred to in the charges register or their conveyancer. 17 June 2022

4.2 Notices

If any notice (whether agreed or unilateral) is registered against the Chargor's title to the Property, the Chargor shall immediately provide the Secured Party with full particulars of the circumstances relating to such notice. If such notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Chargor shall immediately, and at its own expense, take such steps as the Secured Party may require to ensure that the notice is withdrawn or cancelled.

5. Liability of the Chargor

5.1 Liability not discharged

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Secured Party that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Secured Party renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

- (c) any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

5.2 Immediate recourse

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

6. Representations and warranties

6.1 Times for making representations and warranties

The Chargor makes the representations and warranties set out in this clause 6 to the Secured Party on the date of this deed and these representations and warranties are deemed to be repeated by the Chargor on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6.2 Ownership of Property

The Chargor is the sole legal and beneficial owner of the Property.

6.3 No Security

The Property is free from any Security other than the Security created by this deed.

6.4 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Property or any interest in the Property.

6.5 No adverse covenants

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

6.6 No breach of laws

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

6.7 No interference in enjoyment

No facility necessary for the enjoyment and use of the Property is subject to terms entitling any person to terminate or curtail its use.

6.8 No overriding interests

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

6.9 No prohibitions or breaches

The entry into of this deed by the Chargor does not, and will not, constitute a breach of any policy, agreement, document, instrument or obligation binding on the Chargor or its assets.

6.10 Environmental compliance

The Chargor has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

6.11 Avoidance of security

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

6.12 Enforceable security

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

7. General covenants

7.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior written consent of the Secured Party:

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

7.2 Preservation of the Property

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

7.3 Compliance with laws and regulations

- (a) The Chargor shall not, without the Secured Party's prior written consent, use or permit the Property to be used in any way contrary to law.
- (b) The Chargor shall:
 - (i) comply with the requirements of any law or regulation relating to or affecting the Property or the use of the Property or any part of the Property;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Property or its use or that are necessary to preserve, maintain or renew the Property; and
 - (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Property.

7.4 Enforcement of rights

The Chargor shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor and forming part of the Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Property that the Secured Party may require from time to time.

7.5 Notice of misrepresentation and breach

The Chargor shall, promptly on becoming aware of any of the same, notify the Secured Party in writing of:

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

7.6 Title documents

The Chargor shall, on the execution of this deed, deposit with the Secured Party and the Secured Party shall, for the duration of this deed, be entitled to hold:

- (a) all deeds and documents of title relating to the Property that are in the possession or control of the Chargor (and if these are not within the possession or control of the Chargor, the Chargor undertakes to obtain possession of all these deeds and documents of title); and
- (b) each Insurance Policy.

8. Property covenants

8.1 No alterations

- (a) The Chargor shall not, without the prior written consent of the Secured Party:
 - (i) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
 - (ii) make or permit to be made any material alterations to the Property or sever or remove, or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 8.1).
- (b) The Chargor shall promptly give notice to the Secured Party if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

8.2 Development restrictions

Save as otherwise provided in the Sale Contract, the Chargor shall not, without the prior written consent of the Secured Party:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out, or permit or suffer to be carried out, on the Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit, or suffer to be changed, the use of the Property.

8.3 Insurance

- (a) The Chargor shall insure and keep insured the Property against:
 - (i) loss or damage by fire or terrorist acts, including any third-party liability arising from such acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
 - (iii) any other risk, perils and contingencies as the Secured Party may reasonably require.
- (b) Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Secured Party and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the Property (meaning, in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and

other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years, including provision for increases in rent during the period of insurance.

- (c) The Chargor shall, if requested by the Secured Party, produce to the Secured Party each policy, certificate or cover note relating to any insurance required by clause 8.3(a).
- (d) The Chargor shall, if requested by the Secured Party, procure that a note of the Secured Party's interest is endorsed on each Insurance Policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 8.3(a) but without the Secured Party having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.

8.4 Insurance premiums

The Chargor shall:

- (a) promptly pay all premiums in respect of each Insurance Policy required by clause 8.3(a) and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Secured Party so requires) give to the Secured Party copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy required by clause 8.3(a).

8.5 No invalidation of insurance

The Chargor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy required by clause 8.3(a).

8.6 Proceeds from Insurance Policies

All monies payable under any Insurance Policy required by clause 8.3(a) shall (whether or not the security constituted by this deed has become enforceable):

- (a) be paid immediately to the Secured Party;
- (b) if they are not paid directly to the Secured Party by the insurers, be held, pending such payment, by the Chargor as trustee of the same for the benefit of the Secured Party; and
- (c) at the option of the Secured Party, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

8.7 Leases and licences affecting the Property

The Chargor shall not, without the prior written consent of the Secured Party (which consent, in the case of clause 8.7(d), is not to be unreasonably withheld or delayed in circumstances in which the Chargor may not unreasonably withhold or delay its consent):

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

8.8 No restrictive obligations

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

8.9 Proprietary rights

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

8.10 Compliance with and enforcement of covenants

The Chargor shall:

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

8.11 Notices or claims relating to the Property

(a) The Chargor shall:

- (i) give full particulars to the Secured Party of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
- (ii) (if the Secured Party so requires) immediately, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Secured Party in making, any objections or representations in respect of that Notice that the Secured Party thinks fit.

- (b) The Chargor shall give full particulars to the Secured Party of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

8.12 Payment of outgoings

The Chargor shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on the Property.

8.13 Rent reviews

The Chargor shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Secured Party, agree to any change in rent to less than the open market rental value of the relevant part of the Property.

8.14 Environment

The Chargor shall in respect of the Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

8.15 Conduct of business on Property

The Chargor shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.16 Inspection

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

8.17 VAT option to tax

The Chargor shall not, without the prior written consent of the Secured Party:

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Secured Party in writing, before the date of this deed.

9. Powers of the Secured Party

9.1 Power to remedy

- (a) The Secured Party shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this deed.
- (b) The Chargor irrevocably authorises the Secured Party and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Secured Party in remedying a breach by the Chargor of its obligations contained in this deed shall be reimbursed by the Chargor to the Secured Party on a full indemnity basis and shall carry interest in accordance with clause 16.1.
- (d) In remedying any breach in accordance with this clause 9.1, the Secured Party, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Secured Party may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

9.2 Exercise of rights

- (a) The rights of the Secured Party under clause 9.1 are without prejudice to any other rights of the Secured Party under this deed.
- (b) The exercise of any rights of the Secured Party under this deed shall not make the Secured Party liable to account as a mortgagee in possession.

9.3 Secured Party has Receiver's powers

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

9.4 Conversion of currency

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Secured Party may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 9.4) from their existing currencies of denomination into any other currencies of denomination that the Secured Party may think fit.
- (b) Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such other currency of a bank selected by the Secured Party against the existing currency.
- (c) Each reference in this clause 9.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

9.5 New accounts

- (a) If the Secured Party receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Property, the Secured Party may open a new account for the Chargor in the Secured Party's books. Without prejudice to the Secured Party's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Secured Party does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 9.5(a), then, unless the Secured Party gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Secured Party shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Secured Party.

9.6 Indulgence

The Secured Party may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Chargor for the Secured Liabilities.

10. When security becomes enforceable

10.1 Security becomes enforceable on Event of Default

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

10.2 Discretion

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

11. Enforcement of security

11.1 Enforcement powers

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 10.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.
- (d) If the Secured Party exercises its power of sale under this deed, the Secured Party will not transfer the Property or any part of it without procuring that the transferee enters into a deed in accordance with clause 3(vii) of the Transfer dated 20 November 1995 and made between (1) The Mayor and Burgesses of the London Borough of Lambeth (Transferors) and (2) Eraclis Michael (Transferee) (as noted at entry C2 of Land Registry title number TGL115490 at the date of this deed).

11.2 Extension of statutory powers of leasing

- (a) The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Secured Party and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Chargor, to:
 - (i) grant a lease or agreement for lease;
 - (ii) accept surrenders of leases; or
 - (iii) grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

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

- (b) If the Secured Party exercises its power of leasing under this deed, the Secured Party will not grant a lease of the Property or any part of it without procuring that the tenant enters into a deed in accordance with clause 3(vii) of the Transfer dated 20 November 1995 and made between (1) The Mayor and Burgesses of the London Borough of Lambeth (Transferors) and (2) Eraclis Michael (Transferee) (as noted at entry C2 of Land Registry title number TGL115490 at the date of this deed).

11.3 Redemption of prior Security

- (a) At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Secured Party may:
 - (i) redeem any prior Security over any Property;
 - (ii) procure the transfer of that Security to itself; and
 - (iii) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargor).
- (b) The Chargor shall pay to the Secured Party immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this deed as part of the Secured Liabilities.

11.4 Protection of third parties

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

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

11.5 Privileges

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

11.6 Exclusion of liability

Neither the Secured Party, nor any Receiver or Delegate, shall be liable to the Chargor or any other person:

- (a) (by reason of entering into possession of all or part of the Property, or for any other reason) to account as mortgagee in possession in respect of all or any of the Property;
- (b) for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- (c) for any expense, loss or liability:
 - (i) relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this deed;
 - (ii) relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this deed; or
 - (iii) arising in any other way in connection with this deed,

except that this does not exempt the Secured Party or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Secured Party or the relevant Receiver or Delegate.

11.7 Relinquishing possession

If the Secured Party, any Receiver or Delegate enters into or takes possession of all or any part of the Property, it or he/she may at any time relinquish possession.

11.8 Conclusive discharge to purchasers

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

12. Receivers

12.1 Appointment

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

12.2 Removal

The Secured Party may, without further notice, from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Secured Party may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

12.4 Power of appointment additional to statutory powers

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

12.5 Power of appointment exercisable despite prior appointments

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

12.6 Agent of the Chargor

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

13. Powers of Receiver

13.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Secured Party under this deed shall, in addition to the rights, powers and discretions conferred on him/her by statute, have the rights, powers and discretions set out in clause 13.2 to clause 13.19.
- (b) A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether he/she is an administrative receiver or not.
- (c) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (d) Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Chargor, the directors of the Chargor or himself/herself.

13.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

13.3 Grant or accept surrenders of leases

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

13.4 Employ personnel and advisers

(a) A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he/she thinks fit.

(b) A Receiver may discharge any such person or any such person appointed by the Chargor.

13.5 Make and revoke VAT options to tax

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

13.6 Charge for remuneration

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

13.7 Take possession

A Receiver may take immediate possession of, get in and realise all or any part of the Property.

13.8 Manage or reconstruct the Chargor's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor carried out at the Property.

13.9 Dispose of the Property

A Receiver may grant options and licences over all or any part of the Property, grant any other interest or right over, sell, exchange, assign or lease (or concur in granting options and licences over all or any part of the Property, granting any other interest or right over, selling, exchanging, assigning or leasing) all or any of the Property in respect of which he/she is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale)

and generally on any terms and conditions as he/she thinks fit. A Receiver may promote, or concur in promoting, a company to purchase all or any part of the Property to be disposed of by him/her.

13.10 Sever fixtures and fittings

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

13.11 Give valid receipts

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

13.12 Make settlements

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

13.13 Bring legal action

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

13.14 Insure

A Receiver may, if he/she thinks fit, but without prejudice to the indemnity in clause 16.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed.

13.15 Borrow

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

13.16 Redeem prior Security

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

13.17 Delegation

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

13.18 Absolute beneficial owner

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

13.19 Incidental powers

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

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

14. Delegation

14.1 Delegation

The Secured Party or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it or him/her by this deed (including the power of attorney granted under clause 18.1).

14.2 Terms

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

14.3 Liability

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

15. Application of proceeds

15.1 Order of application of proceeds

All monies received or recovered by the Secured Party, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following

order of priority (but without prejudice to the Secured Party's right to recover any shortfall from the Chargor):

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

15.2 Appropriation

Neither the Secured Party, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

15.3 Suspense account

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

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

16. Costs and indemnity

16.1 Costs

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

- (a) the negotiation, preparation, execution and delivery of this deed;
- (b) the Property;

- (c) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Secured Party's, a Receiver's or a Delegate's rights under this deed;
- (d) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this deed;
- (e) any release of any security constituted by this deed; or
- (f) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the Default Rate.

16.2 Indemnity

- (a) The Chargor shall, promptly on demand, indemnify the Secured Party, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
 - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Property;
 - (ii) taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) the security constituted by this deed; or
 - (iii) any default or delay by the Chargor in performing any of its obligations under this deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 16.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

17. Further assurance

17.1 Further assurance

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

- (a) creating, perfecting or protecting the security created or intended to be created by this deed;

- (b) facilitating the realisation of all or any part of the Property; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Secured Party or any Receiver in respect of all or any part of the Property,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any part of the Property (whether to the Secured Party or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Secured Party may consider necessary or desirable.

18. Power of attorney

18.1 Appointment of attorneys

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

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

18.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.

19. Release

19.1 Release

Subject to clause 26.3, at the end of the Security Period, the Secured Party shall, at the request and cost of the Chargor, take whatever action is necessary to release the Property from the security constituted by this deed.

20. Assignment and transfer

20.1 Assignment by Secured Party

- (a) At any time, without the consent of the Chargor, the Secured Party may assign any of its rights or transfer any of its rights and obligations under this deed to a Group Company (as such term is defined in the Sale Contract).

- (b) The Secured Party may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Chargor, the Property and this deed that the Secured Party considers appropriate.

20.2 Assignment by Chargor

The Chargor may not assign any of its rights, or transfer any of its rights or obligations, under this deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

21. Set-off

21.1 Secured Party's right of set-off

The Secured Party may at any time set off any liability of the Chargor to the Secured Party against any liability of the Secured Party to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Secured Party may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Secured Party of its rights under this clause 21.1 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

21.2 No obligation to set off

The Secured Party is not obliged to exercise its rights under clause 21.1. If it does exercise those rights it must promptly notify the Chargor of the set-off that has been made.

21.3 Exclusion of Chargor's right of set-off

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

22. Amendments, waivers and consents

22.1 Amendments

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

22.2 Waivers and consents

- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any subsequent right or remedy. It only applies to the

circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

- (b) A failure by the Secured Party to exercise or delay by it in exercising any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Secured Party shall be effective unless it is in writing.

22.3 Rights and remedies

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

23. Partial invalidity

If, at any time, any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability 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.

24. Counterparts

24.1 Counterparts

- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- (c) No counterpart shall be effective until each party has executed and delivered at least one counterpart.

25. Third party rights

25.1 Third party rights

- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed.
- (b) Notwithstanding any term of this deed, the consent of any person who is not a party to this deed is not required to rescind or vary this deed at any time.

26. Further provisions

26.1 Independent security

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

26.2 Continuing security

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

26.3 Discharge conditional

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

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

26.4 Certificates

Any certification or determination by the Secured Party of any rate or amount under this deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

26.5 Consolidation

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

27. Notices

27.1 Delivery

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

- (a) in writing;
- (b) delivered by hand (which, for the purposes of this deed, shall include delivery by courier) or sent by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
 - (i) the Chargor at:
56 Kersey Drive, Selsdon, Surrey CR2 8SX
Attention: Paul Wicks
 - (ii) the Secured Party at:
60 Cheapside, London EC2V 6AX
Attention: Luke Osborne

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

27.2 Receipt by Chargor and Secured Party

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

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

A notice or other communication given as described in clause 27.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

27.3 Service of proceedings

This clause 27 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27.4 No notice by email

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

28. Governing law and jurisdiction

28.1 Governing law

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

28.2 Jurisdiction

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

28.3 Other service

The Chargor irrevocably consents to any process in any legal action or proceedings under clause 28.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

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

Draft 7/6/22

Schedule 1 Property

The freehold property being land on the north side of Dylan Road, Herne Hill registered at HM Land Registry with title absolute under title number TGL115490.

The freehold property being land on the north side of Dylan Road, London registered at HM Land Registry with title absolute under title number TGL116186.

Draft 7/6/22

Executed as a deed by **AUTOMOTIVE
ENVIRONMENTAL SERVICES LIMITED** acting by a
director in the presence of:



Paul Wicks, Director

Signature of witness

Witness name ELIZABETH ANNE DOWLING

Witness address

.....

Executed as a deed by
MILKWOOD ROAD SE24 LIMITED
acting by two directors:

.....
Director

.....
Director

Execution version

I CERTIFY THAT SAVE FOR MATERIAL REDACTED
PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE
ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF
THIS APPLICATION FOR REGISTRATION IS A CORRECT
COPY OF THE ORIGINAL INSTRUMENT.

AS law . 20.06.2022

DATED 17 June

2022

LEGAL MORTGAGE OVER UNITS 3 AND 4 DYLAN ROAD

between

Automotive Environmental Services Limited

and

Milkwood Road SE24 Limited

Execution version

This deed is dated 17 June

2022

Parties

- (1) **AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED** incorporated and registered in England and Wales with company number 03096708 whose registered office is at Leytonstone House, Leytonstone, London, E11 1GA (**Chargor**)
- (2) **MILKWOOD ROAD SE24 LIMITED** incorporated and registered in England and Wales with company number 14111300 whose registered office is at 60 Cheapside, London EC2V 6AX (**Secured Party**)

Agreed terms

1. Definitions and interpretation

1.1 Definitions

The following definitions apply in this deed:

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

Delegate: any person appointed by the Secured Party or any Receiver under clause 14 and any person appointed as attorney of the Secured Party, Receiver or Delegate;

Default Rate: 3% per annum over the base lending rate of Lloyds Bank PLC from time to time (where such base rate is below zero, it shall be deemed to be zero);

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media;

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment;

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any of the Property;

Event of Default: has the meaning given to that expression in the Sale Contract;

Insurance Policy: each contract and policy of insurance effected or maintained by the Chargor from time to time relating to the Property;

Execution version

LPA 1925: the Law of Property Act 1925;

Property: the freehold property (whether registered or unregistered) owned by the Chargor described in Schedule 1;

Receiver: a receiver or receiver and manager appointed by the Secured Party under clause 12;

Rental Income: all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property ;

Sale Contract: the contract for the sale and purchase of the Property dated on or about the date of this deed and made between the Chargor and the Secured Party;

Secured Liabilities: all present and future obligations and liabilities of the Chargor to the Secured Party, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Sale Contract or this deed (including, without limitation, those arising under clause 26.3(b)), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

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

VAT: value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this deed:

- (a) clause and Schedule headings shall not affect the interpretation of this deed;
- (b) a **person** includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

Execution version

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

1.3 Clawback

If the Secured Party considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration

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of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 Nature of security over real property

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

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;
- (b) the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of the Property, and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Schedule

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

2. Covenant to pay

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

3. Grant of security

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Secured Party by way of a first legal mortgage, the Property.

4. Perfection of security

4.1 Registration of legal mortgage at the Land Registry

Execution version

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

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of Milkwood Road SE24 Limited referred to in the charges register or their conveyancer."

4.2 Notices

If any notice (whether agreed or unilateral) is registered against the Chargor's title to the Property, the Chargor shall immediately provide the Secured Party with full particulars of the circumstances relating to such notice. If such notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Chargor shall immediately, and at its own expense, take such steps as the Secured Party may require to ensure that the notice is withdrawn or cancelled.

5. Liability of the Chargor

5.1 Liability not discharged

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Secured Party that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Secured Party renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

5.2 Immediate recourse

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

6. Representations and warranties

6.1 Times for making representations and warranties

Execution version

The Chargor makes the representations and warranties set out in this clause 6 to the Secured Party on the date of this deed and these representations and warranties are deemed to be repeated by the Chargor on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6.2 Ownership of Property

The Chargor is the sole legal and beneficial owner of the Property.

6.3 No Security

The Property is free from any Security other than the Security created by this deed.

6.4 No adverse claims

The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Property or any interest in the Property.

6.5 No adverse covenants

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

6.6 No breach of laws

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

6.7 No interference in enjoyment

No facility necessary for the enjoyment and use of the Property is subject to terms entitling any person to terminate or curtail its use.

6.8 No overriding interests

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

6.9 No prohibitions or breaches

The entry into of this deed by the Chargor does not, and will not, constitute a breach of any policy, agreement, document, instrument or obligation binding on the Chargor or its assets.

6.10 Environmental compliance

The Chargor has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

6.11 Avoidance of security

Execution version

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

6.12 Enforceable security

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

7. General covenants

7.1 Negative pledge and disposal restrictions

The Chargor shall not at any time, except with the prior written consent of the Secured Party:

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

7.2 Preservation of the Property

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

7.3 Compliance with laws and regulations

- (a) The Chargor shall not, without the Secured Party's prior written consent, use or permit the Property to be used in any way contrary to law.
- (b) The Chargor shall:
 - (i) comply with the requirements of any law or regulation relating to or affecting the Property or the use of the Property or any part of the Property;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Property or its use or that are necessary to preserve, maintain or renew the Property; and
 - (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Property.

7.4 Enforcement of rights

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The Chargor shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor and forming part of the Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Property that the Secured Party may require from time to time.

7.5 Notice of misrepresentation and breach

The Chargor shall, promptly on becoming aware of any of the same, notify the Secured Party in writing of:

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

7.6 Title documents

The Chargor shall, on the execution of this deed, deposit with the Secured Party and the Secured Party shall, for the duration of this deed, be entitled to hold:

- (a) all deeds and documents of title relating to the Property that are in the possession or control of the Chargor (and if these are not within the possession or control of the Chargor, the Chargor undertakes to obtain possession of all these deeds and documents of title); and
- (b) each Insurance Policy.

8. Property covenants

8.1 No alterations

- (a) The Chargor shall not, without the prior written consent of the Secured Party:
 - (i) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
 - (ii) make or permit to be made any material alterations to the Property or sever or remove, or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 8.1).
- (b) The Chargor shall promptly give notice to the Secured Party if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

8.2 Development restrictions

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Save as otherwise provided in the Sale Contract, the Chargor shall not, without the prior written consent of the Secured Party:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out, or permit or suffer to be carried out, on the Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit, or suffer to be changed, the use of the Property.

8.3 Insurance

- (a) The Chargor shall insure and keep insured the Property against:
 - (i) loss or damage by fire or terrorist acts, including any third-party liability arising from such acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
 - (iii) any other risk, perils and contingencies as the Secured Party may reasonably require.
- (b) Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Secured Party and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the Property (meaning, in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years, including provision for increases in rent during the period of insurance.
- (c) The Chargor shall, if requested by the Secured Party, produce to the Secured Party each policy, certificate or cover note relating to any insurance required by clause 8.3(a).
- (d) The Chargor shall, if requested by the Secured Party, procure that a note of the Secured Party's interest is endorsed on each Insurance Policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 8.3(a) but without the Secured Party having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.

8.4 Insurance premiums

The Chargor shall:

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- (a) promptly pay all premiums in respect of each Insurance Policy required by clause 8.3(a) and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Secured Party so requires) give to the Secured Party copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy required by clause 8.3(a).

8.5 No invalidation of insurance

The Chargor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy required by clause 8.3(a).

8.6 Proceeds from Insurance Policies

All monies payable under any Insurance Policy required by clause 8.3(a) shall (whether or not the security constituted by this deed has become enforceable):

- (a) be paid immediately to the Secured Party;
- (b) if they are not paid directly to the Secured Party by the insurers, be held, pending such payment, by the Chargor as trustee of the same for the benefit of the Secured Party; and
- (c) at the option of the Secured Party, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

8.7 Leases and licences affecting the Property

The Chargor shall not, without the prior written consent of the Secured Party (which consent, in the case of clause 8.7(d), is not to be unreasonably withheld or delayed in circumstances in which the Chargor may not unreasonably withhold or delay its consent):

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

8.8 No restrictive obligations

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

8.9 Proprietary rights

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

8.10 Compliance with and enforcement of covenants

The Chargor shall:

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

8.11 Notices or claims relating to the Property

- (a) The Chargor shall:
 - (i) give full particulars to the Secured Party of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
 - (ii) (if the Secured Party so requires) immediately, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Secured Party in making, any objections or representations in respect of that Notice that the Secured Party thinks fit.
- (b) The Chargor shall give full particulars to the Secured Party of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

8.12 Payment of outgoings

The Chargor shall:

- (a) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on the Property.

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8.13 Rent reviews

The Chargor shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Secured Party, agree to any change in rent to less than the open market rental value of the relevant part of the Property.

8.14 Environment

The Chargor shall in respect of the Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

8.15 Conduct of business on Property

The Chargor shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.16 Inspection

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

8.17 VAT option to tax

The Chargor shall not, without the prior written consent of the Secured Party:

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Secured Party in writing, before the date of this deed.

9. Powers of the Secured Party

9.1 Power to remedy

- (a) The Secured Party shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this deed.
- (b) The Chargor irrevocably authorises the Secured Party and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Secured Party in remedying a breach by the Chargor of its obligations contained in this deed shall be reimbursed by the Chargor to the Secured Party on a full indemnity basis and shall carry interest in accordance with clause 16.1.
- (d) In remedying any breach in accordance with this clause 9.1, the Secured Party, its agents and their respective officers, agents and employees shall be entitled to enter onto the

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Property and to take any action as the Secured Party may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

9.2 Exercise of rights

- (a) The rights of the Secured Party under clause 9.1 are without prejudice to any other rights of the Secured Party under this deed.
- (b) The exercise of any rights of the Secured Party under this deed shall not make the Secured Party liable to account as a mortgagee in possession.

9.3 Secured Party has Receiver's powers

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

9.4 Conversion of currency

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Secured Party may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 9.4) from their existing currencies of denomination into any other currencies of denomination that the Secured Party may think fit.
- (b) Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such other currency of a bank selected by the Secured Party against the existing currency.
- (c) Each reference in this clause 9.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

9.5 New accounts

- (a) If the Secured Party receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Property, the Secured Party may open a new account for the Chargor in the Secured Party's books. Without prejudice to the Secured Party's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Secured Party does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 9.5(a), then, unless the Secured Party gives express written notice to the contrary to the Chargor, all payments made by the Chargor

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to the Secured Party shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Secured Party.

9.6 Indulgence

The Secured Party may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Chargor for the Secured Liabilities.

10. When security becomes enforceable

10.1 Security becomes enforceable on Event of Default

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

10.2 Discretion

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

11. Enforcement of security

11.1 Enforcement powers

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 10.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.
- (d) If the Secured Party exercises its power of sale under this deed, the Secured Party will not transfer the Property or any part of it without procuring that the transferee enters into a deed in accordance with clause 3(vii) of the Transfer dated 20 November 1995 and made between (1) The Mayor and Burgesses of the London Borough of Lambeth (Transferors) and (2) Eraclis Michael (Transferee) (as noted at entry C2 of Land Registry title number TGL115490 at the date of this deed).

11.2 Extension of statutory powers of leasing

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- (a) The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Secured Party and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Chargor, to:
 - (i) grant a lease or agreement for lease;
 - (ii) accept surrenders of leases; or
 - (iii) grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,whether or not at a premium and containing such covenants on the part of the Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender), as the Secured Party or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.
- (b) If the Secured Party exercises its power of leasing under this deed, the Secured Party will not grant a lease of the Property or any part of it without procuring that the tenant enters into a deed in accordance with clause 3(vii) of the Transfer dated 20 November 1995 and made between (1) The Mayor and Burgesses of the London Borough of Lambeth (Transferors) and (2) Eraclis Michael (Transferee) (as noted at entry C2 of Land Registry title number TGL115490 at the date of this deed).

11.3 Redemption of prior Security

- (a) At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Secured Party may:
 - (i) redeem any prior Security over any Property;
 - (ii) procure the transfer of that Security to itself; and
 - (iii) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Chargor).
- (b) The Chargor shall pay to the Secured Party immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this deed as part of the Secured Liabilities.

11.4 Protection of third parties

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

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- (b) whether any power the Secured Party, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Secured Party, any Receiver or any Delegate is to be applied.

11.5 Privileges

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

11.6 Exclusion of liability

Neither the Secured Party, nor any Receiver or Delegate, shall be liable to the Chargor or any other person:

- (a) (by reason of entering into possession of all or part of the Property, or for any other reason) to account as mortgagee in possession in respect of all or any of the Property;
- (b) for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- (c) for any expense, loss or liability:
 - (i) relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this deed;
 - (ii) relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this deed; or
 - (iii) arising in any other way in connection with this deed,

except that this does not exempt the Secured Party or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Secured Party or the relevant Receiver or Delegate.

11.7 Relinquishing possession

If the Secured Party, any Receiver or Delegate enters into or takes possession of all or any part of the Property, it or he/she may at any time relinquish possession.

11.8 Conclusive discharge to purchasers

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

12. Receivers

12.1 Appointment

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

12.2 Removal

The Secured Party may, without further notice, from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Secured Party may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

12.4 Power of appointment additional to statutory powers

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

12.5 Power of appointment exercisable despite prior appointments

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

12.6 Agent of the Chargor

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

13. Powers of Receiver

13.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Secured Party under this deed shall, in addition to the rights, powers and discretions conferred on him/her by statute, have the rights, powers and discretions set out in clause 13.2 to clause 13.19.
- (b) A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and

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discretions conferred on an administrative receiver under the Insolvency Act 1986 whether he/she is an administrative receiver or not.

- (c) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (d) Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Chargor, the directors of the Chargor or himself/herself.

13.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

13.3 Grant or accept surrenders of leases

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

13.4 Employ personnel and advisers

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

13.5 Make and revoke VAT options to tax

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

13.6 Charge for remuneration

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

13.7 Take possession

A Receiver may take immediate possession of, get in and realise all or any part of the Property.

13.8 Manage or reconstruct the Chargor's business

Execution version

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor carried out at the Property.

13.9 Dispose of the Property

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

13.10 Sever fixtures and fittings

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

13.11 Give valid receipts

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

13.12 Make settlements

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

13.13 Bring legal action

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

13.14 Insure

A Receiver may, if he/she thinks fit, but without prejudice to the indemnity in clause 16.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed.

13.15 Borrow

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

Execution version

13.16 Redeem prior Security

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

13.17 Delegation

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

13.18 Absolute beneficial owner

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

13.19 Incidental powers

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

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

14. Delegation

14.1 Delegation

The Secured Party or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it or him/her by this deed (including the power of attorney granted under clause 18.1).

14.2 Terms

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

14.3 Liability

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

Execution version

15. Application of proceeds

15.1 Order of application of proceeds

All monies received or recovered by the Secured Party, a Receiver or a Delegate under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Secured Party's right to recover any shortfall from the Chargor):

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

15.2 Appropriation

Neither the Secured Party, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

15.3 Suspense account

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

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

16. Costs and indemnity

16.1 Costs

Execution version

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

- (a) the negotiation, preparation, execution and delivery of this deed;
- (b) the Property;
- (c) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Secured Party's, a Receiver's or a Delegate's rights under this deed;
- (d) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this deed;
- (e) any release of any security constituted by this deed; or
- (f) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the Default Rate.

16.2 Indemnity

- (a) The Chargor shall, promptly on demand, indemnify the Secured Party, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
 - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Property;
 - (ii) taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) the security constituted by this deed; or
 - (iii) any default or delay by the Chargor in performing any of its obligations under this deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 16.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

17. Further assurance

17.1 Further assurance

Execution version

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

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

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any part of the Property (whether to the Secured Party or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Secured Party may consider necessary or desirable.

18. Power of attorney

18.1 Appointment of attorneys

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

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

18.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.

19. Release

19.1 Release

Subject to clause 26.3, at the end of the Security Period, the Secured Party shall, at the request and cost of the Chargor, take whatever action is necessary to release the Property from the security constituted by this deed.

20. Assignment and transfer

20.1 Assignment by Secured Party

Execution version

- (a) At any time, without the consent of the Chargor, the Secured Party may assign any of its rights or transfer any of its rights and obligations under this deed to a Group Company (as such term is defined in the Sale Contract).
- (b) The Secured Party may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Chargor, the Property and this deed that the Secured Party considers appropriate.

20.2 Assignment by Chargor

The Chargor may not assign any of its rights, or transfer any of its rights or obligations, under this deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

21. Set-off

21.1 Secured Party's right of set-off

The Secured Party may at any time set off any liability of the Chargor to the Secured Party against any liability of the Secured Party to the Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Secured Party may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Secured Party of its rights under this clause 21.1 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

21.2 No obligation to set off

The Secured Party is not obliged to exercise its rights under clause 21.1. If it does exercise those rights it must promptly notify the Chargor of the set-off that has been made.

21.3 Exclusion of Chargor's right of set-off

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

22. Amendments, waivers and consents

22.1 Amendments

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

22.2 Waivers and consents

Execution version

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

22.3 Rights and remedies

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

23. Partial invalidity

If, at any time, any provision of this deed is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability 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.

24. Counterparts

24.1 Counterparts

- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- (c) No counterpart shall be effective until each party has executed and delivered at least one counterpart.

Execution version

25. Third party rights

25.1 Third party rights

- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed.
- (b) Notwithstanding any term of this deed, the consent of any person who is not a party to this deed is not required to rescind or vary this deed at any time.

26. Further provisions

26.1 Independent security

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

26.2 Continuing security

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

26.3 Discharge conditional

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

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

26.4 Certificates

Any certification or determination by the Secured Party of any rate or amount under this deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

26.5 Consolidation

Execution version

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

27. Notices

27.1 Delivery

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

- (a) in writing;
- (b) delivered by hand (which, for the purposes of this deed, shall include delivery by courier) or sent by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
 - (i) the Chargor at:
56 Kersey Drive, Selsdon, Surrey CR2 8SX
Attention: Paul Wicks
 - (ii) the Secured Party at:
60 Cheapside, London EC2V 6AX
Attention: Luke Osborne

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

27.2 Receipt by Chargor and Secured Party

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

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

A notice or other communication given as described in clause 27.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

27.3 Service of proceedings

This clause 27 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27.4 No notice by email

Execution version

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

28. Governing law and jurisdiction

28.1 Governing law

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

28.2 Jurisdiction

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

28.3 Other service

The Chargor irrevocably consents to any process in any legal action or proceedings under clause 28.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

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

Execution version

Schedule 1 Property

The freehold property being land on the north side of Dylan Road, Herne Hill registered at HM Land Registry with title absolute under title number TGL115490.

The freehold property being land on the north side of Dylan Road, London registered at HM Land Registry with title absolute under title number TGL116186.

Execution version

Executed as a deed by **AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED** acting by a director in the presence of:

.....
Paul Wicks, Director

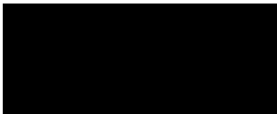
Signature of witness

Witness name

Witness address

.....


Executed as a deed by **MILKWOOD ROAD SE24 LIMITED** acting by a director in the presence of:



Signature of witness 

Luke Osborne, Director

Natalie Cooper
Witness name


Witness address


.....