

MR01

Particulars of a charge

169 590/13  
IRIS Laserform

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

**You can use the WebFiling service to file this form online.**  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

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

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument Use form MR08

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

This form **must be delivered to the Registrar for registration**  
**21 days** beginning with the day after the date of creation  
delivered outside of the 21 days it will be rejected unless  
court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with  
scanned and placed on the public record

FRIDAY



\*A2HAA6WP\*

A39

20/09/2013

#376

COMPANIES HOUSE

For official use

**1 Company details**  
Company number 00010262  
Company name in full The Fine Art Society Public Limited Company

**→ Filling in this form**  
Please complete in typescript or in  
bold black capitals  
All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date d1 d7 m0 m9 y2 y0 y1 y3

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

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

Name Noble Grossart Investments Limited as Security  
Trustee

Name

Name

Name

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

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

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

N/A

5

Fixed charge or fixed security

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

☐ Yes

☒ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☐ Yes

7

Negative Pledge

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

☒ Yes

☐ No

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**Trustee statement ①**

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

☐

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

9

**Signature**

Please sign the form here

Signature

Signature

X *Debbin - Miers v.s.* X  
Solicitors for the chargor

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

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Particulars of a charge



**Presenter information**

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **Maria McAlister**

Company name **Dickson Minto W.S.**

Address **16 Charlotte Square**

Post town **Edinburgh**

County/Region

Postcode **E H 2 4 D F**

Country **United Kingdom**

DX **DX 199 Edinburgh**

Telephone **0131 225 4455**



**Certificate**

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



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



**Important information**

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



**How to pay**

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House'



**Where to send**

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

**For companies registered in England and Wales**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland:**

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

**For companies registered in Northern Ireland:**

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



**Further information**

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



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

Company number: 10262

Charge code: 0001 0262 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th September 2013 and created by FINE ART SOCIETY PUBLIC LIMITED COMPANY(THE) was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th September 2013.

*Op*

Given at Companies House, Cardiff on 24th September 2013



WE CERTIFY THAT, SAVE FOR MATERIAL  
REDACTED PURSUANT TO SECTION 859G  
OF THE COMPANIES ACT 2006, THIS COPY  
INSTRUMENT IS A CORRECT COPY OF  
THE ORIGINAL INSTRUMENT

Dickson Minto W.S.  
DICKSON MINTO W.S.

DATE: 19 September 2013

**RESTRICTED FLOATING CHARGE**

Dated 17 September 2013

between

**THE FINE ART SOCIETY PUBLIC LIMITED COMPANY**

and

**NOBLE GROSSART INVESTMENTS LIMITED**  
as Security Trustee

This Restricted Floating Charge is subject to the terms of an inter creditor deed dated on or around the date hereof between Bank of Scotland plc, Noble Grossart Investments Limited (in its capacity as Security Trustee) and The Fine Art Society Public Limited Company

THIS RESTRICTED FLOATING CHARGE is made the 17 day of September 2013

**BETWEEN:**

- (1) THE FINE ART SOCIETY PUBLIC LIMITED COMPANY, a company incorporated in England and Wales with registered number 00010262 and having its registered office at 148 New Bond Street, London W1S 2JT (the "Company"); and
- (2) NOBLE GROSSART INVESTMENTS LIMITED, a company incorporated in Scotland with registered number SC046538 and having its registered office at 48 Queen Street, Edinburgh EH2 3NR as agent and trustee for itself and for each of the other Secured Parties on the terms and conditions set out in the Loan Stock Agreement (as defined below) (in such capacity as agent and trustee hereinafter referred to as the "Security Trustee" (which expression shall include each person appointed as the Security Trustee at the date of this Restricted Floating Charge or any additional security agent appointed for the purpose of the Loan Note Instrument)).

**WHEREAS:**

- (A) The Lenders (as defined below) have agreed in accordance with the terms and conditions of a loan stock agreement (as such agreement is amended, varied, supplemented, novated or replaced from time to time hereinafter referred to as the "Loan Stock Agreement") dated on or around the date of this Restricted Floating Charge between the Lenders, the Company and the Security Trustee to make available to the Company certain loan stock (hereinafter referred to as the "Loan Stock"), and
- (B) it is a condition precedent to the Lenders making the Loan Stock available that the Company enters into this Restricted Floating Charge

NOW THIS DEED WITNESSES as follows

**1. DEFINITIONS AND INTERPRETATION**

**1.1. Definitions**

In this Restricted Floating Charge:

"Charged Property" means

- (a) the gross proceeds of subscription for Loan Stock received and held by the Company from time to time pursuant to the Loan Stock Agreement (the "Subscription Proceeds");
- (b) the proceeds of sale of any item(s) of stock purchased pursuant to the terms of the Loan Stock Agreement and held by the Company from time to time (the "Sale Proceeds");
- (c) all other money held in the Segregated Account from time to time;
- (d) any and all stock (of whatsoever nature) acquired by the Company from time to time using Subscription Proceeds, Sale Proceeds and/or monies held in the Segregated Account, and
- (e) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, of the Company from time to time under or pursuant to the Loan Stock Agreement

"Event of Default" means

- (a) the failure by the Company to pay all or any of the Secured Liabilities following a demand for payment by a Secured Party;

- (b) any step being taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to appoint an administrator in respect of the Company;
- (c) any step being taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to wind up or dissolve the Company or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver, administrative receiver or similar officer of the Company or any part of its undertaking or assets; or
- (d) the making of a request by the Company for the appointment of a Receiver or administrator

"Finance Documents" means the Loan Stock Agreement and any other document designated as a "Finance Document" by the Security Trustee and the Company.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations (SI 2003 No. 3226).

"Group" means the Company and each of its Subsidiaries from time to time and "member of the Group" shall be construed accordingly

"Lenders" means the Lenders as defined in the Loan Stock Agreement and "Lender" means any one of them

"Quasi-Security" means an arrangement or transaction in terms of which the Company

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by any other member of the Group,
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into an arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangements having a similar effect,

in circumstances where the arrangement or transactions is entered into primarily as a method of raising financial indebtedness or of financing the acquisition of an asset.

"Receiver" means a receiver and manager, receiver or administrative receiver and includes any substitute receiver, receiver and manager or administrative receiver

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or otherwise or as the equivalent obligor under the laws of any other jurisdiction) of the Company to the Security Trustee and the other Secured Parties (or any of them) under the Finance Documents together with:

- (a) any refinancing, novation, refunding, deferral or extension of or increase in any of those obligations or liabilities;
- (b) any further advances and additional facilities which may be made by any Secured Party to the Company under any agreement expressed to be supplemental to any of the Finance Documents and all interest, fees and costs in connection therewith,
- (c) any claim for damages or restitution in the event of rescission of any of those obligations or liabilities or otherwise in connection with any of the Finance Documents,



- (d) any claim against the Company flowing from the recovery by the Company of a payment or discharge in respect of any of those liabilities on grounds of preference or otherwise;
- (e) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings; and
- (f) all costs, charges and expenses incurred by the Security Trustee or any other Secured Party in connection with the protection, preservation or enforcement of its rights against the Company

"Secured Parties" means the Lenders, the Security Trustee and any Receiver or any of them as the context requires and "Secured Party" shall be construed accordingly.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Segregated Account" means the bank account set up by the Company with Adam & Company plc and having sort code [REDACTED] and account number [REDACTED] in connection with the Loan Stock.

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

## 1.2. Interpretation

Save where the contrary is indicated, any reference in this Restricted Floating Charge to:

- 1.2.1. "assets" includes present and future properties, revenues and rights of every description;
- 1.2.2. a "company" includes any body corporate;
- 1.2.3. "guarantee" means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- 1.2.4. "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
- 1.2.5. a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.6. a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department or of any regulatory, self-regulatory or other authority or organisation,
- 1.2.7. a provision of law is a reference to that provision as amended or re-enacted;
- 1.2.8. the singular shall include the plural and vice versa,
- 1.2.9. this Restricted Floating Charge and any provisions of this Restricted Floating Charge or to any other agreements, instrument or document are to be construed as references to this Restricted Floating Charge, those provisions or that agreement, instrument or document as amended, varied, supplemented, substituted, replaced or novated (however fundamentally) from time to time, including (without limiting the generality of the foregoing) (1) any variation, increase, extension or addition of or any variation of or to any facility or amount made available under any Finance Document or any variation of the

purposes for which such facility or amount may be available from time to time and (2) in respect of this Restricted Floating Charge,

1 2.10. Clauses are to be construed as references to the Clauses of this Restricted Floating Charge as amended or varied from time to time and references to sub-clauses shall unless otherwise specifically stated be construed as references to the sub-clauses of the Clause in which the reference appears; and

1 2.11. an Event of Default is "continuing" if it has not been remedied or waived

### 1.3. Successors and assignees

Any reference in this Restricted Floating Charge to the Security Trustee or a Secured Party shall include the successors, permitted assignees and permitted transferees of the Security Trustee or such Secured Party

### 1.4. Rights of Third Parties

Unless expressly provided to the contrary in any of the Finance Documents, a third party (being any person other than the Company or the Security Trustee or any Secured Party and their permitted successors and assignees) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Restricted Floating Charge and no consent of any third party is required for any amendment, variation or termination of this Restricted Floating Charge

### 1.5. Trust

The Security Trustee shall hold the benefit of the covenants and charges given by the Company under this Restricted Floating Charge upon trust for the other Secured Parties in accordance with Clause 11 (*Security and Appointment of Security Trustee*) of the Loan Stock Agreement. The duty contained in Section 1 of the Trustee Act 2000 shall not apply to the Security Trustee in relation to the trust created by this Restricted Floating Charge.

### 1.6. Inter Creditor Deed

This Restricted Floating Charge is subject to the terms of an inter creditor deed dated on or around the date hereof between Bank of Scotland plc, the Security Trustee and the Company

## 2. COVENANT TO PAY

The Company hereby, as principal debtor and not merely as surety, covenants with the Security Trustee for itself and on behalf of the other Secured Parties that it will pay or discharge the Secured Liabilities on the due date therefor in the manner provided in the relevant Finance Document or, where no such provision is made in the Finance Documents, on demand in writing by a Secured Party.

## 3. CHARGING CLAUSE

### 3.1. Floating Charge

3 1.1. The Company hereby charges with full title guarantee in favour of the Security Trustee (as agent and trustee for the Secured Parties) as security for the payment and discharge of all the Secured Liabilities, by way of first floating charge, the Charged Property (including without limitation, any Charged Property situated in Scotland or governed by Scots Law).

3 1.2. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Restricted Floating Charge.

### 3.2. Conversion of Floating Charge

#### 3 2 1. Conversion by Notice

If, at any time:

- (a) an Event of Default occurs and is continuing,
- (b) the Security Trustee reasonably believes that any assets of the Company are in danger of being seized or sold under any form of distress, execution or similar process or are otherwise in jeopardy, or
- (c) the Security Trustee reasonably believes that it is desirable to protect the priority or enforceability of the Security created by this Restricted Floating Charge,

then, without prejudice to the provisions of Clause 3 2 2 (*Automatic Conversion*) below, the Security Trustee may, by notice in writing to the Company, convert the floating charge created by the Company under this Restricted Floating Charge into a fixed charge in relation to the assets specified in such notice

#### 3 2.2 Automatic Conversion

If

- (a) the Company charges, pledges or otherwise encumbers (whether by way of fixed or floating charge) any of the Charged Property or attempts to do so without the prior written consent of the Security Trustee;
- (b) any creditor or other person levies any distress, execution or other process against all or any of the Charged Property belonging to the Company,
- (c) a resolution is passed or an order is made for the winding up, dissolution, administration or re-organisation of the Company; or
- (d) an administrator is appointed to the Company or any person entitled to do so gives notice of its intention to appoint an administrator to the Company or files such a notice with the court,

then, in the absence of any notice or other action by the Security Trustee pursuant to Clause 3.2.1 (*Conversion by Notice*) above, the floating charge created by this Restricted Floating Charge by the Company shall automatically operate as a fixed charge upon the property, assets or income belonging to the Company which is subject to the floating charge created by this Restricted Floating Charge forthwith upon the occurrence of such event.

#### 3 2 3 Scotland

The terms of Clause 3 2.1 (*Conversion by Notice*) and 3 2 2 (*Automatic Conversion*) shall not apply in respect of any property or assets situated in Scotland or governed by Scots law if and to the extent that any such conversion is ineffective under Scots law or would result in any Receiver being unable to exercise any powers under Section 72 of the Insolvency Act 1986

#### 3 2 4 Assets Acquired After Any Floating Charge Crystallisation

Any asset acquired by the Company after any crystallisation of the floating charge created under this Restricted Floating Charge by the Company which, but for such crystallisation, would be subject to this Restricted Floating Charge shall (unless the Security Trustee

confirms in writing to the contrary) be charged to the Security Trustee by way of first fixed charge.

### 3.2.5. Reconversion of Fixed Charge into Floating Charge

At any time following the conversion of the floating charge created under this Restricted Floating Charge by the Company into a fixed charge in accordance with Clause 3.2.1 (*Conversion by Notice*) or Clause 3.2.2 (*Automatic Conversion*), the Security Trustee may reconvert such fixed charge into a floating charge by giving notice to the Company.

### 3.2.6. Small company moratorium

Notwithstanding any other provision of this Restricted Floating Charge, where the Company is an eligible company in terms of section 1A and Schedule A1 of the Insolvency Act 1986, the obtaining of a moratorium or anything done with a view to obtaining a moratorium (including any preliminary decision or investigation) shall not cause the floating charge created by this Restricted Floating Charge to crystallise or cause restrictions that would not otherwise apply to be imposed on the disposal of property by the Company.

## 4. NEGATIVE PLEDGE

### 4.1. Negative Pledge

The Company hereby covenants that (without the prior written consent of the Security Trustee) it shall not.

4.1.1 create (or permit to subsist) any Security or Quasi-Security over all or any part of the Charged Property except any fixed security in favour of the Security Trustee,

4.1.2 sell, assign, lease, transfer or otherwise dispose of or part with possession of (by one or more transactions or series of transactions whether related or not) the whole or any part of the Charged Property; or

4.1.3 dispose of the equity of redemption of all or any part of the Charged Property,

except, in each case, as permitted under the Loan Stock Agreement

## 5. FURTHER ASSURANCE

### 5.1. Further assurance

The Company shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))

5.1.1 to perfect the Security created or intended to be created under or evidenced by this Restricted Floating Charge or for the exercise of any rights, powers and remedies of the Security Trustee or the Secured Parties provided by or pursuant to this Restricted Floating Charge or by law,

5.1.2 to confer on the Security Trustee or on the Secured Parties, Security over any Charged Property located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Restricted Floating Charge; or

5.1.3 to facilitate the realisation of the Charged Property.

## 5.2. Necessary Action

The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purposes of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Secured Parties by or pursuant to this Restricted Floating Charge

## 6. POWERS OF SECURITY AGENT

### 6.1. Exercise of Powers

At any time after the occurrence of an Event of Default which is continuing, the security created by or pursuant to this Restricted Floating Charge is immediately enforceable and the Security Trustee may (without further notice and whether or not it shall have appointed a Receiver):

- 6.1.1 exercise all the powers and discretions conferred by this Restricted Floating Charge,
- 6.1.2 enforce all or any part of the security created by or pursuant to this Restricted Floating Charge; and
- 6.1.3 take possession of and retain or dispose of all or any part of the Charged Property

### 6.2. Prior Charges

The Security Trustee may at any time after the occurrence of an Event of Default which is continuing redeem any prior Security on or relating to the Charged Property or may procure the transfer of such Security to itself and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of manifest error, conclusive and binding on the Company. The Company shall reimburse the Security Trustee on demand all principal monies and interest and all losses incidental to such redemption or transfer.

### 6.3. Financial Collateral

The Security Trustee may, to the extent that any of the charged property constitutes "financial collateral" (as defined in the Financial Collateral Regulations) and that this Restricted Floating Charge constitutes a "security financial collateral arrangement" (as defined in the Financial Collateral Regulations), appropriate such financial collateral in or towards the discharge of the Secured Liabilities.

### 6.4. Value of Financial Collateral

The Company and the Security Trustee agree for the purposes of Clause 6.3 (*Financial Collateral*) above that the value of any such financial collateral so appropriated shall be, in the case of any cash, the amount standing to the credit of the relevant account together with any accrued interest at the date of appropriation.

The Company and the Security Trustee agree that the method of valuation referred to above shall constitute a commercially reasonable method of valuing the relevant financial collateral for the purposes of the Financial Collateral Regulations

## 7. APPOINTMENT OF RECEIVER

### 7.1. Appointment of Receiver

At any time after:

- 7.1.1 the occurrence of an Event of Default which is continuing,
- 7.1.2 a petition or application is presented or resolution proposed for the winding up, reorganisation or administration of the Company;

7.1.3 the Company or any other person entitled to do so gives written notice of its intention to appoint an administrator or liquidator to the Company or the appointment of an administrator or liquidator to the Company, or

7.1.4 a written request has been made by the Company to the Security Trustee for the appointment of a Receiver or administrator,

the Security Trustee may appoint one or more persons to be a Receiver or Receivers of the Charged Property belonging to the Company or any part thereof

## 7.2. Removal of Receiver

The Security Trustee may remove any Receiver previously appointed under this Restricted Floating Charge and appoint another person or persons as Receiver or Receivers, either in the place of a Receiver so removed or who has otherwise ceased to act or to act jointly with the Receiver or Receivers previously appointed under this Restricted Floating Charge

## 7.3. Joint and several appointment

If at any time and by virtue of any such appointments any two or more persons shall hold office as Receivers of the same assets or income, such Receivers may act jointly and/or severally so that each one of such Receivers shall be entitled (save to the extent that the contrary shall be stated in any of the deeds or other instruments appointing them) to exercise all the powers and discretions conferred by this Restricted Floating Charge on Receivers individually and to the exclusion of the other or others of them

## 7.4. Appointment in writing under hand

Every such appointment or removal and every delegation, appointment or removal by the Security Trustee in the exercise of any rights to delegate its powers or to remove delegates contained in this Restricted Floating Charge, may be made in writing under the hand of any officer of the Security Trustee.

## 7.5. General Powers of Receiver

Every Receiver shall have.

7.5.1. all the powers specified in the Insolvency Act 1986 (whether or not such Receiver is an administrative receiver within the meaning of the Insolvency Act 1986);

7.5.2 all the powers of the Secured Parties under this Restricted Floating Charge,

7.5.3 all the powers and rights of an absolute owner to do or omit to do anything which the Company itself could do or omit to do; and

7.5.4 the power to do all things which are in the opinion of the Receiver incidental or conducive to the powers vested in him by this Restricted Floating Charge or by law or are incidental or conducive to the gathering in by him of any assets which, when gathered in would be, Charged Property

## 7.6. Further Powers of a Receiver

Every Receiver may:

7.6.1 collect in and take possession of the Charged Property or any part of it and make such demands and take such proceedings as may seem expedient for that purpose;

7.6.2 undertake or complete any works of repair on the Charged Property;

- 7.63. grant options and licences over all or any part of the Charged Property, sell, concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Company in respect of which he is appointed,
- 7.64. bring, prosecute, enforce, defend and abandon all actions and proceedings and submit to arbitration in the name of the Company in relation to any Charged Property as he may think expedient,
- 7.65. redeem any prior Security on or relating to the Charged Property and settle and pass the accounts to which the Security relates so that any accounts so settled and passed shall be, in the absence of manifest error, conclusive and binding on the Company and the monies so paid shall be deemed to be an expense properly incurred by him;
- 7.66. effect with any insurer any policy of insurance in relation to the Charged Property; and
- 7.67. promote or establish any new company (whether a Subsidiary of the Company or not).

#### 7.7. Consideration

In making any sale or the disposal of any of the Charged Property in the exercise of their respective powers, the Receiver or the Security Trustee may accept as, and by way of consideration for such sale or other disposal, cash, shares, loan capital or other obligations, including, without limitation, consideration fluctuating, according to or dependent on turnover and consideration the amount of which is to be determined by a third party. Any such consideration may be receivable in a lump sum or by way of instalments

#### 7.8. Receiver as agent of the Company

Every Receiver shall be the agent of the Company in respect of which he is appointed which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

#### 7.9. Remuneration

Each Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Trustee (or, failing such agreement, to be conclusively fixed by the Security Trustee) commensurate with the work and responsibilities involved upon the basis of charging from time to time adopted in accordance with his current practice or the current practice of his firm

### 8. APPOINTMENT OF ADMINISTRATOR

#### 8.1. Appointment of an Administrator

At any time after:

- 8.1.1 the occurrence of an Event of Default which is continuing;
- 8.1.2 a petition or application is presented or resolution proposed for the winding up, reorganisation or administration of the Company,
- 8.1.3 the Company or any other person entitled to do so gives written notice of its intention to appoint an administrator or liquidator to the Company or the appointment of an administrator or liquidator to the Company; or
- 8.1.4 a written request has been made by the Company to the Security Trustee for the appointment of a Receiver or administrator,

the Security Trustee may without further notice appoint any person or persons to be an administrator of the Company.

## 8.2. Joint and several appointment

If at any time and by virtue of any such appointments any two or more persons shall hold office as administrators, such administrators may act jointly and/or severally so that each one of such administrators shall be entitled (save to the extent that the contrary shall be stated in any of the deeds or other instruments appointing them) to exercise all the powers and discretions conferred by this Restricted Floating Charge and by law on administrators individually and to the exclusion of the other or others of them.

## 9. APPLICATION OF MONIES

All moneys received by the Security Trustee or by any Receiver appointed under this Restricted Floating Charge shall be applied in the following order.

- 9.1.1 in the payment of the costs, charges and expenses of and incidental to the appointment of any Receiver under this Restricted Floating Charge and the payment of his remuneration,
- 9.1.2. in the payment and discharge of any outgoings paid and liabilities incurred by any Receiver appointed under this Restricted Floating Charge in the exercise of any powers of such Receiver,
- 9.1.3 in or towards payments of any debts or claims which are required by law to be paid in preference to the Secured Liabilities, but only to the extent to which such debts or claims have such preference;
- 9.1.4. in or towards the satisfaction of the Secured Liabilities in accordance with the terms of the Loan Stock Agreement; and
- 9.1.5 any surplus shall be paid to the Company or any other person entitled thereto

## 10. POWER OF ATTORNEY

### 10.1. Power of Attorney

The Company hereby irrevocably appoints the Security Trustee and any Receiver appointed under this Restricted Floating Charge and for the time being holding office as such severally to be its attorney and on its behalf and in its name to sign, seal, execute, deliver and perfect all deeds, instruments and documents which may be required for:

- 10.1.1. carrying out any obligation imposed on the Company by or pursuant to this Restricted Floating Charge which the Company has not promptly done following written demand by the Security Trustee to do so; and
- 10.1.2. enabling the Security Trustee or the Receiver to exercise the rights and powers conferred upon them by this Restricted Floating Charge or by law (including the right to sell, lease, convey, transfer or realise any of the Charged Property)

The Security Trustee shall have full power to delegate the power conferred on it by this clause and no such delegation shall preclude the subsequent exercise of such power by the Security Trustee itself or preclude the Security Trustee from making a subsequent delegation thereof to some other person and any such delegation may be revoked by the Security Trustee at any time.



## 10.2. Ratification

The Company shall ratify and confirm all acts and things done and all deeds, instruments and/or documents signed, sealed, executed and/or perfected by any attorney in the exercise or purported exercise of all or any of his powers.

## 10.3. Exercise

The power of attorney contained in this Clause 10 shall be effective immediately but exercisable only after the occurrence of an Event of Default which is continuing.

# 11. PROTECTION OF PURCHASERS

## 11.1. Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

## 11.2. Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or its delegate or any Receiver appointed under this Restricted Floating Charge shall be bound to see or enquire whether the right of the Security Trustee or such Receiver to exercise any of its or his powers has arisen or become exercisable or be concerned with notice to the contrary or be concerned to see whether any such delegation by the Security Trustee shall have lapsed for any reason or be revoked.

# 12. PRESERVATION OF SECURITY

## 12.1. Continuing Security

The security created by or pursuant to this Restricted Floating Charge shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Security Trustee and shall not be considered satisfied by any intermediate payment or satisfaction of all or any of the Secured Liabilities or for any other reason

## 12.2. Waiver of defences

Neither the obligations of the Company under this Restricted Floating Charge nor the rights, powers and remedies conferred in respect of the Company upon the Security Trustee will be affected by any act, omission, matter or thing which, but for this Clause 12 2, would reduce, release or prejudice any of those obligations or those rights, powers and remedies (without limitation and whether or not known to it or any Secured Party) including.

- (a) any time, waiver or consent granted to, or composition with, the Company or other person;
- (b) the release of the Company or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Company or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company or any other person;

- (e) any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (g) any insolvency or similar proceedings.

### 12.3. Rights Cumulative

The obligations of the Company contained in this Restricted Floating Charge and all rights, powers and remedies of the Security Trustee expressed in this Restricted Floating Charge are in addition to and independent of all other rights, powers and remedies possessed by the Security Trustee including, without limitation, those provided for in any Finance Document, by applicable law or in any other written instrument or agreement relating to the Company's obligations or the Charged Property

### 12.4. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee or any Secured Party, any right or remedy under this Restricted Floating Charge shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.

### 12.5. Partial Invalidity

If, at any time, any provision of this Restricted Floating Charge is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Restricted Floating Charge nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

### 12.6. Independent Security

The Security constituted by or pursuant to this Restricted Floating Charge shall be in addition to and shall be independent of every mortgage, charge, pledge, guarantee or other Security which the Security Trustee or any other Secured Party may at any time hold in respect of any of the Secured Liabilities and it is hereby declared that no prior Security held by the Security Trustee or any other Secured Party over the Charged Property or any part thereof shall merge in the security constituted by this Restricted Floating Charge

## 13. PRESERVATION OF RIGHTS

### 13.1. Other than as provided in this Restricted Floating Charge, the Security Trustee shall not be obliged before exercising any of the rights, powers, discretions or remedies conferred upon it by this Restricted Floating Charge or by law:

- 13.1.1. to take any action, including but not limited to the giving of any notice to, or making any demand upon, the Company or any other person or the obtaining or enforcement of any judgment, decree or order in any court against the Company or any other person;
- 13.1.2. to make or file any claim or proof in the administration, winding-up or liquidation of the Company or any other person, or
- 13.1.3. to enforce or seek to enforce any of its rights, powers, discretions or remedies under any other Security in respect of the Secured Liabilities.

#### 14. SUBSEQUENT SECURITY INTERESTS

If the Security Trustee (acting in its capacity as security agent or otherwise) or any of the other Secured Parties receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property, all payments thereafter by or on behalf of the Company to the Security Trustee (whether in its capacity as security agent or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Secured Liabilities as at the time when the Security Trustee received such notice.

#### 15. SUSPENSE ACCOUNT

Until all of the Secured Liabilities have been irrevocably paid in full, all monies received by the Security Trustee or any Receiver may, at the discretion of the Security Trustee or Receiver, be credited to an interest bearing suspense account and may be held in such account for so long as the Security Trustee or Receiver sees fit.

#### 16. SET-OFF

A Secured Party may set-off any matured obligation due from the Company under the Finance Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to the Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

#### 17. RELEASE AND DISCHARGE

##### 17.1. Release

Subject to Clause 17.2 (*Conditional Discharge*), the Company shall be entitled, after the Secured Liabilities have been irrevocably and unconditionally discharged in full and none of the Secured Parties being under any actual or contingent obligations to make available any facilities of any kind whatsoever to the Company under any of the Finance Documents, to require, at its cost and request, the release, re-assignment or retransfer of any of the Charged Property mortgaged, charged, assigned or transferred under this Restricted Floating Charge or otherwise in terms of this Restricted Floating Charge.

##### 17.2. Conditional Discharge

Any settlement or discharge between the Company and the Security Trustee shall be conditional upon no security or payment to the Security Trustee by the Company or any other person on behalf of the Company being avoided or reduced by the virtue of any provisions or enactments relating to bankruptcy, insolvency or liquidation for the time being in force and, if any such payment is so avoided or reduced, the Security Trustee shall be entitled to recover the value or amount of such security or payment from the Company subsequently as if such settlement or discharge had not occurred.

#### 18. CHANGES IN SECURED LIABILITIES

The Company expressly agrees and acknowledges that the parties to the Finance Documents may from time to time agree to make amendments to the terms of those documents and may enter into such supplemental agreements as are required from time to time in order to give effect to such amendments. Such amendments may include, *inter alia*, the increase or reduction of the facilities made available under those documents and, for the avoidance of doubt, those facilities will form part of the Secured Liabilities under and in terms of this Restricted Floating Charge.

## 19. ASSIGNMENT

### 19.1. Security Trustee

The Security Trustee may (without prejudice to its right to appoint any joint trustee) assign and transfer all or any of its rights and obligations under this Restricted Floating Charge to any person to whom it has assigned its rights under the Loan Stock Agreement. The Security Trustee shall be entitled to disclose such information concerning the Company and this Restricted Floating Charge as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

### 19.2. Company

The Company shall not assign or transfer any of its obligations under this Restricted Floating Charge or enter into any transaction which would result in any of those rights or obligations passing to another person.

## 20. INDEMNITY

The Company shall indemnify the Security Trustee and any Receiver against any cost, loss or liability incurred by either of them as a result of:

20.1.1. the taking, holding, protection or enforcement of this Restricted Floating Charge,

20.1.2. the exercise or purported exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee and each Receiver by this Restricted Floating Charge or by law, or

20.1.3. any default by the Company of any of the obligations expressed to be assumed by it in this Restricted Floating Charge

## 21. DISCRETION AND DELEGATION

### 21.1. Discretion

Any power or right which may be exercised by the Security Trustee or any Receiver under this Restricted Floating Charge may be exercised in the absolute and unfettered discretion of the Security Trustee or Receiver and without any obligation to give reasons.

### 21.2. Delegation

The Security Trustee and any Receiver may delegate (either generally or specifically) by power of attorney or any other manner to any person any right, power, authority or discretion conferred on it by this Restricted Floating Charge (including the power of attorney granted under Clause 10 (*Power of Attorney*)). The Security Trustee and any Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit. Any such delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such right, power, authority or discretion by the Security Trustee or the Receiver.

## 22. CALCULATIONS AND CERTIFICATES

### 22.1. Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Restricted Floating Charge, the entries made in the accounts maintained by a Secured Party are prima facie evidence of the matters to which they relate.

## 22.2. Certificates and determinations

Any certificate or determination by a Secured Party of a rate or amount under this Restricted Floating Charge is, in the absence of manifest error, conclusive evidence of the matters to which it relates

## 23. PERPETUITY PERIOD

The perpetuity period applicable to the trusts contained in or arising from this Restricted Floating Charge shall be one hundred and twenty five years from the date of this Restricted Floating Charge.

## 24. NOTICES

### 24.1. Communications in Writing

Any communication to be made under or in connection with this Restricted Floating Charge shall be made in writing and, unless otherwise stated, may be made by fax or letter.

### 24.2. Address

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Restricted Floating Charge is that identified with its name below or any substitute address, fax number or department or officer as the party may notify to the other parties by not less than 5 Business Days' notice.

### 24.3. Delivery

24.3 1. Any communication or document made or delivered by one person to another under or in connection with this Restricted Floating Charge will only be effective:

- (a) if by way of fax, when received in legible form, or
- (b) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 (*Address*), if addressed to that department or officer.

24.3 2. Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer identified with the Security Trustees' signature below (or any substitute department or officer as the Security Trustee shall specify for this purpose).

### 24.4. English Language

24.4 1 Any notice given under or in connection with this Restricted Floating Charge must be in English

24 4.2 All other documents provided under or in connection with this Restricted Floating Charge must be.

- (a) in English; or
- (b) if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

**25. COUNTERPARTS**

This Restricted Floating Charge may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Restricted Floating Charge

**26. GOVERNING LAW**

This Restricted Floating Charge shall be governed by and construed in accordance with English law

**27. JURISDICTION****27.1. Jurisdiction of English Courts**

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Restricted Floating Charge (including a dispute regarding the existence, validity or termination of this Restricted Floating Charge) (a "Dispute")

**27.2. Convenient Forum**

The parties to this Restricted Floating Charge agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Restricted Floating Charge will argue to the contrary


**27.3. Concurrent Proceedings**

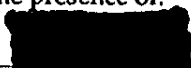



This Clause 27 (*Jurisdiction*) is for the benefit of the Secured Parties only. Accordingly, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Restricted Floating Charge has been executed by the Company and the Security Trustee as its deed the day and year first above written

## SIGNATORIES

EXECUTED and DELIVERED by  
THE FINE ART SOCIETY PUBLIC LIMITED COMPANY  
as its deed by

 Director  
**PATRICK BOURNE**  
in the presence of:


 Witness  
David Michael Elliott Full Name  
 Address  
  
 Occupation


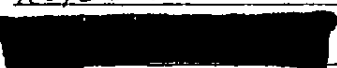

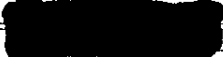
Address for Notice: 148 New Bond Street, London, W1S 2JT

Fax: 0207 491 9454

Attention: David Elliott

EXECUTED and DELIVERED by  
NOBLE GROSSART INVESTMENTS LIMITED  
as its deed by

 Director  
**SIR / ANGUS GROSSART**  
in the presence of:

 Witness  
ROGER THOMAS BROWN Full Name  
 Address  
  
 Occupation

Address for Notice: 48 Queen Street, Edinburgh EH2 3NR

Fax: 0131 226 6032

Attention: Roger Brown