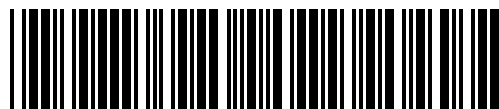




Registration of a Charge

Company Name: **ANNAKIN FARMS LIMITED**

Company Number: **03383182**



Received for filing in Electronic Format on the: **28/02/2024**

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Details of Charge

Date of creation: **09/02/2024**

Charge code: **0338 3182 0016**

Persons entitled: **THE AGRICULTURAL MORTGAGE CORPORATION PLC**

Brief description: **FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **SINTONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3383182

Charge code: 0338 3182 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th February 2024 and created by ANNAKIN FARMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th February 2024 .

Given at Companies House, Cardiff on 1st March 2024

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**

304027
J01

We certify this to be a true
copy of the original

Sintons LLP 28-02-2024
Solicitors - Sintons
The Cube, Barrack Road
Newcastle Upon Tyne NE4 6DB

Debenture

To The Agricultural Mortgage Corporation PLC

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THIS DEBENTURE DEED is made on the

(day)

09

day of

(month)

FEBRUARY

(year)

2024

BETWEEN

Name

ANNAKIN FARMS LIMITED

("the Company")

Company number

03383182

Registered Office Address

TOP FARM STAINFIELD MARKET RASEN LINCOLNSHIRE LN8 5JL

AND The Agricultural Mortgage Corporation PLC (Company number 234742) ("AMC")

Address for communications with AMC under this Debenture is Keens House, Anton Mill Road, Andover, Hampshire SP10 2NQ or at such other address as AMC may from time to time notify to the Company in writing for this purpose.

1 Definitions and Interpretation

1.1 In this Debenture the following words and expressions shall have the following meanings:

"Base Rate" means the official bank rate of the Bank of England.

"Charged Property" means the undertaking, assets, properties, revenues, rights and benefits First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly, Eighthly and Ninthly described in sub-clause 4.1 and references to the Charged Property include references to any part of it;

"Enfranchising Legislation" means any legislation conferring upon a tenant or tenants of property (whether individually or collectively with other tenants of that or other properties) the right to acquire a new lease of that property or to acquire or require the acquisition by a nominee of the freehold or any intermediate reversionary interest in that property including (without limitation) the Leasehold Reform Act 1967 and the Leasehold Reform, Housing and Urban Development Act 1993 but does not include Part II of the Landlord and Tenant Act 1954;

"Environmental Laws" means all laws (statutory, common law or otherwise) including, without limitation, circulars, guidance notes and codes of practice from time to time regulating the carrying on of any process or activity on premises and any emissions from and all waste produced by such process or activity and any such chemicals or substances relating to the same whether relating to health and safety, the workplace, the environment or the provision of energy (including without limitation the Health and Safety at Work etc. Act 1974, the Control of Pollution Act 1974, the Environmental Protection Act 1990, the Environment Act 1995, the Water Industry Act 1991, the Water Resources Act 1991, the Statutory Water Companies Act 1991, the Water Consolidation (Consequential Provisions) Act 1991, the Clean Air Acts, the Alkali, etc., Works Regulation Act 1906, the Planning (Hazardous Substances) Act 1990, the Public Health Acts and the Radioactive Substances Act 1960 and any European Union directives or regulations regulating the same) from time to time in force and any other instrument, plan, regulation, permission, authorisation and direction made or issued thereunder or deriving validity therefrom;

"Environmental Licence" means any permit, licence, authorisation, consent or other approval required by or given pursuant to any Environmental Laws;

"Insolvency Event" in relation to the Company means each of the following:

- (a) a meeting of the members of the Company is convened for the purpose of considering a resolution to wind up the Company;
- (b) such a resolution as is mentioned in paragraph (a) is passed;
- (c) a meeting of the directors of the Company is convened for the purpose of considering a resolution to seek a winding up order, an administration order or the appointment of an administrator;
- (d) such a resolution as is mentioned in paragraph (c) is passed;
- (e) a petition for a winding up or an application for an administration order is made by the Company or its directors or is presented against the Company;
- (f) such an order is mentioned in paragraph (e) is made;

- (g) a notice of appointment of or notice of intention to appoint an administrator under Schedule B1 to the Insolvency Act 1986 is issued by the Company or its directors or by the holder of a qualifying floating charge (as defined in such Schedule) or a proposal is made for, or the Company becomes subject to, any voluntary arrangement or the directors of the Company take steps to obtain a moratorium;
- (h) a receiver (administrative or otherwise) is appointed over all or part of the Company's assets;
- (i) any action is taken in any jurisdiction which is similar or analogous to any of the foregoing;
- (j) the Company takes part in any action (including entering negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of the Company's indebtedness;
- (k) the Company proposes or makes any general assignment, composition or arrangement with or for the benefit of all or some of the Company's creditors;
- (l) the Company suspends or threatens to suspend making payments to all or some of the Company's creditors; or
- (m) AMC has reasonable grounds for believing that any of the foregoing is imminent;

"Intellectual Property Rights" means:

- (a) all present and future copyrights, patents, designs, trademarks, service marks, brand names, inventions, design rights, know-how, formulas, confidential information, trade secrets, computer software programs, computer systems and all other intellectual property rights whatsoever without any limitation, whether registered or unregistered, in all or any part of the world in which the Company is legally, beneficially or otherwise interested;
- (b) the benefit of any pending applications for the same and all benefits deriving therefrom and thereunder including but not limited to royalties, fees, profit sharing agreements and income arising therefrom and all licences in respect of or relating to any intellectual property rights, whether such licences are granted to the Company or granted by the Company; and
- (c) every item of physical material of any description or type whatever in or in respect of which intellectual property rights may subsist and in respect of each such item the original copy or version or variant owned by, produced by or delivered to or obtained by the Company and any rejected and surplus materials associated or connected with or forming part of the foregoing which shall include, without limitation, any and all manuals and translations thereof, log books, designs, sketches, algorithms, calculations, diagrams, computations, source codes, models, prototypes, apparatus, computer programs, photographs, books and other records in any medium, electronic data and any other material of any description whatever in which intellectual property may be incorporated;

"Interests in Securities" means the Securities and all stocks, shares, securities, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option or otherwise to or in respect of any of the Securities including all dividends, interest and other income payable in connection therewith;

"Planning Acts" means all legislation from time to time regulating the development, use, safety and control of property including without limitation the Town and Country Planning Act 1990 and any instrument, plan, regulation, permission and direction made or issued thereunder or deriving validity therefrom;

"Secured Obligations" means:

- (a) all money and liabilities and other sums hereby agreed to be paid by the Company to AMC; and
- (b) all other money and liabilities expressed to be secured hereby (including, without limitation, any expenses and charges arising out of or in connection with the acts or matters referred to in clauses 10, 13, 17 and 22);

"Securities" means all stocks, shares, bonds, certificates of deposit, depository receipts, derivatives (including any currency or currency unit, interest rate or commodity hedging arrangement), securities and other interests and rights which are now or may at any time hereafter be owned by the Company or in which the Company may be legally, beneficially or otherwise interested (and whether held in certificated form or in uncertificated form by a member (whether the Company itself or a third party) of CREST or any other similar system) including, without limitation:

- (a) loan capital, indebtedness or liabilities on any account or in any manner owing to the Company both present and future in or from any company which now is or may hereafter become a subsidiary (as defined in Section 736 of the Companies Act 1985) of the Company;
- (b) the full benefit of all stocks, shares, certificates of deposit, depository receipts and securities which or the certificates for which are now or may at any time hereafter be lodged by the Company or on its behalf with AMC or held by AMC or its agents or transferred to or registered in the name of AMC or its agents or their respective nominees or held by any party other than the Company for or to the order of AMC at the request of or by arrangement with the Company;
- (c) all property and rights of the Company in respect of any account now or hereafter held by or for the Company as participant or as beneficiary of a nominee or trustee participant with any clearance or settlement system or depository or custodian or sub-custodian or broker (in each case, whether in the UK or elsewhere) relating to stocks, shares, securities, certificates of deposit, depository receipts, securities or other interests or rights whatsoever without limitation; and
- (d) all rights in respect of or incidental to the Charged Property described above; and

"Value Added Tax" includes any other form of sales or turnover tax.

1.2 In this Debenture:

- (a) The expressions the "Company" and the "AMC" where the context admits include their respective successors in title and/or assigns, whether immediate or derivative. Any appointment or removal under clause 10 or consents hereunder may be made or given in writing executed by any such successors or assigns of AMC and the Company hereby irrevocably appoints each of such successors and assigns to be its attorney in the terms and for the purposes set out in clause 16;
- (b) unless the context requires otherwise:
 - (i) the singular shall include the plural and vice versa;
 - (ii) any reference to a person shall include an individual, company, joint venture, society or an unincorporated association, organisation or body of persons (including a trust, a partnership and a limited liability partnership) and any government, government agency or para-statal organisation. References to a person also include that person's successors and assigns;
 - (iii) the expression "this Debenture" means this debenture and shall extend to every separate and independent stipulation contained herein;
 - (iv) any liberty or power which may be exercised or any determination which may be made hereunder by AMC may be exercised or made in the absolute and unfettered discretion of AMC which shall not be under any obligation to give reasons therefore;
 - (v) references to any statutory provision shall include a reference to any modification or re-enactment thereof for the time being in force, all regulations made thereunder from time to time and any analogous provision or rule under any applicable foreign law;
 - (vi) for the avoidance of any doubt, the rights, powers and discretions conferred upon AMC by or pursuant to this Debenture shall (unless otherwise expressly stated) apply and be exercisable regardless of whether a demand has been made by AMC for the payment of the Secured Obligations or any of them and regardless of whether the power of sale or other powers and remedies conferred on mortgagees by the Law of Property Act 1925 or this Debenture shall have arisen or become exercisable; and
 - (vii) references to clauses, sub-clauses and schedules shall be references to clauses, sub-clauses and schedules of this Debenture;

1.3 The clause headings and marginal notes shall be ignored in construing this deed.

1.4 The perpetuity period applicable to any trust constituted by this deed shall be eighty years.

2 Agreement to pay

The Company shall pay to AMC in accordance with any relevant agreement between AMC and the Company relating to the amounts hereby secured or, in the absence of any such agreement, on demand:

- (a) all money and liabilities whether actual or contingent (including further advances made hereafter by AMC and secured directly or indirectly by this Debenture) which now are or at any time hereafter may be due, owing or incurred by the Company to AMC anywhere or for which the Company may be or become liable to AMC in any manner whatsoever without limitation (and whether alone or jointly with any other person and in whatever style, name or form and whether as principal or surety and notwithstanding that the same may at any earlier time have been due owing or incurred to some other person and have subsequently become due, owing or incurred to AMC as a result of a transfer, assignment or other transaction or by operation of law); and
- (b) interest on all such money and liabilities to the date of payment at such rate or rates as may from time to time be agreed between AMC and the Company or, in the absence of such agreement, at the rate of two percentage points per annum above Base Rate for the time being in force (or its equivalent or substitute rate for the time being);
- (c) commission and other banking charges and legal, administrative and other costs, charges and expenses incurred by AMC in relation to this Debenture (including any acts necessary to release the Charged Property from this security) or in enforcing the security hereby created on a full and unqualified indemnity basis; and
- (d) any fees charged by AMC for the time spent by AMC's officials, employees or agents in dealing with any matter relating to this Debenture. Such fees shall be payable at such rate as may be specified by AMC.

3 Interest

The Company shall pay interest at the rate aforesaid on the money so due (whether before or after any judgment which may be recovered therefore) upon such days in each year as AMC and the Company shall from time to time agree or, in the absence of such agreement, as AMC shall from time to time fix and (without prejudice to the right of AMC to require payment of such interest) all such interest shall be compounded (both before and after any demand or judgment) upon such days in each year as AMC shall from time to time fix.

4 Charges

4.1 The Company with full title guarantee hereby charges with the payment of the Secured Obligations and so that the charges hereby created shall be a continuing security:

First: The freehold and leasehold property (if any) of the Company both present and future including (without prejudice to the generality of the foregoing and, where any such property is leasehold, any present or future right or interest conferred

upon the Company in relation thereto by virtue of any Enfranchising Legislation (including any rights arising against any nominee purchaser pursuant thereto)) all buildings and fixtures (including trade fixtures) fixed plant and machinery from time to time on any such property and all liens, mortgages, charges, options, agreements and rights, titles and interests (whether legal or equitable) of the Company in or over land or the proceeds of sale thereof of whatever description both present and future and all the right, title and interest of the Company in any such plant and machinery from time to time hired, leased or rented by the Company from third parties or acquired by the Company from third parties on a hire, instalment or conditional purchase basis including (without prejudice to the generality of the foregoing) the Company's right to any refund of rentals or other payments.

Secondly: All book debts both present and future due or owing to the Company or in which the Company is legally, beneficially or otherwise interested (and the proceeds thereof) and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) negotiable instruments, legal and equitable charges, reservation of proprietary rights, rights of tracing and unpaid vendors' liens and similar and associated rights.

Thirdly: All other debts, claims, rights and choses in action both present and future of the Company or in which the Company is legally, beneficially or otherwise interested (and the proceeds thereof) including (without prejudice to the generality of the foregoing):

- (a) deposits and credit balances held by the Company with AMC or any third party from time to time both present and future (including choses in action which give rise or may give rise to a debt or debts) owing to the Company (and the proceeds thereof);
- (b) any amounts owing to the Company by way of rent, licence fee, service charge or dilapidations by any tenant or licensee (in each case whether present or future) of any freehold or leasehold property from time to time forming part of the Charged Property and any ground rents and rent charges, rent deposits and purchase deposits owing to the Company (and, in each case, the proceeds thereof);
- (c) without prejudice to paragraph (d) below, any amounts owing or which may become owing to the Company under any building, construction or development contract or by virtue of the Company's rights under any retention or other trusts, whether or not any certificate as to the amount due has been issued in respect thereof (and the proceeds thereof);
- (d) without prejudice to paragraph (e) below, all rights (and the proceeds of such rights) present or future, actual or contingent, arising under or in connection with any contract whatsoever in which the Company has any right, title or interest (including, without limitation, all policies and contracts of insurance and assurance);
- (e) any amounts owing or which may become owing to the Company by way of damages, compensation or otherwise under any judgment or order of any competent authority howsoever arising or by way of settlement or compromise of any legal proceedings; and
- (f) the benefit of all rights relating to such debts, claims, rights and choses in action including (without prejudice to the generality of the foregoing) such rights as are Secondly described in this sub-clause.

Fourthly:

- (a) The Securities;
- (b) all rights in respect of or incidental to the Securities; and
- (c) the Interests in Securities.

Fifthly: The Intellectual Property Rights.

Sixthly: The goodwill and the uncalled capital of the Company both present and future.

Sevently: All other plant and machinery, fittings and equipment (not in any such case being the Company's stock-in-trade or work in progress) now or at any time hereafter belonging to the Company or in which the Company is legally, beneficially or otherwise interested, wherever situated and whether or not affixed to any freehold or leasehold property of the Company.

Eighthly: All the rights, interests and benefits of the Company under any present or future hire-purchase, conditional sale, credit sale, leasing or rental agreement to which the Company is a party in the capacity of hirer, purchaser or lessee including (without prejudice to the generality of the foregoing) the Company's right to any refund of rentals or other payments.

Ninthly: The undertaking and all property and assets of the Company both present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland and the Charged Property First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly and Eighthly described (if and in so far as the charges thereon or on any part or parts thereof herein contained shall for any reason be ineffective as fixed charges).

- 4.2 The security hereby created shall as regards the Charged Property First, Secondly, Thirdly, Fourthly, Fifthly, Sixthly, Seventhly and Eighthly described be first fixed charges (and as regards all those parts of the Charged Property First described now vested in the Company shall constitute a charge by way of legal mortgage thereon) and as regards the Charged Property Ninthly described shall be a first floating charge.
- 4.3 The security hereby constituted shall extend to all beneficial interests of the Company in the Charged Property and to any proceeds of sale or other realisation thereof or of any part thereof.

4.4 The Company represents and warrants that at the date that the Company executes this Debenture the Company has made full disclosure in writing to AMC of:

- (a) any information relating to each part of the Charged Property and each right held by any other person in relation to any part of the Charged Property which, in each case, would be material to AMC in relation to the appropriateness or adequacy of any part of the Charged Property as security for the Secured Obligations; and
- (b) each matter in respect of which AMC has requested information from the Company in connection with this Debenture.

5 Restrictions and warranties

5.1 The Company shall not without the consent in writing of AMC:

- (a) sell, assign, license, sub-license, discount, factor or otherwise dispose of, or deal in any other way with, the Charged Property (other than the Charged Property Ninthly described) provided that for the avoidance of doubt this sub-clause 5.1(a) shall not prevent the Company without such consent collecting proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property in the ordinary course of the Company's business and paying the same into the Company's account(s) with AMC in accordance with sub-clause 5.7(a) and provided further that where AMC makes a payment at the request of the Company which is debited to any account with AMC which is for the time being in credit, AMC shall be taken to have given any necessary consent for the purposes of this clause to such payment unless such payment was made as a result of some mistake of fact on the part of AMC;
- (b) create or permit to subsist or arise any mortgage, debenture, hypothecation, charge, assignment by way of security, pledge or lien or any other encumbrance or security whatsoever upon the Charged Property except a lien arising by operation of law in the ordinary course of the Company's business as conducted during the 12 months preceding the date when the lien first came into existence;
- (c) enter into any contractual or other agreement or arrangement which has or may have an economic effect similar or analogous to any such encumbrance or security as would be prohibited by sub-clause 5.1(b);
- (d) transfer, sell or otherwise dispose of the whole or any material part of the Charged Property Ninthly described whether by a single transaction or a number of transactions whether related or not except by way of sale at full value in the usual course of trading as transacted at the date hereof;
- (e) enter into any agreement with a financier, provider of money, creditor or any other party whatsoever (hereinafter called the "Financier") which has the economic effect of, or an economic effect similar to that of, providing security in respect of or in connection with the provision of finance or credit by the Financier and which involves or may involve one or more of the following:
 - (i) sales, agreements for sale or transfers of any property or rights whatsoever to the Financier; and/or
 - (ii) sales, agreements for sale or transfers actually or potentially on behalf of the Financier to any third party whatsoever; and/or
 - (iii) the grant or possible grant of authority by the Financier for sales, agreements for sale or transfers of the nature set out in sub-clause 5.1(e)(i);

5.2 The Company represents and warrants to AMC, and so that each such representation and warranty shall be deemed to be repeated on each day during the continuance of this security, that, except to the extent disclosed by the Company to AMC in writing prior to the date hereof:

- (a) the Company has not made any election pursuant to paragraph 2 of schedule 10 to the Value Added Tax Act 1994 in relation to any part of the Charged Property;
- (b) the charges contained in clause 4 do not infringe any intellectual property rights whether registered or unregistered whatsoever;
- (c) no circumstances have occurred during the Company's ownership of any freehold or leasehold property and, so far as the Company is aware, no circumstances occurred before the Company's ownership of any freehold or leasehold property now owned by the Company which have led or could lead to a competent authority or a third party taking any action or making a claim under any Environmental Laws (including the requirement to clean up or remedy in any other way any contaminated part of the environment or the revocation, suspension, variation or non-renewal of any Environmental Licence) or which have led or could lead to the Company having to take action to avert the possibility of any such action or claim; and
- (d) the Company is solely and beneficially interested in the Charged Property.

5.3 The Company shall not make or revoke such an election as is referred to in sub-clause 5.3(a) in relation to any part of the Charged Property without AMC's prior written consent or unless AMC requests the Company to do so in which case the Company shall immediately make or revoke (as the case may be) such an election in relation to any part of the Charged Property that AMC considers appropriate and give valid notification of it to H.M. Revenue & Customs.

5.4 The Company shall consent to or concur in the entry of any registration, notice or memorandum on any register in the United Kingdom or elsewhere (including without limitation any registration under Section 25 of the Trade Marks Act 1994) which AMC may require in order to register or note any interest it may have in, to or under the Intellectual Property Rights described (or any part thereof) and/or to restrict any dealings in, under or in connection with the Intellectual Property Rights.

- 5.5 The Company shall waive and procure the waiver of any and all moral rights (being the rights conferred by Chapter IV of the Copyright Designs and Patents Act 1988) which may affect or relate to the Intellectual Property Rights as AMC may require.
- 5.6 (a) The Company shall pay into its account or accounts with AMC the proceeds of the book and other debts, monetary claims and choses in action forming part of the Charged Property provided that AMC shall be deemed to receive the amounts owing to the Company referred to in paragraph (b) of the Charged Property Thirdly described in sub-clause 4.1 pursuant to the fixed charge contained therein and not pursuant to the fixed charge on freehold and leasehold property First described in that sub-clause or as mortgagee in possession.
- (b) The Company declares that all such proceeds received or obtained by the Company or on the Company's behalf but which are not so paid or transferred into that account or accounts shall be received and held by the Company on trust for AMC.
- 6 Deposit of title deeds, etc.**
- 6.1 The Company shall deposit with AMC and AMC during the continuance of this security shall be entitled to hold and retain (unless held by a prior mortgagee at the date hereof and for as long as it remains the prior mortgagee):
- (a) all deeds and documents of title relating to the Company's freehold and leasehold and heritable property for the time being;
- (b) all stock and share certificates and documents of title relating to Interests in Securities;
- (c) all such (if any) deeds and documents of title relating to the Charged Property Secondly, Fifthly and Eighthly described as AMC may from time to time specify.
- 6.2 (a) If any of the Securities are in uncertificated or dematerialised form, the Company shall, forthwith upon being requested to do so by AMC, give or procure the giving of all necessary instructions, in accordance with and subject to the facilities and requirements of the relevant system, to effect a transfer of title of such Securities into the name of AMC or its nominee and to cause the Operator to issue an Operator-instruction requiring the participating issuer in respect of such Securities to register such transfer of title;
- (b) following the giving of such instructions the Company shall procure the registrar of such issuer to amend the issuer's shareholders' register by entering AMC or its nominee as a shareholder in place of the Company;
- (c) for these purposes "instruction", "Operator", "Operator-instruction", "relevant system" and "participating issuer", shall have the meaning given to those terms in the Uncertificated Securities Regulations 2001.
- 7 Further assurance and notice of crystallisation**
- 7.1 The Company shall at any time if and when required by AMC execute and deliver to AMC or as AMC shall direct such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation as AMC shall require of and on all or any of the Charged Property to secure payment of the Secured Obligations, such assignments, mortgages, securities, charges, agreements or other legal documentation to be prepared by or on behalf of AMC at the cost of the Company and to contain all such clauses for the benefit of AMC as AMC may require including, if so required by AMC in the case of a mortgage or charge on any freehold or leasehold property, any such clauses as are contained in any of AMC's standard forms of mortgage from time to time and, in the case of securities over heritable property, any such clauses as are contained in any of AMC's standard forms of standard security from time to time. The Company shall at any time if and when required by AMC give notice to such parties as AMC may require of the charges hereby effected and any such further legal or other assignments, mortgages, securities, charges, agreements or other legal documentation and shall take such other steps as AMC may require to perfect any of the same. Upon demand at any time and at the Company's cost, the Company shall take all steps and do all such things as AMC may consider to be necessary or desirable to give effect to this security and to procure the perfection, pursuant to any and all statutory requirements, of the security intended to be granted by this Debenture.
- 7.2 On each occasion that the Company acquires, or any nominee on the Company's behalf acquires, any property the title to which is registered or required to be registered under the Land Registration Act 2002, the Company shall immediately notify AMC in writing of each relevant title number and the Company shall procure that title to that property is duly and promptly registered and that this Debenture is entered on the register with a restriction and, if applicable, a note in the terms referred to in sub-clause 5.2.
- 7.3 Without prejudice to the security hereby constituted AMC may at any time (either before or after demand has been made by AMC for payment of the money hereby secured) by notice in writing to the Company convert the floating charge created by sub-clause 4.1 over the Charged Property Ninthly described with immediate effect into a fixed charge as regards any of the Charged Property Ninthly described specified in the notice.
- 7.4 If, without AMC's prior written consent, any security comes into existence in favour of a third party in relation to any part of the Charged Property Ninthly described or if any person carries out, or attempts to carry out, any enforcement or process (including any distress, execution, taking of possession, forfeiture or sequestration) against any of the Charged Property Ninthly described, the floating charge over such property shall automatically and instantly convert to, and have effect as, a fixed charge.
- 8 AMC's powers of sale and leasing**
- 8.1 The powers and remedies conferred on mortgagees by Section 101 of the Law of Property Act 1925 shall apply to this Debenture but without the restriction imposed by Section 103 of that Act and the statutory powers of leasing conferred on AMC shall be extended so as to authorise AMC to lease and make arrangements for leases at a premium or otherwise and to

accept surrenders of leases and grant options as AMC shall think expedient and without the need to observe any of the provisions of Sections 99 and 100 of the said Act.

- 8.2 AMC in exercising its statutory power of sale, and any receiver appointed by AMC in exercising his powers hereunder, shall be at liberty to sell at such price and on such terms and conditions as it or he in its or his sole discretion thinks fit and shall not be under any duty or obligation to obtain the best or any particular price.
- 8.3 Neither AMC nor any such receiver shall be liable to the Company or any other person for any loss, damage, cost, expense or liability which the Company or any such person may suffer or incur as a direct or indirect result of AMC exercising its statutory power of sale, as hereby varied or extended, or such receiver exercising his powers hereunder.
- 8.4 In favour of a purchaser the Secured Obligations shall be deemed to have become due on the day on which demand for payment thereof is made by AMC and the statutory power of sale, as hereby varied or extended, shall be exercisable from and after that date, which date (without prejudice to the equitable right to redeem) shall be the redemption date.

9 Company's powers of leasing and licensing

The Company shall not, without the prior written consent of AMC in relation to any freehold or leasehold or heritable property now or at any time hereafter acquired by or belonging to the Company or any part thereof:

- (a) exercise the statutory powers and any other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases; or
- (b) part with possession of such property or grant any lease, tenancy, licence, right or interest to occupy such property or any part thereof; or
- (c) amend or confer upon any person any lease, tenancy, licence, right or interest to occupy such property or any part thereof or grant any licence or permission to assign, underlet or part with possession of such property or any part thereof.

10 Appointment of an administrator and appointment and powers of a receiver

- 10.1 At any time after AMC shall have demanded payment of the Secured Obligations or the Company shall have requested it to do so or an Insolvency Event shall have occurred (upon the happening of which the security in this Debenture shall be immediately enforceable) AMC shall have power, in writing under the hand of any official of AMC authorised by AMC from time to time or any person authorised by any such official in writing, to appoint any person or persons as AMC thinks fit to be an administrator or joint administrators or several administrators or joint and several administrators of the Company or alternatively a receiver or joint receivers or several receivers or joint and several receivers of the Charged Property to act, in the case of two or more receivers, jointly, severally or jointly and severally in relation to any part of the Charged Property and to the extent permitted by law similarly to remove any such receiver and to appoint another or others in his place.
- 10.2 If AMC excludes any part of the Charged Property from the appointment of any receiver, AMC may subsequently extend that appointment (or that of any receiver replacing such receiver) to such excluded part of the Charged Property.
- 10.3 Any such receiver may in the name of or on behalf and at the cost of the Company or at his option in the name of AMC (but only with the specific approval in writing of AMC) or at his option in his own name (and in any case notwithstanding any administration or liquidation of the Company), do or omit to do anything which the Company could do or omit to do and (in addition) may exercise all or any of the powers specified in Schedule 1 to the Insolvency Act 1986 (notwithstanding that such receiver may not be an administrative receiver) and in particular (but without prejudice to the generality of the foregoing) any such receiver may:
- (a) deal with, take possession of, collect and get in any of the Charged Property;
 - (b) carry on, manage, develop or diversify or concur in carrying on, managing, developing or diversifying any business of the Company or any part thereof and for any of those purposes receive, retain and use any proceeds, books and records of such business and carry out or complete (with or without modification) on any of the Charged Property any works of demolition, building, repair, construction, furnishing or any project or development in which the Company was engaged;
 - (c) raise or borrow any money from or incur any other liability to AMC or any other person and on such terms as to interest or otherwise and with or without security as such receiver may think expedient and so that any such security may, with the prior written consent of AMC, be or include a charge on the Charged Property ranking either in priority to or *pari passu* with or after the security hereby created;
 - (d) forthwith and without the restriction imposed by Section 103 of the Law of Property Act 1925 sell, realise, dispose of or concur in selling, realising or disposing of (but where necessary with the leave of the Court) and without the need to observe any of the provisions of Sections 99 and 100 of the said Act let or concur in letting or surrender or concur in surrendering or accept surrenders of leases or tenancies of all or any of the Charged Property;
 - (e) carry any sale, exchange, realisation, disposal, lease, tenancy or surrender of the Charged Property into effect by conveying, transferring, assigning, leasing, letting, surrendering or accepting surrenders in the name and on behalf of the Company (or other the estate owner) and so that covenants and contractual obligations may be granted in the name of and so as to bind the Company (or other the estate owner) so far as such receiver may consider it necessary, appropriate or expedient for the exercise of the powers conferred by this Debenture so to do. Any such sale, exchange, realisation, disposal, lease or tenancy may be for cash, debentures or other obligations, shares, stock or other valuable consideration and may be payable in a lump sum or by instalments spread over such period as such receiver shall think fit and so that any consideration received or receivable shall forthwith be and become charged with the payment of the

Secured Obligations. Plant, machinery and other fixtures may be severed and sold separately from the premises containing them without the consent of the Company being obtained thereto;

- (f) apply for and obtain any approval, permission, consent and licence (including any Environmental Licence, planning permission and building regulation approval), enter into and perform contracts and arrangements, purchase materials and incur any type of obligation;
- (g)
 - (i) promote the formation of a subsidiary or subsidiaries of the Company with a view to such subsidiary or subsidiaries purchasing, leasing, licensing or otherwise acquiring interests in or the use of the Charged Property or with a view to such subsidiary or subsidiaries engaging employees or providing management or other services in connection therewith or for any other purpose or function which may be regarded as necessary or appropriate by such receiver from time to time;
 - (ii) arrange for such subsidiary or subsidiaries to trade or cease to trade as such receiver may think fit from time to time;
 - (iii) arrange for the purchase, lease, licence or acquisition of all or any of the assets of the Company by any such subsidiary or subsidiaries on a basis whereby the consideration may be for cash, shares, debentures, loan stock, convertible loan stock or other securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise howsoever and whether or not secured on the assets of the subsidiary or subsidiaries and whether or not such consideration is payable or receivable in a lump sum or by instalments spread over such period as such receiver may think fit;
- (h) take any proceedings in relation to the Charged Property in the name of the Company or otherwise as may seem expedient including (without prejudice to the generality of the foregoing) proceedings for the collection of rent in arrears at the date of his appointment;
- (i) enter into any agreement or make any arrangement or compromise which such receiver shall think expedient in respect of the Charged Property;
- (j) make and effect all repairs to and renewals and improvements of the Company's plant, machinery and effects and insure the Charged Property or maintain or renew all insurances of the same on such terms as such receiver shall think fit or as AMC may direct;
- (k) appoint managers, agents, officers and employees for any of the aforesaid purposes at such salaries and for such periods as such receiver may determine and dismiss any of the same;
- (l) adopt any contracts of employment entered into between the Company and any of its employees with such variations to the contract as such receiver may think fit and dismiss any such employees;
- (m) exercise the Company's rights under any rent review clause contained in any lease of the Charged Property First described and grant or apply for any new or extended lease thereof;
- (n) cause the Company to grant such powers of attorney or appoint agents as such receiver may from time to time think expedient;
- (o) do all such things as may be thought necessary for the management of the Charged Property and the affairs and business of the Company;
- (p) grant, vary and release easements and other rights over freehold and leasehold property of the Company and impose, vary or release covenants affecting such property and agree that such property may be subject to any easements or covenants;
- (q) purchase any freehold and leasehold properties and other capital assets if such receiver considers it would be conducive to realisation of AMC's security to do so; and
- (r) do all such other acts and things as may from time to time be considered by such receiver to be incidental or conducive to any of the matters or powers aforesaid or otherwise incidental or conducive to the realisation of AMC's security or the exercise of his functions as receiver.

10.4 Sub-section 109(8) of the Law of Property Act 1925 shall not apply and all money received by such receiver shall be applied:

- (a) first in payment of his remuneration and the costs of realisation including all costs and expenses of or incidental to any exercise of any power hereby conferred;
- (b) secondly in or towards the payment of any preferential debts which are by statute made payable in preference to the Secured Obligations to the extent to which such preferential debts are made so payable;
- (c) thirdly (if such receiver thinks fit, but not otherwise) in or towards payment of all or any of the matters referred to in paragraphs (i), (ii), (iii) and (iv) of Sub-section 109(8) of the Law of Property Act 1925 as he in his absolute discretion shall decide;
- (d) fourthly in or towards satisfaction of the Secured Obligations.

10.5 Any such receiver shall at all times and for all purposes be deemed to be the agent of the Company which alone shall be responsible for his acts or defaults and for his remuneration.

- 10.6 Any such receiver shall be entitled to remuneration for his services and the services of his firm at a rate or rates or in an amount or amounts as may from time to time be agreed between AMC and such receiver or (in default of agreement) as may be appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by such receiver in accordance with the current practice of such receiver or his firm and without in either such case being limited by the maximum rate specified in Section 109(6) of the Law of Property Act 1925.
- 10.7 Only money actually paid by such receiver to AMC shall be capable of being applied by AMC in or towards satisfaction of the Secured Obligations.
- 10.8 The powers conferred by this clause 10 shall be in addition to all powers given by statute to AMC or to any such receiver.
- 10.9 (a) If any person takes (or threatens to take) any steps to enforce any security which ranks before or equal to any part of this security in relation to any part of the Charged Property, AMC or such receiver (in respect of such Charged Property) may at any time redeem any part of that person's security or procure its transfer to AMC or such receiver. The money so expended by AMC or any such receiver and all costs of and incidental to the transaction incurred by AMC or any such receiver shall be secured hereby and shall bear interest computed and payable as provided in clauses 2 and 3 from the date of the same having been expended.
- (b) AMC and such receiver may settle and pass the accounts of any person entitled to any security which ranks before or equal to any part of this security in relation to any part of the Charged Property. Any account so settled and passed shall be conclusive and binding on the Company.
- 10.10 If AMC shall appoint more than one receiver the powers given to a receiver hereby and by statute shall be exercisable by all or any one or more of such receivers and any reference in this Debenture to "receiver" shall be construed accordingly.

11 Protection of third parties

- 11.1 No person (each a "Third Party", including any insurer, assurer, purchaser or security holder) dealing with AMC or any receiver appointed by it or their respective employees and agents need enquire:
- (a) whether any right, exercised or purported to be exercised by AMC, such receiver or their respective employees and agents has become exercisable; or
- (b) whether any of the Secured Obligations is due or remains outstanding; or
- (c) as to the propriety or regularity of anything done (including any sale, dealing or application of money paid, raised or borrowed) by AMC, such receiver or their respective employees and agents.
- 11.2 Each of those things shall (as between that Third Party on the one hand and AMC or any receiver appointed by it or their respective employees and agents on the other hand) be deemed to be exercisable, due, outstanding, proper, regular and within the terms of this Debenture (as the case may be) and to be fully valid and effective.
- 11.3 All the protections to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 and to persons contained in Section 42(3) of the Insolvency Act 1986 apply to each Third Party.
- 11.4 AMC, any receiver appointed by it and their respective employees and agents may give receipts to any Third Party. The Company agrees that each receipt shall be an absolute and conclusive discharge to such Third Party and shall relieve such Third Party of any obligations to see to the application of any assets paid or transferred to or by the direction of AMC, such receiver, employee or agent.

12 Covenants

The Company shall:

- (a) within such period as is allowed by law for the delivering of such accounts to the Registrar of Companies, furnish to AMC a balance sheet and profit and loss account complying with the provisions of the Companies Act 1985 and showing the true position of the Company's affairs in every financial year audited and reported upon by an accountant approved by AMC and also from time to time such other information about the Company (including information about the assets and liabilities of the Company) as AMC may reasonably require;
- (b) maintain at all times the aggregate value of the Company's good book debts and cash in hand as appearing in the Company's books and investments quoted on any recognised stock exchange and its marketable stock-in-trade (taken at cost or market price whichever may be the lower according to the best estimate that can be formed without it being necessary to take stock for the purpose) at such sum (if any) as AMC may from time to time require by not less than one month's notice in writing to the Company (and in the absence of such notification from AMC at a sum which is at least twice the Secured Obligations) and on such dates (if any) in every year as may from time to time be required by AMC the Company shall obtain and furnish to AMC a certificate showing the said aggregate value together with details of any amounts payable by the Company and outstanding which under Sections 175 and 386 of the Insolvency Act 1986 or under any other statute would in the event of the liquidation of the Company constitute preferential debts. Such certificate shall be signed by the Managing Director of the Company for the time being or, if there shall be no Managing Director, then by one of the Directors of the Company. For the purposes of this sub-clause there shall be disregarded:
- (i) any stock-in-trade the property in which remains in the seller notwithstanding that the Company may have agreed to purchase the same and notwithstanding that the same may be in the possession, order or disposition of the Company; and

- (ii) any book debts or cash in hand deriving from any such stock-in-trade as is referred to in paragraph (i) of this sub-clause;
- (c) not (except with the prior consent in writing under the hand of an official of AMC and then only on such terms and conditions as AMC may specify) sever or remove from the Charged Property First described any trade or other fixtures, fixed plant and machinery for the time being thereon except for the purpose of renewing or replacing the same by trade or other fixtures or fixed plant and machinery of equal or greater value;
- (d)
 - (i) comply with all covenants, restrictions, requirements, provisions, regulations and conditions affecting the Charged Property (including the use or enjoyment of it); and
 - (ii) fully and punctually perform each obligation on the Company in relation to any security in favour of a third party affecting any part of the Charged Property and, if AMC so requests, the Company shall immediately produce to AMC evidence of such performance (including a receipt for any payment made by the Company);
- (e) comply with all relevant licences, consents, permissions and conditions from time to time granted or imposed by the Planning Acts and not without the prior written consent of AMC enter into any agreement with any relevant planning authority affecting the Charged Property First described;
- (f) forthwith upon receipt of any permission, notice, order, proposal or recommendation given or issued by any competent planning authority to the owner or occupier of the Charged Property First described or any notice under Section 146 of the Law of Property Act 1925 or otherwise from any superior landlord of the Charged Property First described forward the same or a true copy thereof to AMC;
- (g) not make or consent to the making of any application for planning permission or any other application under the Planning Acts affecting the Charged Property First described unless either AMC has consented in writing to such application being made or a copy of the proposed application has been sent to AMC at least one month before the date of the application and AMC has raised no objection to the making of the application;
- (h) permit AMC or its agents at any time to enter upon the Charged Property First described for the purpose of establishing whether or not the Company is complying with its obligations under this Debenture;
- (i) not take or knowingly fail to take any action which does or might reasonably be expected to affect adversely any registration of the Intellectual Property Rights;
- (j) maintain and defend the Intellectual Property Rights at all times (including without limitation by paying at the Company's expense all recording and renewal fees) and taking all action reasonably necessary to defend such Intellectual Property Rights against any action, claim or proceeding brought or threatened by any third party and to stop infringements thereof by any third party;
- (k) not abandon or cancel or authorise any third party to do any act which would or might invalidate and jeopardise or be inconsistent with the Intellectual Property Rights and not omit or authorise any third party to omit to do any act which by its omission would have that effect or character; and
- (l) promptly notify AMC of any infringement by any third party of any Intellectual Property Rights.

13 Repair and Insurance

- 13.1(a) The Company shall keep all buildings and fixtures hereby charged in a good state of repair and all plant and machinery in good working order and condition and insure and keep insured all its property and effects of every description with reputable insurers and on terms approved by AMC against loss or damage by fire and by terrorist damage and such other contingencies and risks as may be required by AMC in their full reinstatement value for the time being in the joint names of the Company and AMC or with the interest of AMC endorsed on the policy or policies or noted as AMC may require and shall (unless deposited with a prior mortgagee at the date hereof and for as long as it remains the prior mortgagee or unless the insurance to which such policy or policies relate and which was approved by AMC was effected by a landlord with the respective interests of AMC and the Company endorsed or noted thereon) if requested to do so by AMC deposit with AMC on demand such policies as may be required by AMC and shall duly pay all premiums and sums payable for this purpose and if requested to do so by AMC produce the receipts therefore to AMC on demand.
- (b) The Company shall promptly do all other things necessary to keep such policy or policies in full force and effect.
- 13.2 (a) If default shall at any time be made by the Company in keeping its buildings and fixtures and plant and machinery or any part thereof in a good state of repair and in good working order or in effecting or keeping up any such insurance or in paying any rent or other outgoings or dilapidations or in producing to AMC any such policy or receipt, it shall be lawful for, but not obligatory on, AMC to repair and maintain the same with power to enter any of the Company's property for that purpose or to pay such rent or other outgoings or dilapidations or to effect or renew any such insurance as aforesaid as AMC shall think fit and any sum or sums so expended by AMC shall be repayable by the Company to AMC on demand together with interest computed and payable as provided in clauses 2 and 3 from the date of payment by AMC as aforesaid and, pending repayment, shall be secured hereby.
- (b) All money which may at any time be received or receivable under any such insurance or any other insurance covering any of the property and effects of the Company against such risks as aforesaid shall be held in trust for AMC and (at AMC's option) shall either be paid to AMC or shall be applied in replacing, restoring or reinstating the property destroyed or damaged.

- 13.3 The Company authorises AMC in the Company's name and on the Company's behalf to make any claim against the insurer under any part of any insurance policy and to admit, compromise or settle such claim or any liability relating to any such claim or any potential claim.
- 13.4 The Company also authorises AMC to receive any amounts payable or received in respect of any insurance policy or claim under any insurance policy and to give a good discharge to the insurer in respect of such amounts.
- 13.5 Any sum paid by AMC to the lessor of any lease under which the Charged Property First described in sub-clause 4.1 is held (or under any superior lease) in settlement of any claim made by the lessor for any rent or other outgoings or dilapidations reserved or payable or alleged to be reserved or payable under the lease shall be deemed to be a payment properly made under the terms of sub-clause 13.2(a) (whether or not actually due to the lessor and whether or not disputed by the Company) provided that such payment was made by AMC in good faith for the purpose of avoiding, compromising or terminating any proceedings for forfeiture or otherwise for the purpose of preserving or enforcing the security hereby created.

14 Environmental obligations

The Company shall:

- (a) obtain all Environmental Licences applicable to the Charged Property and to the Company's business and comply with the terms and conditions of the same;
- (b) comply with all Environmental Laws applicable to the Charged Property and to the Company's business and not permit a contravention of the same;
- (c) notify AMC of the receipt of and content of all claims, notices or other communications in respect of any alleged breach of any Environmental Law or the terms and conditions of any Environmental Licence which may have a material adverse effect on the market value of the Charged Property or on the Company's business and shall forthwith take such steps as AMC may direct to remedy and/or cease the continuation of any such alleged breach;
- (d) promptly pay all fees and other charges in respect of any Environmental Licence applicable to the Charged Property and to the Company's business;
- (e) forthwith notify AMC of the receipt of and the contents of any notices or other communication varying or suspending any Environmental Licence relating to the Charged Property and to the Company's business and forthwith take such steps as AMC may direct to reinstate in full force and effect any Environmental Licence so varied or suspended;
- (f) forthwith supply AMC with copies of any environmental reports, audits or studies undertaken in relation to the Charged Property and to the Company's business; and
- (g) pay the costs and expenses (including Value Added Tax) incurred by AMC in commissioning environmental audits (which AMC shall be entitled to do whenever it thinks fit) and shall permit AMC and its agents full and free access to all the freehold and leasehold property of the Company for the purposes of such environmental audits.

15 Enfranchising legislation

The Company shall:

- (a) where any of the Charged Property First described in sub-clause 4.1 is held under a lease:
 - (i) notify AMC forthwith if such property becomes subject to an Estate Management Scheme pursuant to Chapter IV of Part I of the Leasehold Reform, Housing and Urban Development Act 1993 and provide a copy of the scheme deed as approved by the relevant leasehold valuation tribunal;
 - (ii) notify AMC before exercising (whether individually or collectively with others) any right conferred upon the Company in relation to the property by Enfranchising Legislation and supply to AMC such information as it may reasonably require in relation to the exercise of such right;
 - (iii) not without the prior written consent of AMC, agree the terms of any new lease of the property (with or without any further property) to be granted to the Company pursuant to any Enfranchising Legislation or otherwise;
 - (iv) if as a result of the exercise of any rights conferred by Enfranchising Legislation or otherwise the freehold interest and/or any intermediate reversionary interest in the property becomes vested in a third party on behalf of the Company (with or without others), forthwith supply to AMC particulars of such third party and (where such third party is a body corporate) details of any shares therein to be issued to the Company and deliver the share certificate in respect thereof to AMC when received; and
 - (v) at its own cost take such further action as AMC may require in relation to the security granted by this Debenture.
- (b) where any of the Charged Property First described in sub-clause 4.1 or any part of it is or (without prejudice to clause 9) becomes subject to any tenancy:
 - (i) forthwith notify AMC on receipt of (and provide to AMC a copy of) any notices received from any tenant of the property or any part of it pursuant to the provisions of any Enfranchising Legislation;
 - (ii) not without the prior written agreement of AMC, serve upon any tenant of the property or any part of it a notice pursuant to the provisions of any Enfranchising Legislation;

- (iii) serve such notices in such form and take such other steps as AMC may reasonably require following the exercise by any tenant of the property or any part of it of any rights arising under any Enfranchising Legislation;
- (iv) not without the prior written agreement of AMC, enter into any agreement to grant a new lease to any tenant of the property or any part of it pursuant to or in consequence of the operation of any Enfranchising Legislation; and
- (v) not without the prior written agreement of AMC, enter into any agreement pursuant to or in consequence of the operation of any Enfranchising Legislation to transfer to any person or persons the Company's interest in the property subject to the security hereby created and (if such agreement be given) to provide to AMC such information in respect of any such transfer and its terms (including the identity of the transferees) as AMC may reasonably require.

16 Power of attorney

16.1 For the purpose of securing the payment of the Secured Obligations and for securing any proprietary interest which AMC has in any of the Charged Property, the Company irrevocably appoints AMC and the persons deriving title under it and its and their substitutes and any receiver or receivers appointed hereunder (the "Attorney") jointly and also severally to be the Company's true and lawful attorney. For the purposes aforesaid the Attorney shall have the right to do anything which the Company may lawfully do and all the rights and powers which may lawfully be given to an attorney including, without prejudice to the generality of the foregoing:

- (a) the right to do anything to procure or carry out the performance of the Company's obligations under this Debenture and anything to facilitate the exercise of AMC's rights under this Debenture;
- (b) the right to act in the name of the Company;
- (c) the right to delegate and sub-delegate any or all of the rights of the Attorney;
- (d) the right to execute and complete any documents or instruments which AMC or any receiver may require for perfecting the title of AMC to the Charged Property or for vesting the same in AMC, its nominees or any purchaser; and
- (e) the right to sign, execute, seal and deliver and otherwise perfect any further security documentation referred to in clause 7.

16.2 The Company ratifies and shall ratify everything done or purported to be done by the Attorney.

17 Indemnity

17.1 The Company hereby agrees to indemnify AMC and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against:

- (a) all existing and future rents, rates, taxes, duties, charges, assessments and outgoings now or at any time payable in respect of the Charged Property or by the owner or occupier thereof; and
- (b) all costs, claims, demands, expenses, charges, assessments, impositions, fines and sums and the consequences of any proceedings or prosecutions arising directly or indirectly from or in connection with any breach by the Company of any law;

in each case, whether imposed by statute or otherwise and whether of the nature of capital or revenue and even though of a wholly novel character. If any such sums shall be paid by AMC or any such receiver or any of their respective employees or agents, the same shall be paid by the Company on demand with interest computed and payable as provided in clauses 2 and 3 from the time or respective times of the same having been paid or incurred and, pending payment, shall be secured hereby, but AMC shall not be deemed to have taken possession of the Charged Property by reason of such payment.

17.2 The Company hereby agrees to indemnify AMC and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against all loss incurred in connection with:

- (a) any statement made by the Company or on the Company's behalf in connection with this Debenture or the business of the Company being untrue or misleading;
- (b) AMC entering into any obligation with any person (whether or not the Company) at the request of the Company (or any person purporting to be the Company);
- (c) any actual or proposed amendment, supplement, waiver, consent or release in relation to this Debenture;
- (d) any stamping or registration of this Debenture or the security constituted by it; and
- (e) any failure to register this Debenture in respect of any Charged Property where such registration is required in order to preserve the effectiveness or priority of the security created by this Debenture,

whether or not any fault (including negligence) can be attributed to AMC or any receiver appointed by it or their respective employees and agents.

17.3 This indemnity does not and shall not extend to any loss to the extent that there is a prohibition against an indemnity extending to that loss under any law relating to this indemnity.

18 Notice of subsequent charges, etc.

If AMC receives notice of any subsequent assignment, mortgage, security, charge or other interest affecting the Charged Property AMC may open a new account. If AMC does not open a new account it shall nevertheless be treated as if it had done

so at the time when it received such notice and as from that time all payments made to AMC in respect of any of the Secured Obligations shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount of the Secured Obligations owing at the time AMC received the notice.

19 Set-off

19.1 Without prejudice to any other rights whatsoever which AMC may have whether under general law or by implication or otherwise, AMC shall have the right at any time or times and without notice to the Company (as well before as after any demand hereunder or otherwise) to combine or consolidate all or any of the then existing accounts (including accounts in the name of AMC with any designation which includes all or any part of the name of the Company) and liabilities to AMC of the Company and/or set off or transfer any sum or sums standing to the credit of any one or more of such accounts (whether subject to notice or restriction on availability or not and whether denominated in Sterling or in any other currency or currency unit) in or towards satisfaction of any of the liabilities of the Company to AMC on any other account or in any other respect, whether such liabilities be actual, contingent, primary, collateral, several or joint and whether as principal or surety.

19.2 In the case of all accounts (whether denominated in Sterling or in any other currency or currency unit) AMC may at its sole discretion, and with or without notice to the Company, elect to convert all or any of the sum or sums standing to the credit of any such account or accounts (in whole or in part) into the currency or currency unit or the currencies or currency units of the whole or any part of the Secured Obligations (deducting from the proceeds of the conversion any currency premium or other expense) and the rate of exchange shall be the spot rate of Lloyds Bank plc for selling the currency or currency unit or the currencies or currency units of the Secured Obligations for the currency or currency unit of the sum standing to the credit of such account at or about 11.00 am in London on the date that AMC exercises its rights of conversion hereunder.

19.3 AMC shall not be under any obligation to repay the deposits and credit balances referred to in paragraph (a) of the Charged Property Thirdly described in sub-clause 4.1 until the Secured Obligations have been paid and discharged in full.

20 Notices and demands

20.1 Any notice or demand by AMC hereunder shall be deemed to have been sufficiently given or made if:

- (a) sent by hand or prepaid letter post to the registered office of the Company or the address stated herein or the address of the Company last known to AMC; or
- (b) sent by telex or facsimile to the Company's last known telex or facsimile number relating to any such address or office.

20.2 Any such notice or demand given or made under sub-clause 20.1 shall be deemed to have been served on the Company:

- (a) at the time of delivery to the address referred to in sub-clause 20.1(a), if sent by hand;
- (b) at the earlier of the time of delivery or 10.00 am on the day after posting (or, if the day after posting be a Sunday or any other day upon which no delivery of letters is scheduled to be made) at the earlier of the time of delivery or 10.00 am on the next succeeding day on which delivery of letters is scheduled to be made, if sent by prepaid letter post;
- (c) at the time of transmission, if sent by telex or facsimile (and a facsimile shall be deemed to have been transmitted if it appears to the sender to have been transmitted from a machine which is apparently in working order); or
- (d) on the expiry of 72 hours from the time of despatch in any other case.

20.3 Service of legal proceedings in the manner described in sub-clause 20.1(a) shall be deemed to constitute good service.

20.4 Any notice or communication required to be served by the Company on AMC under the terms of this Debenture shall be in writing and sent by recorded delivery or registered post to AMC at AMC's address stated herein or at such other address as may be notified in writing by AMC to the Company for this purpose.

21 Currency conversion

AMC may at its sole discretion, and with or without notice to the Company, elect to convert all or any part of any sum received by AMC pursuant to this Debenture (in whole or in part) into the currency or currency unit or currencies or currency units of the whole or any part of the Secured Obligations (deducting from the proceeds of the conversion any currency premium or other expense) and the rate of exchange shall be the spot rate of Lloyds Bank plc for selling the currency or currency unit or currencies or currency units of the Secured Obligations or relevant part thereof for the currency or currency unit of the sum received by AMC hereunder at or about 11.00 am in London on the date that AMC exercises its right of conversion hereunder.

22 Payments and costs

22.1 If at any time the currency in which all or any part of the Secured Obligations is denominated is, is due to be or has been converted into the Euro or any other currency as a result of a change in law or by agreement between AMC and the relevant obligor, then AMC may in its sole discretion direct that all or any of the Secured Obligations shall be paid in the Euro or such other currency or in any currency unit.

22.2 AMC may apply, allocate or appropriate the whole or any part of any payment made by the Company hereunder or any money received by AMC under any guarantee, indemnity or third party security or from any liquidator, receiver or administrator of the Company or from the proceeds of realisation of the Charged Property or any part thereof to such part or parts of the Secured Obligations as AMC may in its sole discretion think fit to the entire exclusion of any right of the Company to do so.

22.3 If any payment made by or on behalf of AMC hereunder includes an amount in respect of Value Added Tax or if any payment due to AMC hereunder shall be in reimbursement of any expenditure by or on behalf of AMC which includes an amount in respect of Value Added Tax, then such amount shall be payable by the Company to AMC on demand with interest from the date of such demand computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

22.4 Without prejudice to the generality of clauses 2 and 10, the Company shall pay to AMC (on a full and unqualified indemnity basis) all costs incurred or suffered by AMC, and any receiver appointed by AMC shall be entitled to recover as a receivership expense all costs incurred or suffered by him:

- (a) in connection with any application under Part III of the Insolvency Act 1986;
- (b) in defending proceedings brought by any third party impugning AMC's title to this security or the enforcement or exercise of the rights and remedies of AMC or of such receiver or receivers hereunder; and
- (c) (in the case of AMC only) in connection with effecting any appointment of any receiver or administrator or in dealing with any appointment of, or notice of intention or application to appoint, any receiver or administrator by any party including the Company and without prejudice to any other right or process of recovering such costs;

and all such costs shall bear interest from the date such costs were incurred or suffered computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

22.5 All costs awarded to AMC or agreed to be paid to AMC in any proceedings brought by the Company against AMC shall bear interest from the date of such award or agreement computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

23 Non-merger, etc.

23.1 Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill, note, guarantee, mortgage or other security or any contractual or other right which AMC may at any time have for the Secured Obligations or any right or remedy of AMC thereunder. Any receipt, release or discharge of the security provided by or of any liability arising under this Debenture shall not release or discharge the Company from any liability to AMC for the same or any other money which may exist independently of this Debenture, nor shall it release or discharge the Company from any liability to AMC under clauses 17 or 22.

23.2 Where this Debenture initially takes effect as a collateral or further security then, notwithstanding any receipt, release or discharge endorsed on, or given in respect of the money and liabilities owing under, the principal security to which this Debenture operates as a collateral or further security, this Debenture shall, in respect of any Secured Obligations which were originally intended to be secured, be an independent security for such Secured Obligations.

23.3 This Debenture is in addition to any other security or securities now or hereafter held by AMC.

24 Transfers by AMC or the Company

24.1 Each of AMC's rights in relation to this Debenture is freely and separately assignable or transferable by AMC. On request by AMC, the Company shall immediately execute and deliver to AMC any form of instrument required by AMC to confirm or facilitate any such assignment or transfer.

24.2 The Company shall not assign or transfer any of the Company's rights or obligations under this Debenture or enter into any transaction or arrangement which would result in any of those rights or obligations passing to or being held in trust for or for the benefit of another person.

25 Partial invalidity

Each of the provisions in this Debenture shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

26 Restriction on liability of AMC

Except to the extent that any such exclusion is prohibited or rendered invalid by law, neither AMC nor any receiver appointed by it nor their respective employees and agents shall:

- (a) be liable to account as a mortgagee in possession for any sums other than actual receipts;
- (b) be liable for any loss upon realisation of, or for any action, neglect or default of any nature whatsoever in connection with, any part of the Charged Property for which a mortgagee in possession might as such otherwise be liable;
- (c) be under any duty of care or other obligation of whatsoever description to the Company in relation to or in connection with the exercise of any right conferred upon AMC, any receiver appointed by it and their respective employees and agents; or
- (d) be under any liability to the Company as a result of, or in consequence of the exercise, or attempted or purported exercise of, or failure to exercise, any of their respective rights.

27 Miscellaneous

27.1 Any amendment of or supplement to any part of this Debenture shall only be effective and binding on AMC and the Company if made in writing and agreed to by both AMC and the Company. References to "this security", "this deed" or to "this Debenture" include each such amendment and supplement.

- 27.2 The Company and AMC shall from time to time amend the provisions of this Debenture if AMC notifies the Company that any amendments are required to ensure that this Debenture reflects the market practice prevailing at the relevant time following the introduction of economic and monetary union and/or the Euro in all or any part of the European Union.
- 27.3 AMC and the Company agree that the occurrence or non-occurrence of European economic and monetary union, any event or events associated with European economic and monetary union and/or the introduction of any new currency in all or any part of the European Union will not result in the discharge, cancellation, rescission or termination in whole or in part of this Debenture or give any party hereto the right to cancel, rescind, terminate or vary this Debenture in whole or in part.
- 27.4 Any waiver, consent, receipt, settlement or release given by AMC in relation to this Debenture shall only be effective if given in writing and then only for the purpose for and upon any terms on which it is given.
- 27.5(a) The Company acknowledges to and agrees with AMC that, in entering into this Debenture and incurring the Secured Obligations:
- (i) the Company has not relied on any oral or written statement, representation, advice, opinion or information made or given to the Company in good faith by AMC or anybody on AMC's behalf and AMC shall have no liability to the Company if the Company has in fact done so;
 - (ii) the Company has made, independently of AMC, the Company's own assessment of the viability and profitability of any purchase, project or purpose for which the Company has incurred the Secured Obligations and AMC shall have no liability to the Company if the Company has not in fact done so; and
 - (iii) there are no arrangements, collateral or relating to this Debenture, which have not been recorded in writing and signed on behalf of AMC and the Company.
- (b) The Company agrees with AMC that AMC did not have prior to the date of this Debenture, does not have and will not have any duty to the Company:
- (i) in respect of the application by the Company of the money hereby secured;
 - (ii) in respect of the effectiveness, appropriateness or adequacy of the security constituted by this Debenture or of any other security for the Secured Obligations; or
 - (iii) to preserve the goodwill of any business carried on by the Company by running, or procuring the running of, such business or otherwise, either before or after the enforcement of this Debenture.
- (c) The Company agrees with AMC for itself and as trustee for its officials, employees and agents that neither AMC nor its officials, employees or agents shall have any liability to the Company in respect of any act or omission by AMC, its officials, employees or agents done or made in good faith.
- 27.6 For the purpose of exercising, assigning or transferring its rights under this Debenture, AMC may disclose to any person any information relating to the Company which AMC has at any time.
- 27.7 The restriction on the right of consolidating mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this Debenture or any further or other security entered into pursuant to this Debenture.
- 27.8 Any change in the constitution of AMC or its absorption of or amalgamation with any other person shall not in any way prejudice or affect AMC's rights under this Debenture.
- 27.9 If (but for this sub-clause) any company which has issued any Securities would by virtue of this Debenture be a "subsidiary undertaking" or "associated undertaking" (both as defined by the Companies Act 1985) of AMC, then AMC or its nominee shall only exercise any voting rights in relation to such Securities in accordance with the Company's instructions and in the Company's interest, except where AMC or its nominee is exercising such voting rights for the purpose of preserving the value of the security hereby created or for the purpose of realising such security.
- 27.10 Unless and until AMC shall have made demand for payment of the Secured Obligations or one of the other events mentioned in sub-clause 10.1 shall have occurred, AMC shall not be entitled (except for the purposes mentioned in sub-clauses 12(b)(i), 13.2(a) and 14(g)) to enter upon the Company's freehold or leasehold or heritable property or to obtain possession thereof.
- 27.11 AMC shall be entitled to debit any account for the time being of the Company with AMC with any sum due to AMC hereunder.
- 27.12 Each term in any document relating to the Company's obligations to AMC is, to the extent not set out in or otherwise incorporated into this Debenture, incorporated into this Debenture in so far as is necessary to comply with section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 but, except where stated otherwise, if there is any conflict between that term and any other term of this Debenture, that other term will prevail.
- 27.13 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Debenture.

28 Governing Law

This Debenture shall be governed by and construed according to English law and each party hereto irrevocably submits to the jurisdiction of the English courts.

IN WITNESS whereof the parties hereto have executed this Debenture as a deed and have delivered it upon its being dated.

Use this execution clause if the Company is to execute is to execute acting by two directors or one director and Company secretary.

Signed as a deed by

Annakin Farms Limited

acting by



Director



Director/Company Secretary

Use this execution clause if the Company is to execute by one director in the presence of a witness.

Executed as a deed by

Annakin Farms Limited

Acting by

Director

Witness' name and address

Witness' signature

Signed and delivered as a deed by

Signature

Glenn Damen

As attorney and for The Agricultural Mortgage Corporation PLC,
in the presence of:

Witness' name and address

Matthew Charles Young
[Redacted Address]

Witness' signature

[Redacted Signature]

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