

MR01

Particulars of a charge

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

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

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

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

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form must be delivered to the Registrar for registration within
21 days beginning with the day after the date of creation of the charge. If
delivered outside of the 21 days it will be rejected unless it is accompanied
by a court order extending the time for delivery

 You must enclose a certified copy of the instrument with this form. This will
be scanned and placed on the public record

WEDNESDAY



R2F72C5C

RCS

21/08/2013

#129

COMPANIES HOUSE

1

Company details

Company number 0 8 4 7 5 8 7 0

Company name in full Affinity Flooring Limited

→ **Filing in this form**

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2

Charge creation date

Charge creation date 3 1 0 7 2 0 1 3

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 Geoffrey John Andrew
(as trustee for Stagshead Trust)

Name Elsie Caroliena Andrew
(as trustee for Stagshead Trust)

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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Particulars of a charge

4	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	(a) all estates or interests in any freehold or leasehold property belonging to the Company now or at any time after the date of this Debenture, plant and machinery which are at any time on the property, (b) all present and future interests of the Company in or over land or the proceeds of sale of it and all present and future licences of the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures) which are at any time on the property charged under this Debenture,		

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	
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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	
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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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Particulars of a charge

4	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
Description	(c) all present and future plant, machinery, vehicles, computers and office and other equipment owned by the Company, (d) all present and future stocks, shares and other securities owned (at law or in equity) by the Company and all rights and interests accruing or offered at any time in relation to them, (e) all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Company and the benefit of all rights and claims to which the Company is now or may be entitled under any contracts, (f) all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world, (g) all the Company's goodwill and uncalled capital for the time being,

MR01 - continuation page

Particulars of a charge

4	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	
Description	(h) all present and future book and other debts and monetary claims of the Company whether payable now or in the future and the benefit of all present and future rights and claims of the Company against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 2 1 1(e)), (i) all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest),		

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Particulars of a charge

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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



X

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

MR01

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 James Watts

Company name Theobald Associates

Address 16 St Martin's le Grand,
St Pauls,

Post town London

Country/Region London

Postcode E C 1 A 4 E N

Country England

DX

Telephone 0207 397 8434



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 NR Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8475870

Charge code: 0847 5870 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2013 and created by AFFINITY FLOORING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st August 2013.

P

Given at Companies House, Cardiff on 22nd August 2013



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 31 July 2013

STAGSHEAD TRUST

and

AFFINITY FLOORING LIMITED

DEBENTURE

Theobald Associates

Certified to be a True Copy of the Original

Theobald Associates ✓

Date 20/8/13

Theobald > Associates

**Tel: +44 (0) 20 7397 8434
Fax: +44 (0) 20 7397 8400**

THIS DEBENTURE is made as a deed on 31 July 2013 between

- (1) **AFFINITY FLOORING LIMITED** a private company incorporated and registered in England and Wales with company number 08475870 whose registered office is at 1 Bickenhall Mansions, Bickenhall Street, London W1U 6BP (the "**Company**"), and
- (2) **The Trustees of the Stagshead Trust** being (at the date hereof) Geoffrey John Andrew and Elsie Caroliena Andrew both of Honeywood, 7 Charlton Kings, Weybridge, Surrey KT13 9QW and DCD Trustees Ltd (Company Number 08401883) of 51 Scrutton Street, London EC2A 4PJ (the "**Chargee**").

AGREED TERMS

1. Covenant to Pay

- 1.1 The Company hereby covenants with the Chargee that it will pay or discharge the Secured Liabilities when due and payable under the terms of the Loan Agreement
- 1.2 If the Company shall fail to pay any amount under this Debenture when it is due then such amount shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to the Chargee

2. Charging provisions

- 2.1. The Company with full title guarantee hereby charges to the Chargee as a continuing security for the payment or discharge of the Secured Liabilities -

2.1.1 by way of fixed charge -

- (a) all estates or interests in any freehold or leasehold property belonging to the Company now or at any time after the date of this Debenture, plant and machinery which are at any time on the property,
- (b) all present and future interests of the Company in or over land or the proceeds of sale of it and all present and future licences of the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures) which are at any time on the property charged under this Debenture,
- (c) all present and future plant, machinery, vehicles, computers and office and other equipment owned by the Company,
- (d) all present and future stocks, shares and other securities owned (at law or in equity) by the Company and all rights and interests accruing or offered at any time in relation to them,
- (e) all rights and interests in and claims under all policies of

insurance and assurance held or to be held by or inuring to the benefit of the Company and the benefit of all rights and claims to which the Company is now or may be entitled under any contracts,

- (f) all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copynght, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world,
- (g) all the Company's goodwill and uncalled capital for the time being,
- (h) all present and future book and other debts and monetary claims of the Company whether payable now or in the future and the benefit of all present and future rights and claims of the Company against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 2 1 1(e)),
- (i) all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest), and

2.1.2. by way of floating charge all the assets of the Company not effectively otherwise mortgaged, charged or assigned by this clause

- 2 3 The Chargee may at any time, by notice to the Company, immediately convert the floating charge created under sub-clause 2.1.2 into a fixed charge over any Secured Assets specified in that notice and the floating charge will, without notice from the Chargee, automatically be converted with immediate effect into a fixed charge if

2.3.1 the Company

- (a) creates, or attempts to create, without the prior written consent of the Chargee, a Security Interest or a trust in favour of another person over all or any part of its Secured Assets (except as expressly permitted by the terms of this Debenture), or
- (b) enters into any action reasonably likely (in the absolute opinion of the Chargee) to lead to a Event of Default (as defined in the Loan Agreement),

- (c) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised),
- 2.3.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets, or
- 2.3.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Company.
- 2.4 Any asset acquired by the Company after any crystallisation of the floating charge created under this Debenture that, but for that crystallisation, would be subject to a floating charge under this Debenture, shall (unless the Chargee confirms otherwise to the Company in writing) be charged to the Chargee by way of first fixed charge.
- 2.5 The Company (at its own cost) will on demand in writing by the Chargee execute and deliver in such form as the Chargee may reasonably require -
 - 2.5.1 a legal mortgage of any freehold or leasehold property acquired by the Company after the date of this Debenture;
 - 2.5.2 a standard security or other fixed security over the Company's heritable freehold, leasehold or other property,
 - 2.5.3. a fixed charge or assignment in or by way of security of any asset subject to a floating charge under sub-clause 2.1.2, and

the Company will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as the Chargee may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Debenture or for facilitating the realisation of the Secured Assets or the exercise of any rights of the Chargee under this Debenture.
- 2.6. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created by or pursuant to this Debenture.

3. Continuing Security

This security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to any other right, remedy or security of whatever sort which the Chargee may hold at any time for the Secured Liabilities or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security.

4. Representations

The Company makes the following representations and warranties to the Chargee on the date of this Debenture:

- 4 1 The Secured Assets are free from any Security Interests other than the Security Interests created by this Debenture,
- 4 2 The Security Interests created pursuant to this Debenture has or will have first ranking priority and it is not subject any prior ranking or pari passu ranking Security Interests,
- 4 3 This Debenture constitutes and will constitute the legal, valid, binding and enforceable obligations of the Company, and is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms, and
- 4 4 It has sole legal and beneficial ownership of the Secured Assets

5. Undertakings

The Company will:-

- 5.1 at all times comply with the terms of this Debenture and the Loan Agreement,
- 5.2 at all time comply in all respects with all laws to which it may be subject,
- 5 3 not, without the prior written consent of the Chargee create, purport to create or permit to subsist any Security Interest on, or in relation to, any Secured Asset other than any Security Interests created by this Debenture,
- 5 4 not, without the prior written consent of the Chargee sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge),
- 5 5 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party,
- 5.6 shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Chargee, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Debenture,
- 5 7 keep the Secured Assets in good and substantial repair and in good working order and condition, ordinary wear and tear excepted,
- 5.8 dispose preserve and maintain all intellectual property rights owned or used by the Company,
- 5 9 promptly notify the Chargee of the acquisition by the Company of any estate or interest in any freehold, heritable or leasehold property,
- 5 10 ensure that all of the Secured Assets that are insurable are insured with reputable insurance companies or underwriters to such extent and against such risks as is normal for prudent companies in businesses similar to those of the Company (or as otherwise requested in writing by the Chargee from time to time);

- 5 11 promptly upon request by the Chargee deposit with the Chargee all deeds, certificates and documents of title relating to the Secured Assets or any part thereof charged by this Debenture and all policies of insurance and assurance,
- 5 12 notify the Chargee immediately in the event of any creditor executing diligence against the Company or any distress or execution is levied or enforced against the Company or any third party debt order or freezing order is made and served on the Company,
- 5.13 notify the Chargee immediately if any steps (including, without limitation, the making of any application or the giving of any notice) are taken by any person (including, without limitation, the Company) in relation to the administration, receivership, winding-up or dissolution of the Company, and
- 5 14 the Company shall, promptly on becoming aware of any of the same, give the Chargee notice in writing of any representation or warranty set out in this Debenture that is incorrect or misleading in any material respect when made and any breach of any undertaking set out in this Debenture

6. Protection and Effectiveness of Security

- 6.1 The Chargee will be entitled to be paid the proceeds of any policy of insurance of the Company (other than in respect of employers' or public liability) and the Company will promptly irrevocably instruct any insurer of a policy to pay the proceeds of it to the Chargee and undertakes to the Chargee to repeat that instruction if the Chargee requires, such proceeds to be applied towards discharge of the Secured Liabilities.
- 6 2 The obligations of the Company under this Debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including (without limitation).
 - 6 2.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Chargee may have now or in the future from or against the Company or any other person in respect of the Secured Liabilities,
 - 6 2.2 any act or omission by the Chargee or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Company or any other person or the invalidity or unenforceability of any such security or guarantee,
 - 6 2 3 any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Liabilities or any exercise by the Chargee (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Company or any other person,
 - 6 2.4 any grant of time, indulgence, waiver or concession to the Company or any other person,
 - 6 2.5 any arrangement or compromise entered into between the Chargee and the Company or any other person;

- 6 2 6 the administration, insolvency, bankruptcy, liquidation, winding-up, receivership, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Company or any other person,
- 6.2 7 the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any of the obligations of the Company or any other person, or
- 6 2 8 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any administration, insolvency, liquidation, receivership or dissolution proceedings or from any law, regulation or order.

7. Enforcement

- 7 1 The security constituted by this Debenture shall become immediately enforceable upon the Company failing to fulfil its payment obligations under the Loan Agreement when due and payable
- 7 2 After the security constituted by this Debenture has become enforceable, the Chargee may, without notice to the Company or authorisation from any court and without prejudice to any other of its rights and remedies, in its absolute discretion
 - 7 2.1 enforce all or any part of the security constituted by this Debenture (at the time, in the manner, and on th terms it thinks fit), and
 - 7.2.2 take possession of or hold or dispose of all or any part of the Secured Assets,
 - 7 2 3 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers

8. Extension and variation of the LPA

- 8.1. The power of sale or other power conferred on the Chargee and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA and that power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Debenture.
- 8.2. The restrictions contained in sections 93, 103 and 109(1) of the LPA shall not apply to
 - 7 2.4 this Debenture,
 - 7 2 5 the exercise by the Chargee of its right to consolidate all or any of the Security Interest created by or under this Debenture with any other Security Interest in existence at any time, or
 - 7 2 6 the Chargee's power of sale,

which rights and powers may be exercised by the Chargee without notice to the Company

9. Appointment of Receiver or Administrator

9.1 At any time after the security constituted by this Debenture has become enforceable the Chargee shall be and is entitled by instrument in writing, and without notice to the Company, to

9.1.1 appoint one or more persons to be a Receiver of all or any of the Secured Assets,

9.1.2 appoint two or more Receivers of separate parts of the Secured Assets,

9.1.3 remove (so far as it is lawfully able) any Receiver so appointed,

9.1.4 appoint another person as an additional or replacement Receiver,

9.1.5 appoint one or more persons to be an administrator of the Company,

in each case in accordance with and to the extent permitted by applicable laws. The Chargee may not appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under the Insolvency Act 2000 except with the leave of the court

9.2. Each Receiver appointed under clause 9.1

9.2.1. may act severally or together with any other person appointed or substituted as Receiver,

9.2.2 for all purposes shall be deemed to be the agent of the Company which shall be solely responsible for the Receiver's acts, omissions, defaults, losses and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Chargee, and

9.2.3. shall be entitled to remuneration for his services at a rate to be determined by the Chargee from time to time (without being limited to the maximum rate specified by s109(6) of the LPA). The Company alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of every Receiver.

9.3. The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Chargee under the LPA (as extended by this Debenture) or otherwise and those powers shall remain exercisable from time to time by the Chargee in respect of any part of the Secured Assets

9.4. Subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Company, in relation to the Secured Assets (and any assets of the Company which, when got in, would be Secured Assets) every Receiver shall have, and be entitled to exercise at the cost of the Company, all the powers

- 9 4 1 conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under the LPA,
- 9.4.2. of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (to the extent applicable, whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986),
- 9 4 3 in relation to the Secured Assets, which it would have if it were its only beneficial owner including the power to do or omit to do anything which the Company itself could do or omit to do,
- 9.4.4. of the Chargee under this Debenture, and
- 9 4 5 to do anything (including bringing or defending proceedings in the name or on behalf of the Company) which the Receiver considers incidental or conducive to any of the functions vested in him, to the exercise of the all rights, powers and remedies of the Chargee provided under this Debenture or by law (including realisation of all or any part of the Secured Assets) or to getting in any Secured Assets or assets which when got in would be Secured Assets
- 9 5 No purchaser or other person dealing with the Chargee, any Receiver or any agent or delegate thereof shall be obliged or concerned to enquire whether the right of the Chargee or any Receiver to exercise any of the powers conferred by or referred to in this Debenture has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise the Chargee or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power. In making any sale or disposal of any of the Secured Assets or making any acquisition the Chargee or Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

10. Power of Attorney

- 10.1 The Company irrevocably and by way of security appoints the Chargee (whether or not a Receiver or administrator has been appointed) and also (as a separate appointment) any Receiver severally as the attorney and attorneys of the Company, for the Company and in its name and on its behalf and as its act and deed or otherwise, to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required of the Company under this Debenture or may be required or deemed proper in the exercise of any rights or powers conferred on the Chargee or any Receiver under this Debenture or otherwise for any of the purposes of this Debenture
- 10 2 The Company ratifies and confirms and agrees to ratify and confirm whatever any attorney does or purports to do under its appointment under Clause 10 1

11. Application of security proceeds

- 11.1 All monies received by the Chargee or a Receiver pursuant to this Debenture, after the security constituted by this Debenture has become enforceable, shall (subject to the claims of any person having prior rights

and by way of variation of the LPA 1925) be applied in the following order of priority

11.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Chargee (and any Receiver, attorney or agent appointed by it) under or in connection with this Debenture, and of all remuneration due to any Receiver under or in connection with this Debenture,

11.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Chargee determines, and

11.1.3 in payment of the surplus (if any) to the Company or other person entitled to it.

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

11.3 All monies received by the Chargee, a Receiver or a Delegate under this Debenture:

11.3.1 may, at the discretion of the Chargee, Receiver or Delegate, be credited to any suspense or securities realised account,

11.3.2 shall bear interest, if any, at the rate agreed in writing between the Chargee and the Company, and

11.3.3 may be held in that account for so long as the Chargee, Receiver or Delegate thinks fit.

12. Indemnity

12.1 The Chargee, the Receiver and every attorney, manager, agent, employee or other person appointed by the Chargee or the Receiver under or in connection with this Debenture shall be and is hereby indemnified by the Company in respect of all liabilities, costs, losses and expenses incurred by them or him in the execution (or purported execution) of any of the powers, authorities or discretions vested in them or him pursuant to the terms of this Debenture (or by any law or regulation) and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way in connection with or relating to all or any of the Secured Assets and the Chargee, the Receiver or any such other person may retain and pay all sums in respect of the same out of the moneys received under the powers conferred by this Debenture.

12.2 The indemnity under Clause 12.1 shall not apply to the extent that any such liability, cost, loss and/or expense arises as a result of the wilful default or gross negligence of the Chargee or the Receiver

13. Further Assurance

13.1 The Company shall execute any document and do anything else the Chargee requires (and in such form as the Chargee requires)

13.1.1 to give effect to this Debenture and the transactions intended to be effected by it,

13.1.2 to create, perfect, protect and preserve the Security Interests intended to be created by this Debenture and its ranking with any other Security Interests over any Secured Assets,

13.1.3 to exercise any rights, powers and discretions of the Chargee, any Receiver or any administrator in connection with any Secured Asset,

13.1.4 to facilitate the realisation of any Secured Asset,

13.1.5 to enable or assist the Chargee to enter into any transaction to start, defend or conduct any proceedings and/or take any other action relating to any Secured Asset in any jurisdiction or under the law of any jurisdiction; and/or

13.1.6 for any similar or related purpose

13.2. The Company shall deliver to the Chargee such evidence of the due authorisation and execution of any document delivered or thing done under Clause 13.1 as the Chargee may require.

14. Release of Security

14.1. At the end of the Security Period, the Chargee shall release and cancel the Security Interests constituted by this Debenture and reassign the assets assigned under this Debenture to the Company subject to Clause 14.2.

14.2. If the Chargee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Company under, and the Security Interests constituted by, this Debenture shall continue and that amount shall not be considered to have been irrevocably paid

14.3. Any release or discharge of all or any of the Security Interest created by this Debenture shall not release or discharge the Company from any liability to the Chargee (whether in its capacity as such or otherwise) which might exist independently of this Debenture.

15. Costs and Expenses

The Company shall pay or reimburse to the Chargee on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) incurred or to be incurred by the Chargee in the creation, registration, perfection, enforcement, discharge and/or assignment of this Debenture (including, without limitation, the costs of any proceedings in relation to this Debenture or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities.

16. Notices

16.1. A notice given to a party under or in connection with this agreement shall be in writing and sent to the party at the address given in this agreement or as otherwise notified in writing to each other party.

- 16.2 The following table sets out methods by which a notice may be sent and, if sent by that method, the corresponding deemed delivery date and time

Delivery method	Deemed delivery date and time
Delivery by hand	On signature of a delivery receipt or at the time the notice is left at the address
Pre-paid first class post or other next work day delivery service	9 00 am on the second Business Day after posting or at the time recorded by the delivery service
Pre-paid airmail	9.00 am on the first Business Day after posting or at the time recorded by the delivery service

- 16.3 For the purpose of clause 16.2 and calculating deemed receipt

16.3.1 all references to time are to local time in the place of deemed receipt, and

16.3.1 if deemed receipt would occur in the place of deemed receipt on a Saturday or Sunday or a public holiday when banks are not open for business, deemed receipt is deemed to take place at 9 00 am on the day when business next starts in the place of receipt.

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

- 16.5 A notice given under this agreement is not valid if sent by e-mail

17. Miscellaneous

- 17.1 If at any time any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired.

- 17.2 No failure or delay by the Chargee in exercising any right or remedy under this Debenture shall operate as a waiver, and no single or partial exercise shall prevent further exercise of any right or remedy.

- 17.4 Save to the extent expressly provided to the contrary in this Debenture, a third party (being any person other than the Company or the Chargee and their permitted successors and assigns) may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and no consent of any third party is required for any amendment, variation or termination of this Debenture

- 17.5 This debenture may be executed in any number of counterparts, each of which shall together constitute the Debenture.

18. Definitions

- 18.1 In the interpretation of this Debenture -

"Business Day" means a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for business,

"Default Rate" means 10% above the retail lending rate of HSBC bank plc,

"Loan Agreement" means the loan agreement dated on or around the date of this Debenture pursuant to which the Chargee has advanced the amount of £125,000 to the Company, as may be varied from time to time,

"LPA" means the Law of Property Act 1925,

"Receiver" means an administrative receiver, receiver and manager or other receiver appointed pursuant to this Debenture in respect of the Company or over all or any of the Assets charged by this Debenture,

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

"Secured Assets" means all the assets, property and undertaking for the time being subject to the Security Interests created by, or pursuant to, this Debenture,

"Secured Liabilities" means all or any monies and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Chargee by the Company whether actually or contingently pursuant to the Loan Agreement and including interest and other lawful charges or expenses charged or incurred under the Loan Agreement, and

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

- 18.2 References to -

18.2.1 statutes, statutory provisions and other legislation shall include all amendments, substitutions, modifications and re-enactments for the time being in force and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant legislation,

18.2.3 **"including"** shall not be construed as limiting the generality of the words preceding it,

- 18.2.5 any term or phrase defined in the Companies Act 1985 (as amended from time to time) shall bear the same meaning in this Debenture;
- 18.2.6 words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders,
- 18.2.7 this Debenture and to any provisions of it or to any other document referred to in this Debenture shall be construed as references to it in force for the time being as amended, varied, supplemented, restated, substituted or novated from time to time,
- 18.2.8 any person are to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or agency of a state, whether or not a separate legal entity;
- 18.2.9 any person are to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect, and
- 18.2.10 clause headings are for ease of reference only and are not to affect the interpretation of this Debenture.
- 18.3 The terms of the documents under which the Secured Liabilities arise and of any side letters between the Company and the Chargee in relation thereto are incorporated herein to the extent required for any purported disposition of the Assets (or any of them) contained in this Debenture to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 18.4 The parties intend that this document shall take effect as a deed

18. Release

If the Chargee is satisfied that the Secured Liabilities have been unconditionally and irrevocably repaid or discharged in full, the Chargee will at the request and cost of the Company take whatever action is required in order to release the Assets from the security constituted by this Debenture.

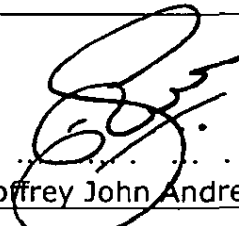
19. Governing Law

- 19.1 This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 19.2 The parties to this deed irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this deed or its subject matter or formation (including non-contractual disputes or claims).

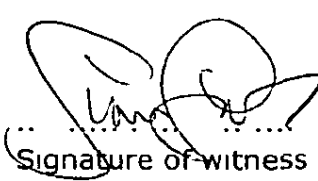
This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

EXECUTION

Executed and delivered as a
deed by Geoffrey John
Andrew


.....
Geoffrey John Andrew

In the presence of:

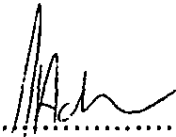

.....
Signature of witness

Name of witness: SIMON SANDERS

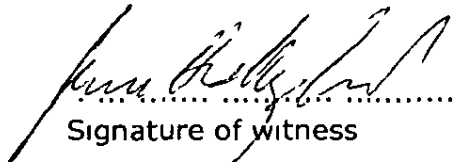
Address of witness. 24 KING SLEY WAY LONDON N20EN

Occupation of witness: ACCOUNTANT

Executed and delivered as a
deed by Elsie Caroliena
Andrew

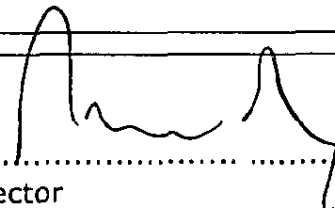

.....
Elsie Caroliena Andrew

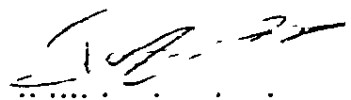
In the presence of:


.....
Signature of witness

Name of witness: SARA HOGGINSHEAD
Address of witness: 8, CHARLTON KING'S
WEYBRIDGE KT13 9GW
Occupation of witness CIVIL SERVANT

Executed and delivered as a
deed by DCD Trustees
Limited


.....
Director


.....
Director

Signing note: Affinity Flooring Limited may execute the deed via either the signature of two Officers or one Officer in the presence of a witness. **Both signing options are provided below but only one needs to be completed.**

Executed and delivered as a
deed by Affinity Flooring
Limited

.....
Director

.....
Director or Secretary

Executed and delivered as a
deed by Affinity Flooring
Limited

.....
Director

In the presence of:

.....
Signature of witness

Name of witness. SIMON SANDERS

Address of witness: 24 KINGSLEY WAY LONDON N2 0EW

Occupation of witness. ACCOUNTANT