

**Co-operative and Community Benefit Societies Act 2014**

*Recording a Charge*

Society: ATEB Group Limited

Registration number: 23308 R

The attached charge between the above society and:

bLEND Funding PLC  
bLEND Funding PLC

was delivered to the FCA on 4 August 2020.

Instrument date: 31 July 2020

Application Date: 4 August 2020

Date: **24 August 2020**





We hereby certify this to be a true copy of the original  
dated this 3 day of *August* 2020

*Trowers & Hamlins LLP*

Trowers & Hamlins LLP

**dated** 31 July 2020

**ATEB Group Limited**

and

**bLEND Funding PLC**

and

**bLEND Funding PLC (as Original Trustee)**

**Liquidity Reserve Fund Trust Deed**

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# Liquidity Reserve Fund Trust Deed

dated 31 July 2020

## Parties

- (1) **ATEB Group Limited** (the **Borrower** which expression where the context so admits includes the successors in title of the Borrower);
- (2) **bLEND Funding PLC** a public limited company incorporated under the laws of England and Wales (registration number 11352234) whose registered office is at 3rd Floor, 17 St. Swithin's Lane, London EC4N 8AL (the **Lender**) and
- (3) **bLEND Funding PLC** a public limited company incorporated under the laws of England and Wales (registration number 11352234) whose registered office is at 3rd Floor, 17 St. Swithin's Lane, London EC4N 8AL (the **Original Trustee** which expression where the context so admits includes the successors in title of the Original Trustee).

## Introduction

- (A) By a sterling loan agreement (as from time to time amended or restated, the **Principal Agreement**) dated 31 July 2020 made between the Borrower and the Lender, the Lender has agreed upon the terms and subject to the conditions thereof to make available a sterling loan of £18,000,000 to the Borrower for the purposes stated therein.
- (B) The execution and delivery of this Liquidity Reserve Fund Trust Deed is one of the conditions precedent to the Lender making the sterling loan available to the Borrower under the Principal Agreement and the Borrower is obliged pursuant to the terms of the Principal Agreement to pay certain amounts into the Liquidity Reserve Fund set up by this Deed.
- (C) It is intended that the Liquidity Reserve Fund shall be held by the Trustees for the sole use and benefit of the Borrower subject only to and charged with the equitable obligations imposed on the Trustees (by way of security for the benefit of the Lender) to apply the same in discharge of the indebtedness of the Borrower to the Lender.
- (D) This Deed is a Finance Document for the purposes of the Principal Agreement.

## Agreed terms

### 1 Interpretation

#### 1.1 In this Deed:

**Authorised Investments** means cash denominated in pounds sterling held at a credit institution authorised under Part IV of the Financial Services and Markets Act 2000 or with a building society established under the Building Societies Act 1986 (as amended) or any securities denominated in pounds sterling issued by H.M. Government in the United Kingdom or any other securities or investments which may be nominated by the Borrower approved by the Lender from time to time;

**Charged Property** means all the equitable interest from time to time of the Borrower in the Liquidity Reserve Fund and all entitlements to interest and other rights and benefits from time to time accruing to or arising in connection with the Liquidity Reserve Fund pursuant to the trust contained in clause 6.

**Insolvency Act** means the Insolvency Act 1986 as amended by the Enterprise Act 2002 (where applicable);

**Liquidity Reserve Fund** means the sums of money or investments which may hereafter be paid or transferred to the Original Trustee to be held on the trusts hereof, all income arising from such investments which falls to be reinvested pursuant to the provisions of this Deed and the investments and monies for the time being and from time to time representing the same;

**receiver** means a receiver and/or manager, administrative receiver or any attorney or other such person appointed to carry out the duties of any such person who is a qualified person under the terms of the Insolvency Act;

**Secured Obligations** means all present and future obligations of the Borrower (whether actual or contingent and whether owed jointly or severally or in any other capacity whatever) which are, or are expressed to be, or may become, due, owing or payable to the Lender;

**Security** means the security interests constituted or expressed to be constituted in favour of the Lender by or pursuant to this Deed;

**Security Rights** means all rights of the Lender or any receiver or delegate provided by or pursuant to this Deed or by law in respect of the subject matter of this Deed; and

**Trustees** means the Original Trustee, and subject thereto the trustee or trustees for the time being of the trusts contained in this Deed.

1.2 In this Deed unless the context otherwise requires or unless otherwise defined in this Deed words and expressions defined in the Principal Agreement and used in this Deed shall have the same meaning when used in this Deed.

## 2 **Covenant to pay**

The Borrower hereby covenants that it will on demand pay to the Lender all monies and discharge all liabilities whether certain or contingent which now or hereafter may be or become due and payable owing or incurred to the Lender by the Borrower when the same are due and payable under or pursuant to each Finance Document. References in this Deed to the Finance Documents and to this Deed are references to each such agreement deed or document as varied extended or replaced from time to time.

## 3 **Charging clause**

The Borrower with full title guarantee and free of any security interest hereby charges the Charged Property by way of first fixed charge in favour of the Lender as a continuing security for the full and punctual payment performance and discharge to the Lender of the Secured Obligations and of all sums from time to time and for the time being due and payable by the Borrower to the Lender under the Finance Documents.



## 4 Restrictions

- 4.1 The Borrower shall not create or leave outstanding any mortgage, charge or other security interest on the whole or any part of the Charged Property other than any mortgage or charge in respect of which the Lender shall have given its prior written consent (such consent not to be unreasonably withheld or delayed) ranking in priority behind the fixed charge created hereunder.
- 4.2 The Borrower shall not without the prior written consent of the Lender, whether by a single or a series of transactions whether related or not, sell, transfer, grant, lease or accept a surrender or otherwise dispose, which for the avoidance of doubt shall include lease, all or part of the Charged Property otherwise than as permitted by, and in accordance with, the Principal Agreement.

## 5 Financial Collateral Regulations

- 5.1 To the extent that any of the Charged Property, this Deed and the rights and obligations of the parties under this Deed constitute a "security financial collateral arrangement" (as defined in and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226) (**Regulations**)), at any time on or after the Security becoming enforceable, the Lender shall have the benefit of all of the rights of a collateral taker conferred upon it by the Regulations, including the right to appropriate all or any part of the financial collateral (as defined in the Regulations) in or towards discharge of the Secured Obligations.
- 5.2 The parties agree that the value of the financial collateral (as defined in the Regulations) so appropriated shall be:
- 5.2.1 in the case of cash, all cash amounts forming part of the Liquidity Reserve Fund, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and
- 5.2.2 in the case of any other financial collateral (as defined in the Regulations) forming part of the Liquidity Reserve Fund, the market value of such financial collateral determined (after appropriation) by the Lender by reference to a public index or by such other process as the Lender may select, which may be independent valuation.

The parties agree that the methods of valuation set out in Clauses 5.2.1 and 5.2.2 above are commercially reasonable methods of valuation for the purposes of the Regulations.

## 6 The Trust

- 6.1 The Original Trustee shall stand possessed of the Liquidity Reserve Fund and the income thereof upon the following trusts:
- 6.1.1 until such time as the liabilities under the Principal Agreement are discharged in full upon trust to make available to the Lender the amount as the Lender certifies (such certificate to be substantially in the form set out in Schedule 1 to this Deed duly signed by any director of the Lender) in writing to the Trustees is required in payment of all or any part of the Interest Payments under the Principal Agreement and the Trustees shall make the amount stated in such

certificate available to such bank account as the Lender shall have stipulated in such certificate no later than 5 calendar days after the date of such certificate or on the business day following the day on which the Trustees are in receipt of the necessary funds to effect such payment;

6.1.2 pending application of the Liquidity Reserve Fund in accordance with clause 6.1.1 upon trust to invest the same (including any income thereof which is not applied in accordance with clause 6.1.4 which shall be reinvested and treated for the purposes of this Deed as part of the Liquidity Reserve Fund) in any of the Authorised Investments in accordance with clause 9.2 provided always that the Trustees shall consult with the Borrower and the Lender prior to making any such investment;

6.1.3 subject to the trusts set out in clauses 6.1.1 and 6.1.2 the Trustees shall hold the Liquidity Reserve Fund and the income thereof upon trust for the Borrower absolutely and for the avoidance of doubt the Borrower is the beneficiary of the Liquidity Reserve Fund and the income thereof subject to the terms of this Deed;

6.1.4 **provided always and it is hereby agreed** if the Lender by written request directs the Trustees to pay the Liquidity Reserve Fund or part thereof to the Borrower the Trustees shall pay the amount directed to the account of the Borrower stipulated by the Borrower at that time as soon as practicable.

6.2 The Borrower agrees that if the Trustees receive a certificate (substantially in the form set out in Schedule 1 to this Deed) duly signed by any director of the Lender, then the Trustees shall be entitled to rely upon such certificate and to deal with the Liquidity Reserve Fund (including the sale, disposal, realisation or release of all or any of the Authorised Investments comprised from time to time in the Liquidity Reserve Fund) without requiring any confirmation or authority from the Borrower.

6.3 The Borrower confirms that the trusts set out in clause 6.1 above are not revocable at the instance of the Borrower.

## 7 **Powers to convert investments**

The Trustees may either allow any property forming part of the Liquidity Reserve Fund to remain as actually invested for so long as the Trustees may think fit or may at any time or times at its discretion after consultation with the Borrower and the Lender sell, call in or convert into money the same or any part thereof and shall at the like discretion invest the monies produced thereby and also any other monies for the time being forming part of the Liquidity Reserve Fund in the names or under the legal control of the Trustees in or upon any of the investments hereby authorised with power at its discretion to vary or transpose any investments for or into others of any nature hereby authorised.

## 8 **Trustee powers**

The Trustees shall in addition to and without derogation from all powers conferred upon it by law have the following powers in relation to the Liquidity Reserve Fund which may (if and so far as circumstances permit) be exercised from time to time:



- 8.1 to cause any property forming part of the Liquidity Reserve Fund to be held in the name or names of any other person or persons or corporation as nominee or nominees on behalf of the Trustees or any agent of the Trustees and to pay any expenses in connection therewith out of the capital or income of the Liquidity Reserve Fund as may be appropriate and the Trustees shall not be liable or responsible for any loss to the Liquidity Reserve Fund which may be occasioned by the exercise of this power;
- 8.2 to delegate to any person (by power of attorney or otherwise) (whether a solicitor, banker, stockbroker, investment manager, land agent or other person) appointed by it in writing the exercise of any of the trusts, powers and discretion hereby vested in the Trustees including (without limitation) the powers of investment or management or administration hereby or by law conferred upon the Trustees and the signing or endorsing of any cheques, bills, negotiable instruments, receipts or contracts and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Trustees may think fit and provided that the Trustees shall have exercised reasonable care in the selection of a delegate or sub-delegate the Trustees shall not be in anywise responsible for any loss incurred by any misconduct or default on the part of any such delegate or sub-delegate provided always that the appointment of any manager of the Liquidity Reserve Fund hereunder shall be with the prior consent of the Borrower such consent not to be unreasonably withheld.

## **9 Supplemental powers of Trustee**

By way of supplement to the Trustee Act 1925 and the Trustee Act 2000, it is expressly declared as follows:

### **9.1 General power**

Subject always to any restrictions expressly contained in this Deed the Trustees shall in relation to the Liquidity Reserve Fund have all the same powers as a natural person acting as the beneficial owner of such property and such powers shall not be restricted by any principle of construction or rule or requirement of the governing law save to the extent that it is obligatory but shall operate according to the widest generality of which the foregoing words are capable notwithstanding that certain powers are more particularly set forth in this Deed.

### **9.2 Powers of investment**

- 9.2.1 Any moneys which under the trusts of these presents ought to or may be invested by the Trustees may be invested in the name or under the control of the Trustees (without regard to any generally-applicable restriction on self-dealing) in any Authorised Investments whether or not they produce income or by placing the same on deposit in the name or under the control of the Trustees at such bank or other financial institution as the Trustees may think fit. If that bank or institution is a Trustee or a subsidiary, holding or associated company of a Trustee, it need only account for an amount of interest equal to the amount of interest which would, at then current rates, be payable by it on such a deposit to an independent customer. The Trustees may at any time vary any such investments for or into other investments and shall not be responsible for any loss resulting from any such investments or deposits, whether due to depreciation in value or otherwise.

- 9.2.2 The acquisition of any limited interest in property or any annuity or policy or securities or other investments being of a wasting nature shall be deemed to be an Authorised Investment of the whole or any part of the Liquidity Reserve Fund.
- 9.2.3 The Trustees shall be under no duty to diversify investments.
- 9.2.4 Subject to clause 7 the Trustees shall have power to leave any property comprised in the Liquidity Reserve Fund in its original state or in the state of investment in which it may be from time to time.
- 9.2.5 The Trustees shall have power to make changes in investments and in general investment policy and philosophy as frequently as may be deemed advisable.
- 9.2.6 In the exercise of the powers contained in this Deed the Trustees shall not be under any duty to see that the value of the Liquidity Reserve Fund (or any part of it) is preserved or enhanced in any way nor shall they be liable for any failure in that respect whatsoever.
- 9.2.7 The Trustees may in relation to any of the provisions hereof act on the opinion or advice of or any information obtained from any lawyer, valuer, broker, auctioneer, accountant or other expert whether obtained by the Borrower or by the Lender or by the Trustees or otherwise and shall not be responsible for any loss occasioned by so acting.
- 9.2.8 Any such opinion or advice or information may be sent or obtained by letter or facsimile transmission or e-mail communication and the Trustees shall not be liable for acting on any opinion, advice or information purporting to be conveyed by any such letter or facsimile transmission or e-mail communication although the same shall contain some error or shall not be authentic.
- 9.2.9 The Trustees must accept as sufficient evidence a certificate (substantially in the form set out in Schedule 1 to this Deed) signed by any director of the Lender as to the amount required at any time in payment of Interest Payments under the Principal Agreement or as to any other fact or matter upon which the Trustees may require to be satisfied and must also accept a copy of any notice or certificate or direction served pursuant to clause 6.1 as sufficient evidence of the matters stated therein and the Trustees shall be in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such notice or certificate or direction
- 9.2.10 The Trustees shall not be bound to give notice to any person of the execution hereof;
- 9.2.11 The Trustees shall as regards all the trusts, powers, authorities and discretions hereby vested in it be entitled to use its discretion as to the manner and time of exercise thereof and provided it shall have acted honestly and reasonably shall not be responsible for any loss, costs, damages, expenses or inconveniences that may result from the exercise or non-exercise thereof.
- 9.2.12 The Trustees shall be at liberty to place all certificates and other documents certifying, representing or constituting the title to the Liquidity Reserve Fund for



the time being in its hands in its own muniment room or in any safe deposit safe or receptacle selected by the Trustees or with any banker or banking company or company whose business includes undertaking the safe custody of documents or solicitor or firm of solicitors and the Trustees shall not be responsible for any loss incurred in connection with any such deposit and all sums required to be paid on account or in respect of any such deposit shall be charged to the Liquidity Reserve Fund.

- 9.2.13 The Trustees shall not (unless ordered so to do by a court of competent jurisdiction) be required to disclose to any person any confidential, financial or other information received by the Trustees in connection with the trusts hereof.

## **10 The Lender's power of delegation**

The Lender or any receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under this Deed). Neither the Lender nor any receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate.

## **11 Trustees role**

The Trustees and any director or officer of any corporation being a Trustee hereof shall not be precluded from acting as trustees in relation to any obligation of the Borrower or the Lender and entering into all usual insurance transactions or from entering into any banking, financial or business contracts or transactions with the Borrower or the Lender in the ordinary course of business and the Trustees shall be nowise accountable to the Borrower or the Lender for any profits or benefits arising from any such trusteeship, contract or transaction or from the acceptance of any office or profit from the Borrower or from the Lender or any contract or loan or deposit or any other transaction which any person not being a Trustee hereof could or might have entered into with the Borrower or with the Lender or the acceptance of any customary share of brokerage or other profit.

## **12 Enforcement**

- 12.1 If the Lender shall be entitled on written notice to the Borrower to declare the Loan to be immediately due and payable pursuant to clause 16 (Events of Default) of the Principal Agreement the security hereby constituted shall become immediately enforceable.
- 12.2 After the security constituted by this Deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit.

## **13 Application of proceeds**

The Lender shall hold the moneys arising from any exercise of the powers of conversion and all moneys received by the Lender under the covenant for payment to the Lender pursuant to the Principal Agreement and hereunder so that it shall thereout in the first place pay or retain or provide for the payment or satisfaction of the costs and charges and expenses and liabilities incurred in or about the execution of such powers or otherwise in

relation to these presents including the remuneration of any receiver appointed hereunder and shall apply the residue of such moneys:

First in or towards repayment of the Loan, all interest thereon and all other monies, costs and expenses relating to the Loan then due and payable;

Secondly in or towards repayment of the principal amount of any other arrangement for borrowing with the Lender or indebtedness to the Lender any interest and all other monies, costs and expenses relating thereto such monies to be applied in the proportion which the outstanding amount of that borrowing or indebtedness bears to the total of all such borrowings and indebtedness at the date of such payment; and

Thirdly in or towards the payment of the surplus (if any) of such monies to the Borrower or other person or persons for the time being entitled thereto in priority to the Borrower.

#### **14 Appointment of receiver**

At any time after the security constituted by this Deed shall have become enforceable the Lender may without further notice by writing appoint a receiver of the Charged Property or any part thereof and remove any receiver so appointed and appoint another or others in his stead and the following provisions shall have effect:

- 14.1 such appointment may be made either before or after the Lender shall have entered into or taken possession of the Charged Property or any part thereof;
- 14.2 such receiver may be invested by the Lender pursuant to the powers of delegation hereinafter contained with such of the powers and discretion exercisable by the Lender hereunder as the Lender may think expedient;
- 14.3 unless otherwise directed by the Lender such receiver may exercise all the powers and authorities vested in the Lender by these presents;
- 14.4 such receiver shall in the exercise of his powers authorities and discretion conform to the regulations and directions from time to time made and given by the Lender;
- 14.5 the Lender may from time to time fix the remuneration and agree the expenses of such receiver and direct payment thereof out of the Charged Property but the Borrower alone shall be liable for such remuneration;
- 14.6 the Lender may from time to time and at any time require any such receiver to give security for the due performance of his duties as such receiver and may fix the nature and amount of the security to be so given but the Lender shall not be bound in any case to require any such security;
- 14.7 such receiver shall have power to employ or pay or concur in employing or paying any managers, agents or servants for any of the purposes hereinbefore mentioned upon such terms as the receiver shall think fit and to insure any person so employed and any other accountable person against any liability in connection with such employment or with the Charged Property;
- 14.8 save so far as otherwise directed by the Lender all moneys from time to time received by such receiver shall be paid over to the Lender;



- 14.9 the Lender may pay over to such receiver any moneys constituting part of the Charged Property to the intent that the same may be applied for the purposes hereof by such receiver and the Lender may from time to time determine what funds the receiver shall be at liberty to keep in hand with a view to the performance of his duties as such receiver;
- 14.10 the Lender shall be in no way responsible for any misconduct or negligence on the part of any such receiver provided the Lender shall have acted properly in the selection and continued retention of such receiver; and
- 14.11 any such receiver shall be the agent of the Borrower for all purposes and be in the same position as a receiver duly appointed by a mortgagee under the Law of Property Act 1925 and the Borrower alone shall be responsible for his acts and defaults and liable on any contracts and engagements made or entered into by him and the Lender shall not incur any liability for such acts or defaults or otherwise provided that the Lender shall have acted properly in the selection and continued retention of such receiver.

**15 Receiver's powers**

Any such receiver shall (subject to any limitations or restrictions expressed in the deed or other instrument appointing him but notwithstanding any winding-up administration voluntary arrangement or dissolution of the Borrower) have in relation to the Charged Property or as the case may be that part of the Charged Property in respect of which he is appointed:

- 15.1 all the powers (as varied and extended by the provisions hereof) conferred by the Insolvency Act and the Law of Property Act 1925 on mortgagors and on mortgagees in possession administrators receivers and administrative receivers appointed under those Acts;
- 15.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 as in force at the date of this Deed (whether or not in force at the date of exercise) and all powers of an administrative receiver as may be added to Schedule 1 of the Insolvency Act 1986 after the date of this Deed, in either case, whether or not the receiver is an administrative receiver;
- 15.3 power to exercise all the rights expressed to be conferred upon the Lender in this Deed;
- 15.4 power in the name or on behalf and at the cost of the Borrower to exercise all the powers and rights of an absolute owner in respect of the Charged Property and do or omit to do anything which the Borrower itself could do as an absolute owner and irrespective of any such winding-up administration voluntary arrangement or dissolution;
- 15.5 in addition and without prejudice to the generality of the foregoing every receiver for the time being holding office hereunder shall (notwithstanding any winding-up administration voluntary arrangement or dissolution of the Borrower) have the following powers namely:
- 15.5.1 power to take possession of collect and get in the Charged Property;
- 15.5.2 power to redeem or transfer to the Lender any prior security interest over the Charged Property;

- 15.5.3 power to carry on and manage or concur in the carrying on and management of or any part of the Borrower's business relating to the Charged Property and exercise any powers or rights incidental to the ownership of any of the Charged Property on such terms and conditions and generally in such manner as the receiver shall deem expedient;
- 15.5.4 power to make any arrangement or compromise of claims as he shall think fit;
- 15.5.5 power to effect and renew insurances and to enter into such bonds covenants commitments engagements guarantees and indemnities or other like matters in any way relating to the Charged Property and the use, protection and preservation thereof and from time to time to make all requisite payments to effect maintain or satisfy the same;
- 15.5.6 power to take or defend proceedings in the name of the Borrower including proceedings for the compulsory winding-up of the Borrower and proceedings for directions relating thereto;
- 15.5.7 power to employ engage and appoint such managers and other employees and professional advisers on such terms as he shall think fit including without limitation power to engage his own firm in the conduct of the receivership;
- 15.5.8 power to raise or borrow money from the Lender or any other person to rank for payment in priority to the security constituted by or pursuant to this Deed and with or without a mortgage or charge on the Charged Property or any part of it and at such rate of interest and on such terms as the receiver may think fit;
- 15.5.9 power to commence carry out and complete any acts and matters and execute any contracts deeds or other documents for the preservation or improvement of the security hereby created and cancel or otherwise determine upon terms any agreements or contracts in any way relating to the Charged Property or make any arrangements or compromise relating to the Charged Property which may be expedient in the interests of the Lender; and
- 15.5.10 power to do all such other things as may seem to the receiver to be incidental or conducive to any other power vested in him or to be conducive to the realisation of the security constituted by or pursuant to this Deed.

## 16 **Order of payment**

All monies received by any receiver appointed hereunder shall be applied first in payment of the costs charges and expenses of and incidental to the receiver's appointment and the payment of his remuneration and in the payment and discharge of any liability incurred by the receiver on the Borrower's behalf in the exercise of any of the powers of the receiver and then in the manner provided in clause 13 hereof with respect to the moneys that arise from any sale, calling in, collection or conversion under the powers of conversion

## 17 **Continuance of security**

- 17.1 This Security shall be continuing and not be satisfied by any intermediate payment or satisfaction of any part of the liabilities secured hereunder and shall be in addition to and



not affected by any other encumbrance now or hereafter held by the Lender for all or any part of such liabilities.

- 17.2 The provisions of Section 93 of the Law of Property Act 1925 shall not apply to this Deed.
- 17.3 The Security and the Security Rights shall be cumulative, in addition to and independent of every other security which the Lender may at any time hold for the Secured Obligations or any other rights provided by law. No prior security held by the Lender (whether in its capacity as lender or otherwise) over the whole or any part of the Charged Property shall merge into the Security.
- 17.4 Without prejudice to any other provision of this Deed, none of the Security, its priority, the Security Rights nor the liability of the Borrower or any other person for the Secured Obligations shall be prejudiced, reduced, released or otherwise adversely affected by any act, omission, fact or any other thing which but for this Clause **Error! Reference source not found.** would or may do so, (including, without limitation, any unenforceability or invalidity of any other agreement or document, any time or indulgence granted to the Borrower by the Lender or any other person or any variation of the terms of the Principal Agreement).
- 17.5 Notwithstanding the other provisions of this Deed, the obtaining of a moratorium, or anything done with a view to obtaining a moratorium, in relation to a voluntary arrangement under the Insolvency Act 1986 for the Borrower, will not, by itself:
- 17.5.1 cause restrictions in this Deed or the Principal Agreement and the documents referred to therein as Finance Documents which would not otherwise apply to be imposed on the disposal of property by the Borrower; nor
- 17.5.2 be a ground for the appointment of a Receiver of the Borrower.
- 17.6 The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Deed against the Borrower.

## 18 Discharge

Subject to clause 19 (Avoidance) upon payment of all moneys due under the Finance Documents and hereunder the Lender shall at the request and cost of the Borrower execute and do all such deeds, acts and things as may be necessary to release the Charged Property or such part thereof as may remain vested in it or subject to this Deed from the charge herein contained.

## 19 Avoidance

No assurance, security, guarantee or payment which may be avoided under any law relating to bankruptcy insolvency or administration (including Sections 238, 239, 242, 243 or 245 of the Insolvency Act) and no release, settlement, discharge or arrangement given or made by the Lender on the faith of any such assurance security guarantee or payment shall prejudice or affect the right of the Lender to enforce the security created by or pursuant to these presents to the full extent of all the moneys intended to be secured by these presents. The Lender may in its absolute discretion retain the security so created for a period of one month plus such statutory period within which any assurance security

guarantee or payment can be avoided or invalidated after all moneys intended to be secured by these presents shall have been paid in full notwithstanding any release settlement discharge or arrangement given or made by the Lender on or as a consequence of such payment.

**20 Subsequent charges**

If: (a) the Lender receives notice of any subsequent mortgage, charge, assignment or other disposition affecting the Charged Property or any part thereof or interest therein, in breach of the provisions of these presents; or (b) the Lender receives notice that any of the events described in clauses 16.8 and 16.9 of the Principal Agreement have occurred in respect of the Borrower, the Lender may open new accounts of the Borrower, if the Lender does not open a new account then unless the Lender gives express written notice to the contrary to the Borrower 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 by or on behalf of the Borrower to the Lender shall be credited or be treated as having been credited to the new account, and shall not operate to reduce the amount due from the Borrower to the Lender at the time when it received notice.

**21 Liquidity Reserve Fund fees**

Any Trustee for the time being hereof may charge at such rate and in such manner as may be agreed from time to time between the Borrower and such Trustee.

**22 Receipts**

The receipt of the Lender or the Borrower or such person as the Trustees reasonably believe to be any officer thereof shall be a sufficient discharge to the Trustees for any money payable to the Lender or the Borrower respectively hereunder and the Trustees shall not be obliged to see to the application of any money so paid.

**23 Indemnity**

Without prejudice to the right to indemnity by law given to trustees the Trustees or the Lender and every receiver, attorney, manager, agent or other person so appointed by the Trustees or the Lender hereunder shall be entitled to be indemnified out of the Liquidity Reserve Fund in respect of all liabilities, costs, charges and expenses incurred by it in execution or purported execution of the trusts hereof or of any trusts, powers or discretions vested in it pursuant to these presents and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in anywise relating to these presents in priority to any payment under clause 6 and the Trustees or the Lender (or any such person appointed by it) may retain and pay out of any monies in its hands arising from the trusts hereof all sums necessary to effect such indemnity and also the remuneration of the Trustees hereinbefore provided and the Trustees shall have a charge on the Liquidity Reserve Fund for all monies payable to it under this Deed or otherwise howsoever.

**24 Limitation of Liability**

- 24.1 In the execution of the trusts and powers contained in this Deed no Trustee shall be liable for any loss to the Liquidity Reserve Fund arising in consequence of the failure, depreciation or loss of any investment or by reason of any act or omission or of any other



matter or thing except fraud or dishonesty on the part of the Trustee whom it is sought to make liable (or, in the case of a corporate Trustee, on the part of any of its officers).

- 24.2 In the execution of the trusts and powers hereof no Trustee shall be liable for any loss sustained to the value of the Liquidity Reserve Fund or any part thereof by reason of a decision made by the Trustee in good faith not to obtain insurance for any assets of the trust, unless the same shall arise by reason of fraud or dishonesty on the part of the Trustee whom it is sought to make liable (or, in the case of a corporate Trustee, on the part of any of its officers).

25 **Trustee resignation**

Any Trustee may at any time on giving one calendar month's notice in writing to the Borrower and to the Lender retire from the trusts of these presents without assigning any reason and without being responsible for any expenses thereby occasioned.

26 **Valuation**

The Trustees shall on the anniversary of the date hereof in each year in which there is money or investments in the Liquidity Reserve Fund or more frequently at the request of the Borrower or the Lender obtain a valuation at the cost of the Borrower of the Liquidity Reserve Fund and send copies of the same both to the Borrower and to the Lender such valuation to be carried out by a suitable valuer approved by the Lender.

27 **Accounts**

The Trustees shall cause accounts to be maintained and shall send copies of such accounts both to the Borrower and to the Lender, upon request.

28 **New trustee**

- 28.1 The power of appointing a new trustee or trustees (the **New Trustee**) shall be vested in the Lender. The Lender may remove a Trustee (the **Existing Trustee**) on giving not less than three months' written notice to the Existing Trustee, copied to the Borrower and by entering into a deed of accession (the **Deed of Accession**) substantially in the form set out in Schedule 2 to this Deed with the New Trustee and the Borrower.

- 28.2 On the date of the Deed of Accession:

28.2.1 the Existing Trustee shall release to the New Trustee all money and investments forming part of the Liquidity Reserve Fund and transfer such investments into the name of the New Trustee and do all such other things as may be necessary to cause such transfer to be made; and

28.2.2 The Lender and the Borrower shall release the Existing Trustee from its liabilities and obligations in respect of the assets being released from the Liquidity Reserve Fund.

29 **Perpetuity period**

The perpetuity period in respect of this Deed shall be the period of one hundred and twenty five years as from the date of execution hereof.

30 **Further assurance**

The Borrower shall from time to time and at all times execute and do all such assurances consents acts and things as the Lender may reasonably require for creating, protecting and perfecting the security intended to be created by this Deed and for facilitating or effecting any dealings by the Lender or the Trustees under the powers of this Deed as regards the Liquidity Reserve Fund and after the security hereby constituted has become enforceable and the Lender shall have determined to enforce the same the Borrower shall from time to time and at all times execute and do all such assurances and things as the Lender may require for facilitating the realisation of the Charged Property and for exercising all the powers, authorities and discretions hereby conferred on the Lender.

31 **Power of attorney**

The Borrower hereby irrevocably appoints by way of security for the performance of its obligations under this Deed, the Lender and any receiver appointed hereunder from time to time jointly and also severally to be its attorney in its name and on its behalf to execute and do all assurances acts and things which it ought to execute and do under the covenants and provisions herein contained and generally to use its name in the exercise of all or any of the powers hereby conferred on the Lender or any receiver appointed by it **provided that** such appointment and authority shall lapse automatically in respect of the Borrower upon the discharge of this Deed.

32 **Partial invalidity**

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

33 **Notices**

33.1 Each communication to be made hereunder shall be made in writing and may only be made by letter.

33.2 Any communications or document to be made or delivered by one person to the other pursuant to this Deed shall (unless that other person has by fifteen days' written notice to the former specified another address) be made or delivered to that other person at the address specified above and shall be deemed to have been made or delivered when left at that address (and a receipt received therefore) or (as the case may be) two days after being deposited in the post postage prepaid and by recorded delivery in an envelope addressed to it at that address.

34 **Law**

This Deed and all non-contractual obligations arising from or in connection with this Deed shall be governed by, and construed in accordance with, English Law.

35 **Constitutive Documents**

The Borrower hereby certifies that the creation of the trust and the charge constituted in this Deed does not contravene any provision of its Constitutive Documents.

36      **Third party rights**

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

37      **Jurisdiction**

37.1      The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).

37.2      The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

37.3      This Clause 37 is for the benefit of only the Lender. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

38      **Counterparts**

This Deed may be executed in any number of counterparts and this will have the same effect as if the signatures of the counterparts were on a single copy of this Deed.

**This Deed** has been executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Deed



## Schedule 1

### Certificate

bLEND Funding PLC  
3rd Floor, 17 St. Swithin's Lane, London EC4N 8AL

To: [ ]

Dated [ ]

Dear Sirs

#### Liquidity Reserve Fund Trust Deed

We refer to the Liquidity Reserve Fund Trust Deed dated [ ] 201[ ] (the **Deed**) between [ ] (the **Borrower**), bLEND Funding PLC (the **Lender**) and [ ] as Original Trustee. Terms defined in the Deed shall bear the same meanings when used in this certificate.

We certify that the Borrower has [failed to pay £[ ] of Interest Payments due on [ ].] **OR** [an amount in the Liquidity Reserve Fund which exceeds its security obligations under the Principal Agreement].

We require you to make £[ ] available to [us] [the Borrower] by no later than [ ] by crediting such amount to[our] [the Borrower's] account [account details].

Yours faithfully

bLEND FUNDING PLC



## Schedule 2

### Form of Deed of Accession

This Deed is dated [ ] and is supplemental to the Liquidity Reserve Fund Trust Deed dated [ ] 201[ ] between [ ] Limited as beneficiary, bLEND Funding PLC and [ ] as the Original Trustee (as the same may from time to time be amended, restated, novated or supplemented).

[NAME] (the **New Trustee**) of [ADDRESS] hereby agrees with the Borrower and the Lender that it agrees to be bound by the terms of the Liquidity Reserve Fund Trust Deed in accordance with clause 28 (New trustee) of the Liquidity Reserve Fund Trust Deed.

This Deed is governed by English Law and is a Finance Document for the purposes of the Principal Agreement.

Terms not defined in this Deed are as defined in the Liquidity Reserve Fund Trust Deed.

This Deed has been executed by the parties as a deed on the date above.

Execution page of Deed of Accession

the common seal of )  
[ ] )  
was affixed in the presence of: )

Authorised Signatory

Authorised Signatory

Executed as a deed by  
**bLEND Funding PLC**  
Acting by:

Director

Director/Secretary

executed as a deed )  
by a duly authorised attorney of )  
**[NAME OF NEW TRUSTEE]** )  
in the presence of: )

## Signatory page

### THE BORROWER

Executed as a deed by )

**ATEB GROUP LIMITED** )

Acting by: )

David Birch - Chair  
Authorised Signatory

  
David Birch (Jul 31, 2020 13:44 GMT+1)

Ceri Barnett - Company Secretary  
Authorised Signatory



### THE LENDER

Executed as a deed by

**BLEND FUNDING PLC**

Acting by:

Authorised Signatory

Authorised Signatory

### THE ORIGINAL TRUSTEE

Executed as a deed by

**BLEND FUNDING PLC**

Acting by:

Authorised Signatory

Authorised Signatory



Signatory page

**THE BORROWER**

Executed as a deed by

)

**ATEB GROUP LIMITED**

)

Acting by:

)

Authorised Signatory

Authorised Signatory

**THE LENDER**

Executed as a deed by

**BLEND FUNDING PLC**

Acting by:



Authorised Signatory



Authorised Signatory

BLE 0820/01

**THE ORIGINAL TRUSTEE**

Executed as a deed by

**BLEND FUNDING PLC**

Acting by:



Authorised Signatory



Authorised Signatory

BLE 0820/01

# Recording a charge

## Section 1 – About this form

Use this form to record a charge under the Co-operative and Community Benefit Societies Act 2014 (including credit unions); or Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (excluding credit unions).

Part 5 of the Co-operative and Community Benefit Societies Act 2014 enables charges over the assets of a society to be recorded with us. For English and Welsh societies, fixed or floating charges can be recorded. For Scottish societies, only floating charges can be registered. Section 29 of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 enables charges (fixed or floating) over the assets of a society to be recorded with us.

Use this form to record a charge. If you complete the form correctly and send it to us in time with a copy of the charge, we will record the charge as appropriate and send you a formal notification.

Send this application form and the instrument to us within 21 days (including the date of signing) of the date the charge document was signed.

We have the discretion to extend the 21 day deadline where it has been missed by reason of inadvertence or other sufficient cause. Further information is provided in this form.

For information about our approach to charges under the Co-operative and Community Benefit Societies Act 2014 please see our guidance at <http://www.fca.org.uk/static/documents/fg15-12.pdf>

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuels Public Register: <https://mutuals.fca.org.uk>.

## Section 2 – About this application

### 2.1 What is the name and register number of your society?

<b>Society name</b>	ATEB Group Limited
<b>Register number</b>	23308R

## 2.2 Who can we contact about this application?

Name	Lara Marsden
Role	Solicitor
Email address	lmarsden@trowers.com
Phone number	02074238637

## Section 3 – About the charge

### 3.1 Which of the following are you asking us to do?

Record a charge (not available for societies in Scotland) ☒

Register a floating charge (Scottish societies only) ☐

### 3.2 Who are the parties to the charge?

Name	ATEB Group Limited
Name	bLEND Funding PLC
Name	bLEND Funding PLC
Name	

### 3.3 What date was the charge executed?

3	1	0	7	2	0	2	0
---	---	---	---	---	---	---	---

### 3.4 Please confirm you have attached a certified copy of the charge:

Certified copy of the charge attached ☒

### 3.5 Has the application been submitted within the 21 day limit?

Yes ☒

No ☐ Please provide reasons below

To decide if we can extend the registration period we need to know the reasons for the late application. Your answer should explain why the application was submitted late. Please ensure you provide sufficient information for us to




determine whether the application is late by reason of inadvertence or some other sufficient cause.

--

## Section 4 – Declaration

Please ensure this form is signed by one of the following:

- The secretary of the society or credit union; or
- A solicitor acting on behalf of the society or credit union; or
- A person interested in the charge on behalf of the society or credit union.

<b>Name</b>	<b>Lara Marsden</b>
My signature below confirms that the information in this form is accurate to the best of my knowledge	
<b>Signature</b> 	
<b>Position</b>	<b>Solicitor</b>
<b>Date</b>	<b>4 August 2020</b>

## Section 5 – Submitting this form

Please submit a signed, scanned version of your application by email to: [mutual.societies@fca.org.uk](mailto:mutual.societies@fca.org.uk)

Or please submit by post to:

Mutual Societies  
Financial Conduct Authority  
12 Endeavour Square  
London  
E20 1JN

This form is available on the **Mutuals Society Portal**:

<https://societyportal.fca.org.uk>