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Form AJ



Financial Conduct Authority

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CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

*Acknowledgement of application for recording
of a charge for the purposes of Part 5 of the said Act*

Name of Society: **Broadband for the Rural North Limited**

Register No. **31352 R**

The application dated **08 October 2014** for the recording of a charge on assets of the above-named society which was created or evidenced by an instrument dated **08 October 2014** and made between **Broadband for the Rural North Limited** and **The Trustees of Esmee Fairbairn Foundation** a certified true copy of which was annexed thereto, was delivered to the Financial Conduct Authority on **09 October 2014**.

Date: **10 November 2014**



DATED

8 0 00 01 14

2014

THE TRUSTEES OF ESMEE FAIRBAIRN FOUNDATION
BROADBAND FOR THE RURAL NORTH LIMITED

DEBENTURE

I certify that this is a true copy of the original document, as seen by myself.

Name (print) PETER PALMER Signed P.E. Palmer

Representing WRIGLEY'S SOLUTIONS LLP Date 9/10/2014

THIS DEED is dated

8 OCTOBER

2014

BETWEEN

- (1) **BROADBAND FOR THE RURAL NORTH LIMITED** incorporated and registered as a community benefit society in England and Wales with number IP031352 (at Companies House) and number 31352R (at the Financial Conduct Authority) whose registered office is at Storey Creative Industries Centre, Meeting House Lane, Lancaster, Lancashire LA1 1TH ("**Borrower**").
- (2) **THE TRUSTEES OF ESMEE FAIRBAIRN FOUNDATION** of Kings Place, 90 York Way, London N1 9AG, registered charity number 200051 ("**EFF**").

BACKGROUND

- (A) EFF has agreed pursuant to the Loan Agreement to provide the Borrower with loan facilities on a secured basis.
- (B) This debenture provides security which the Borrower has agreed to give EFF for the loan facilities under the Loan Agreement.

AGREED TERMS

1. Definitions and interpretation

1.1 Definitions

In this debenture the definitions and rules of interpretation in this clause apply.

Administrator: an administrator appointed to manage the affairs, business and property of the Borrower pursuant to paragraph 15 of Schedule 5.

Business Day: a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.

Charged Property: all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Property include references to any part of it).

Encumbrance: 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.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Borrower, including any part of it and all spare parts, replacements, modifications and additions.

Intellectual Property: patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information

(including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Loan Agreement: the Loan Agreement dated on or about the date hereof between the Borrower and EFF for the provision of loan facilities secured by this debenture.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Borrower or in which the Borrower holds an interest (including (but not limited to) the properties which are briefly described in Schedule 1) and **Property** means any of them.

Receiver: a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5.

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to EFF, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever, under or in connection with the Loan Agreement or this debenture (including, without limitation, those arising under clause 11.3) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.

Security Period: the period starting on the date of this debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

Unless the context otherwise requires, in this debenture:

- 1.2.1 any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this debenture;
- 1.2.2 a reference to one gender includes a reference to the other genders;
- 1.2.3 words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause or Schedule of or to this debenture;
- 1.2.5 a reference to **this debenture** (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- 1.2.6 a reference to a **person** shall be construed as including a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person;

1.2.7 a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and amended shall be construed accordingly);

1.2.8 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;

1.2.9 a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;

1.2.10a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and

1.2.11 the headings do not form part of this debenture or any part of it and do not affect its interpretation.

1.3 Clawback

If EFF considers that an amount is capable of being avoided or otherwise set aside on liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this debenture.

1.4 Nature of security over real property

A reference in this debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:

1.4.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;

1.4.2 the proceeds of sale of any part of that property; and

1.4.3 the benefit of any covenants for title given or entered into by any predecessor in title of the Borrower in respect of that property or any monies paid or payable in respect of those covenants.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 the terms of the Loan Agreement and of any side letters between any parties in relation to the Loan Agreement are incorporated in this debenture.

1.6 Insolvency Act 1986

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this debenture.

2. Covenant to pay

The Borrower shall on demand pay to EFF and discharge the Secured Liabilities when they become due.

3. Grant of security

3.1 Charging clause

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:

3.1.1 charges to EFF, by way of first legal mortgage, all the Properties listed in Schedule 1;

3.1.2 charges to EFF, by way of first fixed charge:

3.1.2.1 all Properties acquired by the Borrower in the future;

3.1.2.2 all present and future interests of the Borrower not effectively mortgaged or charged under the preceding provisions of this clause 3 in or over freehold or leasehold property;

3.1.2.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties or otherwise;

3.1.2.4 all licences, consents and authorisations, statutory or otherwise held or required in connection with the Borrower's business or the use of any Charged Property and all rights in connection with them;

3.1.2.5 all present and future goodwill and uncalled capital for the time being of the Borrower;

3.1.2.6 all Equipment;

3.1.2.7 all present and future accounts held, owned, used and/or operated by the Borrower;

3.1.2.8 all present and future stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities owned by the Borrower; and

3.1.2.9 all present and future Intellectual Property owned by the Borrower; and

3.1.3 charges to EFF, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.1 and clause 3.1.2.

3.2 Automatic conversion of floating charge

The floating charge created by clause 3.1.3 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

3.2.1 the Borrower:

3.2.1.1 creates, or attempts to create, over all or any part of the Charged Property an Encumbrance without the prior written consent of EFF or any trust in favour of another person; or

3.2.1.2 disposes or attempts to dispose of all or any part of the Charged Property (other than property subject only to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or

3.2.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or

3.2.3 any person levies or attempts to levy any distress, attachment, execution or other process against all or any part of the Charged Property; or

3.2.4 EFF receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower.

3.3 Conversion of floating charge by notice

EFF may in its sole discretion at any time by written notice to the Borrower convert the floating charge created under this debenture into a fixed charge as regards any part of the Charged Property specified by EFF in that notice.

3.4 Assets acquired after any floating charge crystallisation

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this debenture which but for such crystallisation would be subject to a floating charge shall (unless EFF confirms in writing to the contrary) be charged to EFF by way of first fixed charge.

4. Liability of Borrower

4.1 Liability not discharged

The liability of the Borrower under this debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by or available to EFF being or becoming wholly or partially illegal, void or unenforceable on any ground; or

4.1.2 EFF renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or

4.1.3 any other act or omission which but for this provision might have discharged or otherwise prejudiced or affected the liability of the Borrower.

4.2 Immediate recourse

The Borrower waives any right it may have of requiring EFF to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this debenture against the Borrower.

5. Representations and warranties

The Borrower represents and warrants to EFF in the terms set out in Schedule 2. The representations and warranties set out in Schedule 2 are made on the date of this debenture and shall be deemed to be made on each day of the Security Period with reference to the facts and circumstances then existing.

6. Covenants

The Borrower covenants with EFF during the continuance of the security constituted by this debenture in the terms set out in Schedule 3.

7. Powers of EFF

EFF shall have the powers set out in Schedule 4.

8. Enforcement

8.1 Enforcement events

The security constituted by this debenture shall be immediately enforceable in any of the circumstances set out in paragraph 1 of Schedule 5. The parties to this debenture agree that the provisions of Schedule 5 shall apply to this debenture and shall be binding between them.

8.2 Receiver's powers

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 6.

9. Costs and indemnity

9.1 Costs

The Borrower shall pay to or reimburse EFF and any Receiver on demand, on a full indemnity basis, all costs incurred by EFF and/or any Receiver in relation to:

9.1.1 this debenture or the Charged Property; or

9.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of EFF's or the Receiver's rights under this debenture; or

9.1.3 suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the costs of any proceedings in relation to this debenture or the Secured Liabilities) together with, in the case of clause 9.1.2 and clause 9.1.3, interest on the amount due at the default rate of interest specified in the Loan Agreement.

9.2 Indemnity

EFF and any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and costs incurred or suffered in or as a result of:

- 9.2.1 the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this debenture; or
- 9.2.2 any matter or thing done or omitted to be done in relation to the Charged Property under those powers; or
- 9.2.3 any default or delay by the Borrower in performing any of its obligations under this debenture.

10. Assignment and transfer

10.1 Assignment by Lender

EFF may at any time, without the consent of the Borrower, assign or transfer the whole or any part of EFF's rights and/or obligations under this debenture to any person.

10.2 Assignment by Borrower

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

11. Further provisions

11.1 Independent security

This debenture shall be in addition to and independent of every other security or guarantee which EFF may at any time hold for any of the Secured Liabilities and no prior security held by EFF over the whole or any part of the Charged Property shall merge in the security created by this debenture.

11.2 Continuing security

This debenture shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever, unless and until EFF discharges this debenture in writing.

11.3 Discharge conditional

Any release, discharge or settlement between the Borrower and EFF shall be deemed conditional upon no payment or security received by EFF in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise and, notwithstanding any such release, discharge or settlement:

11.3.1 EFF or its nominee shall be at liberty to retain this debenture and the security created by or pursuant to this debenture, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as EFF shall deem necessary to provide EFF with security against any such avoidance, reduction or order for refund; and

11.3.2 EFF shall be entitled to recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

11.4 Certificates

A certificate or determination by EFF as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

11.5 Rights cumulative

The rights and powers of EFF conferred by this debenture are cumulative, may be exercised as often as EFF considers appropriate, and are in addition to its rights and powers under the general law.

11.6 Waivers

Any waiver or variation of any right by EFF (whether arising under this debenture or under the general law) shall only be effective if it is in writing and signed by EFF and applies only in the circumstances for which it was given and shall not prevent EFF from subsequently relying on the relevant provision.

11.7 Further exercise of rights

No act or course of conduct or negotiation by or on behalf of EFF shall in any way preclude EFF from exercising any right or power under this debenture or constitute a suspension or variation of any such right or power.

11.8 Delay

No delay or failure to exercise any right or power under this debenture shall operate as a waiver.

11.9 Single or partial exercise

No single or partial exercise of any right under this debenture shall prevent any other or further exercise of that or any other such right.

11.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this debenture.

11.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

11.12 Counterparts

This debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

11.13 Third party rights

A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this debenture.

11.14 Perpetuity period

If the rule against perpetuities applies to any trust created by this debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

12. Notices

Clause 21 of the Loan Agreement (relating to all communications to be made under the Loan Agreement) is incorporated into this debenture as if set out fully in this debenture except that reference to the Loan Agreement shall be construed as references to this debenture.

13. Governing law

This debenture and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of England and Wales.

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

Schedule 1 Property

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Schedule 2 Representations and warranties

1. OWNERSHIP OF CHARGED PROPERTY

The Borrower is the legal and beneficial owner of the Charged Property free from any Encumbrance other than the Encumbrances created by this debenture.

2. ADVERSE CLAIMS

The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

3. ADVERSE COVENANTS

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

4. NO BREACH OF LAWS

There is no breach of any law or regulation, which materially adversely affects the Charged Property.

5. NO INTERFERENCE IN ENJOYMENT

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

6. NO OVERRIDING INTERESTS

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

7. AVOIDANCE OF SECURITY

No Encumbrance expressed to be created by this debenture is liable to be avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise.

8. ENVIRONMENTAL COMPLIANCE

The Borrower has at all times complied in all material respects with all applicable environmental law.

Schedule 3 Covenants

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Borrower shall not at any time, except with the prior written consent of EFF or save as expressly permitted under the Loan Agreement:

- (a) create, purport to create or permit to subsist any Encumbrance on, or in relation to, any Charged Property other than any Encumbrances created by this debenture; or
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, except for the disposal in the ordinary course of business of any of the Charged Property subject to the floating charge created under this debenture; or
- (c) create or grant (or purport to create or grant) any interest in any Charged Property in favour of a third party.

2. TRADING AND PRESERVATION OF CHARGED PROPERTY

The Borrower shall:

- (a) carry on its trade and business in accordance with the standards of good management from time to time current in such trade or business on those parts (if any) of the Properties as are, or may be, used for the purposes of trade or business; and
- (b) not do, or permit to be done, any act or thing, which will or might depreciate, jeopardise or otherwise prejudice the security held by EFF or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture.

3. STATUTORY COMPLIANCE

The Borrower shall comply with all statutes, byelaws and regulations relating to its trade or business and the whole or any part of the Charged Property.

4. PROVISION OF INFORMATION

The Borrower shall:

- (a) promptly provide to EFF whatever information, documents or papers relating to the Charged Property as EFF may from time to time request; and
- (b) inform EFF promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in Property.

5. INSURANCE

5.1 The Borrower shall:

- (a) insure and keep insured all of its undertaking and assets with reputable and responsible insurers previously approved by EFF in such manner and to such extent as is reasonable and customary for an enterprise engaged in the same or similar business and in the same or similar localities against such risks and contingencies as EFF shall from time to time request;
- (b) procure that the interest of EFF is noted on all its policies of insurance in such manner as EFF may in its absolute discretion require; and
- (c) duly and punctually pay all premiums and any other monies necessary for maintaining its insurance in full force and effect.

5.2 The Borrower shall apply all monies received by virtue of any insurance of the whole or any part of the Charged Property:

- (a) in making good or in recouping expenditure incurred in making good any loss or damage; or
- (b) if EFF in its discretion so requires, towards the discharge of the Secured Liabilities.

6. REPAIR

The Borrower shall:

- (a) at all times keep in good and substantial repair and condition all the Charged Property including, without limitation, all buildings, erections, structures and fixtures and fittings on and in the Property;
- (b) keep all Equipment in good repair, working order and condition and fit for its purpose; and
- (c) where it is uneconomic to repair any part of the Charged Property, replace such part by another similar asset of equal or greater quality and value.

7. NOTICE OF BREACH

The Borrower shall promptly upon becoming aware of the same give EFF notice in writing of any breach of:

- (a) any representation or warranty set out in Schedule 2; and
- (b) any covenant set out in this Schedule 3.

8. TITLE DOCUMENTS

The Borrower shall on the execution of this debenture (or, if later, the date of acquisition of the relevant Charged Property) and if so requested by EFF, deposit with EFF and EFF shall during the continuance of this debenture be entitled to hold all deeds and documents of title relating to the Charged Property which are in the possession or control of the Borrower (and, if not within the possession and/or control of the

Borrower, the Borrower undertakes to obtain possession of all such deeds and documents of title).

9. FURTHER ASSURANCE

The Borrower, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as EFF may reasonably require) in favour of EFF as EFF shall in its absolute discretion from time to time require over all or any part of the Charged Property and give all notices, orders and directions which EFF may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

10. INSPECTION

The Borrower shall permit EFF and any Receiver and any person appointed by either of them to enter upon and inspect any Property during normal business hours upon reasonable prior notice.

11. BORROWER'S WAIVER OF SET-OFF

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this debenture).

Schedule 4 Powers of lender

1. POWER TO REMEDY

EFF shall be entitled (but shall not be bound) to remedy a breach at any time by the Borrower of any of its obligations contained in this debenture and the Borrower irrevocably authorises EFF and its agents to do all such things as are necessary or desirable for that purpose.

2. EXERCISE OF RIGHTS

The rights of EFF under paragraph 1 of this Schedule 4 are without prejudice to any other rights of EFF under this debenture and the exercise of those rights shall not make EFF liable to account as a mortgagee in possession.

3. POWER TO DISPOSE OF CHATTELS

At any time after the security constituted by this debenture shall have become enforceable, EFF or any Receiver:

- (a) may dispose of any chattels or produce found on any Property as agent for the Borrower; and
- (b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal.

4. PRIOR ENCUMBRANCES

At any time after the security constituted by this debenture shall have become enforceable or after any powers conferred by any Encumbrance having priority to this debenture shall have become exercisable, EFF may:

- (a) redeem such or any other prior Encumbrance or procure its transfer to itself; and
- (b) settle any account of the holder of any prior Encumbrance.

Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower and all monies paid by EFF to an encumbrancer in settlement of such an account shall, as from its payment by EFF, be due from the Borrower to EFF on current account and shall bear interest and be secured as part of the Secured Liabilities.

5. INDULGENCE

EFF may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this debenture (whether or not such person or persons are jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this debenture or to the liability of the Borrower for the Secured Liabilities.

Schedule 5 Enforcement

1. ENFORCEMENT EVENTS

This debenture shall be enforceable if an Event of Default (as defined in the Loan Agreement) occurs, and in such event (whether or not the event is continuing), without prejudice to any other rights of EFF, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and EFF may in its absolute discretion enforce all or any part of the security created by this debenture as it sees fit.

2. STATUTORY POWER OF SALE

The powers of sale conferred upon mortgagees under the Law of Property Act 1925 shall, as between EFF and a purchaser from EFF, arise on and be exercisable at any time after the execution of this debenture, but EFF shall not exercise such power of sale until the security constituted by this debenture has become enforceable under paragraph 1 of this Schedule 5.

3. EXTENSION OF STATUTORY POWERS

The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by EFF under this debenture and are extended so as to authorise EFF whether in its own name or in that of the Borrower to make any lease or agreement for lease, accepts surrenders of lease or grant any option of the whole or any part or parts of the freehold and leasehold property of the Borrower with whatever rights relating to other parts of it and containing whatever covenants on the part of the Borrower and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as EFF thinks fit.

4. PROTECTION OF THIRD PARTIES

No purchaser, mortgagee or other person dealing with EFF or any Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged, or whether the power EFF or a Receiver is purporting to exercise has become exercisable; or
- (b) to see to the application of any money paid to EFF or any Receiver.

5. NO LIABILITY AS MORTGAGEE IN POSSESSION

Neither EFF nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property nor shall any of them be liable for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Property for which a mortgagee in possession might as such be liable.

6. APPOINTMENT OF RECEIVER

6.1 At any time after the security constituted by this debenture has become enforceable, or at the request of the Borrower, EFF may without further notice:

- (a) appoint by way of deed, or otherwise in writing, any one or more person or persons to be a receiver or a receiver and manager of all or any part of the Charged Property; and
- (b) (subject to section 45 of the Insolvency Act 1986) from time to time by way of deed, or otherwise in writing, remove any person appointed to be Receiver and may in like manner appoint another in his place.

Where more than one person is appointed Receiver, they will have power to act separately (unless the appointment by EFF specifies to the contrary).

6.2 EFF may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this debenture which shall be due and payable immediately upon its being paid by EFF.

7. POWERS ADDITIONAL

7.1 The powers of sale and appointing a Receiver conferred by this debenture shall be in addition to all statutory and other powers of EFF under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the Law of Property Act 1925 or otherwise.

7.2 The power to appoint a Receiver (whether conferred by this debenture or by statute) shall be and remain exercisable by EFF notwithstanding any prior appointment in respect of all or any part of the Charged Property.

8. AGENT OF THE BORROWER

Any Receiver appointed by EFF under this debenture shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

9. POWERS OF RECEIVER

Any Receiver appointed by EFF under this debenture shall in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986 have power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and in particular the powers set out in Schedule 6.

10. ORDER OF APPLICATION OF PROCEEDS

All monies received by EFF or a Receiver in the exercise of any enforcement powers conferred by this debenture shall be applied:

- (a) first in paying all unpaid fees, costs and other liability incurred by or on behalf of EFF (and any Receiver, attorney or agent appointed by it);
- (b) second in paying the remuneration of any Receiver (as agreed between him and EFF);
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as EFF shall determine; and
- (d) finally in paying any surplus to the Borrower or any other person entitled to it.

11. SECTION 109(8) LAW OF PROPERTY ACT 1925

Neither EFF nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 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 as between any of the Secured Liabilities.

12. SUSPENSE ACCOUNT

All monies received by the Lender or a Receiver under this debenture may, at the discretion of the Lender or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower and may be held in such account for so long as the Lender or Receiver thinks fit.

13. POWER OF ATTORNEY

By way of security the Borrower irrevocably appoints EFF and every Receiver separately to be the attorney of the Borrower and in its name and on its behalf and as its act and deed to execute any documents, and do any acts and things which:

- (a) the Borrower is required to execute and do under this debenture (but which it has failed to do); and/or
- (b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on EFF or any Receiver.

14. RATIFICATION OF ACTS OF ATTORNEY

The Borrower ratifies and confirms and agrees to ratify and confirm anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in paragraph 13 of this Schedule 5.

15. APPOINTMENT OF AN ADMINISTRATOR

- 15.1 EFF may without notice to the Borrower appoint any one or more persons to be an administrator of the Borrower pursuant to paragraph 14 Schedule B1 of the Insolvency Act 1986 if this debenture becomes enforceable.
- 15.2 Any appointment under this paragraph 15 shall:
- (a) be in writing signed by a duly authorised signatory of EFF, and
 - (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.
- 15.3 EFF may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this paragraph 15 and appoint under that paragraph a replacement for any Administrator whose appointment ends for any reason.

Schedule 6 Further powers of Receiver

1. TO REPAIR AND DEVELOP PROPERTIES

A Receiver may undertake or complete any works of repair, building or development on the Properties.

2. TO SURRENDER LEASES

A Receiver may grant or accept surrenders of any leases or tenancies affecting the Properties upon such terms and subject to such conditions as he thinks fit.

3. TO EMPLOY PERSONNEL AND ADVISORS

A Receiver may provide services and employ, or engage, such managers contractors and other personnel and professional advisors on such terms as he deems expedient.

4. TO MAKE VAT ELECTIONS

A Receiver may make such elections for value added tax purposes as he thinks fit.

5. TO CHARGE REMUNERATION

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as EFF may prescribe or agree with him.

6. TO REALISE CHARGED PROPERTY

A Receiver may collect and get in the Charged Property in respect of which he is appointed or any part thereof and for that purpose make such demands and take any proceedings as may seem expedient and to take possession of the Charged Property with like rights.

7. TO MANAGE OR RECONSTRUCT THE BORROWER'S BUSINESS

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

8. TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Borrower in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Borrower) and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a company to purchase the property to be sold.

9. TO MAKE SETTLEMENTS

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient.

10. TO IMPROVE EQUIPMENT

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

11. TO MAKE CALLS ON BORROWER MEMBERS

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of the uncalled capital with such and the same powers for that purpose and for the purpose of enforcing payments of any calls so made as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

12. TO APPOINT STAFF AND AGENTS

A Receiver may appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine.

13. TO INSURE

A Receiver may, if he thinks fit, but without prejudice to the indemnity contained in clause 9, effect with any insurer any policy or policies of insurance either in lieu or satisfaction of, or in addition to, such insurance.

14. LAW OF PROPERTY ACT 1925

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

15. TO BORROW

A Receiver may for any of the purposes authorised by this Schedule 6 raise money by borrowing from EFF or from any other person on the security of all or any of the Charged Property in respect of which he is appointed upon such terms (including if EFF shall consent to terms under which such security ranks in priority to this debenture) as he shall think fit.

16. TO REDEEM PRIOR ENCUMBRANCES

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

17. INCIDENTAL POWERS

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 6 or which he lawfully may or can do as agent for the Borrower.

18. SCOPE OF POWERS

Any exercise of any of these powers may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in paragraph 11 of this Schedule 6) or himself.

THE BORROWER

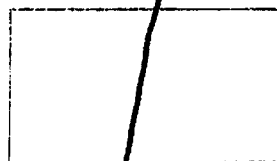
EXECUTED as a DEED by ~~affixing~~ two members of the committee)

WEIGHLESS SUNDRIES LLP

~~THE COMMON SEAL~~ of BROADBAND FOR THE)
RURAL NORTH LIMITED)

~~in the presence of:~~

Common seal of company



Member
~~Authorised~~ signatory:

WEIGHLESS SUNDRIES LLP

Print name:

B. FOXDE

Member
~~Authorised~~ signatory:

WEIGHLESS SUNDRIES LLP

Print name:

MONICA LEE

EFF

EXECUTED as a DEED for and on behalf of)
THE TRUSTEES OF ESMEE)
FAIRBAIRN FOUNDATION acting by two)
authorised signatories

Signature

Print name

Signature

Print name



Mutual Societies Application Form Notification of Charges Form

Full name of society or credit union:

BROADBAND FOR THE RURAL NORTH LIMITED

Important information you should read before completing this form

You must not use this form if your society is registered as a building society or is registered under one of the Friendly Societies Acts (1974 or 1992).

Industrial and provident societies and credit unions can complete this form if they wish to:

- record a charge;
- register a floating charge (Scottish societies only);
- notify us of a partial or complete satisfaction of a charge; or
- notify us of a release of a charge.

Please keep a copy of your form and the supporting documents for future reference.

The notes that accompany this form will help you complete the questions.

Please be aware that any personal details you give on the form will be placed on the society's or credit union's public file.

It is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your application.

Terms in this form

'FCA', 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society or credit union.

Contents of this form

1	Details of charges	3
2	Statutory Declaration	6





Mutual Societies Application Form Notification of Charges Form

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print out the completed form and arrange for it to be signed in sections 1 and 2.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed in sections 1 and 2.

3 If you make a mistake, cross it out and initial the changes, do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will have to treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may need to use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatory to the form.

6 Post this form and supporting documents to us at:

**Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS**

1

Details of charges

Society or credit union details

1.1 Society or credit union details

Register number	31352R
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Details of charges (fixed or floating)

1.2 What are you applying to record or register?

- | | |
|--|-----------------------------|
| <input checked="" type="checkbox"/> Recording a charge | ▶ Continue to question 1.3 |
| <input type="checkbox"/> Registering a floating charge (Scottish societies only) | ▶ Continue to question 1.3 |
| <input type="checkbox"/> Complete satisfaction of a charge | ▶ Continue to question 1.8 |
| <input type="checkbox"/> Partial satisfaction of a charge | ▶ Continue to question 1.11 |
| <input type="checkbox"/> Release of a charge | ▶ Continue to question 1.14 |

Recording/registering a charge (fixed or floating)

1.3 Names of the parties the charge is made between

Name	BROADBAND FOR THE RURAL NORTH LIMITED
Name	THE TRUSTEES OF ESMEE FAIRBAIRN FOUNDATION
Name	
Name	

1.4 Date of Instrument (dd/mm/yyyy)

0	8	/	1	0	/	2	0	1	4
---	---	---	---	---	---	---	---	---	---

1.5 You must confirm that a certified copy of the charge is attached

This must be certified with an original signature

☒ Yes

1.6 Are you submitting this charge outside the 21 day time limit?

☒ No

☐ Yes ▶ Give the reasons why below

--

Signature**1.7 This must be 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.

Signature	P. E. Parker
Full name and address of signatory	Peter Parker Wrigleys Solicitors LLP 19 Cookridge Street, Leeds LS2 3AG
Position or capacity acting	Solicitor acting on behalf of the society
Date	08/10/2014

End of form

Complete satisfaction of charge (fixed or floating)**1.8 Date the charge was satisfied (dd/mm/yyyy)**

--	--	--	--	--	--	--	--	--	--

1.9 You must confirm that you have attached a copy of both the original acknowledgment certificate and the first page of the charge☐ Yes**1.10 Give details below of the property no longer charged, e.g. address**

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Continue to question 1.17

Partial satisfaction of charge (fixed or floating)**1.11 Date the charge was partially satisfied (dd/mm/yyyy)**

--	--	--	--	--	--	--	--	--	--

1.12 You must confirm that you have attached a copy of both the original acknowledgment certificate and the first page of the charge☐ Yes

1.13 The amount by which the charge was partially satisfied£

If an amount is not applicable you must give details below

--

Continue to question 1.17

Release of charge (fixed or floating)**1.14 Date when the society or credit union was released from the charge (dd/mm/yyyy)**

<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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1.15 You must confirm that you have attached a copy of both the original acknowledgment certificate and the first page of the charge☐ Yes**1.16 Give details below of the property no longer charged, e.g. address**

--

Continue to question 1.17

Signature**1.17 This must be signed by the Secretary of the society or credit union**

Signature	<input type="text"/>
Full name	<input type="text"/>
Date	<input type="text"/>

Continue to section 2

2 Statutory Declaration

Declaration

- 2.1 The Secretary and a member of the committee of management (or director) of the society or credit union must sign below in front of a commissioner for oaths (or a notary public or justice of the peace)**

We do solemnly and sincerely declare that the particulars entered on this form in relation to the specified charge or floating charge are true to the best of our knowledge, information and belief.

And we make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1835.

Member of the committee of management (or director) of society or credit union

Name	
Signature	
Date	

Secretary of society

Name	
Signature	
Date	

Declared before

- ☐ a solicitor;
☐ a commissioner for oaths;
☐ notary public; or
☐ justice of the peace

Name	
Declared at	
Signature	
Date	

End of form