

Dated

2010

MANOR CAR HIRE LIMITED

(as Chargor)

and

MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME

(as Charge Holder)

FLOATING CHARGE

CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	CHARGING PROVISION	4
3	CRYSTALLISATION OF FLOATING CHARGE	4
4	RESTRICTIONS ON DEALING WITH CHARGED ASSETS	5
5	GENERAL UNDERTAKINGS	6
6	SECURITY TO BECOME ENFORCEABLE	8
7	APPOINTMENT AND REMOVAL OF RECEIVER	8
8	POWERS OF RECEIVER	8
9	RESPONSIBILITY FOR AND REMUNERATION OF RECEIVER	10
10	LIABILITY OF RECEIVER	10
11	POWERS AND PROTECTION OF THE CHARGE HOLDER	10
12	APPLICATION OF PROCEEDS OF REALISATION	11
13	DELEGATION	11
14	PROTECTION OF THIRD PARTIES	12
15	REDEMPTION OF PRIOR SECURITY INTERESTS	12
16	FURTHER ASSURANCES	13
17	POWER OF ATTORNEY	13
18	SUBSEQUENT SECURITY INTERESTS	14
19	SET-OFF	14
20	INDEMNITIES AND EXPENSES	15
21	EFFECTIVENESS OF SECURITY	16
22	REASSIGNMENT AND RELEASE OF SECURITY	17
23	MISCELLANEOUS	17
24	ASSIGNMENTS, TRANSFER, ETC	18
25	NOTICES	18
26	COUNTERPARTS	18
27	LAW	19
28	CERTIFICATION	19

THIS DEED is made

2010

PARTIES

- (1) MANOR CAR HIRE LIMITED, a Company incorporated under the laws of the England and Wales, whose trading office is at Spectrum House, 2B Spectrum House, RM12 6RJ (the “Company”); and
- (2) NICHOLAS PARRY acting for The Trustees of the MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME of c/o The Scheme Administrator, Daws House, 33-35 Daws Lane, London. NW7 4SD (the “Charge Holder”).

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

1.1 *Definitions*

In this Deed, the following words and expressions have the following meanings:

“Act” means the Law of Property Act 1925;

“Assets” means the business, undertaking, property, assets, revenues, rights and uncalled capital belonging to the Company or to which the Company is or may become entitled or in which the Company may have an interest, in each case at any time during the Security Period;

“Book Debts” means all book and other debts of any nature now or at any time during the Security Period due or owing to the Company and the benefit of, and the proceeds of all claims under, all Security Interests, guarantees, indemnities, letters of credit and insurances of any nature enjoyed or held by the Company at any time during the Security Period in relation to those book and other debts;

“Charged Assets” means the Assets from time to time subject or expressed to be subject to this Security;

“Default Rate” means, in relation to any amount not paid on its due date by the Company, such rate as may have been agreed between the Company and the Charge Holder in respect thereof and in default of any such agreement 7 % per annum;

“Enforcement Event” means any of the following events:

- (a) the failure by the Company to pay when due any of the Secured Liabilities; or
- (b) the commencement of the Winding-up of the Company; or
- (c) any event which causes the Charge Holder reasonably to believe that any of the Charged Assets is in danger of seizure, distress, diligence or other legal process or that this Security is otherwise for any reason in jeopardy;

“Floating Charge” means the floating charge created by Clause 2;

“Land” means freehold and leasehold land, and all fixtures, buildings, erections, equipment and effects from time to time on that land (other than land located outside England and Wales), and including the benefit of any covenants for title given or entered into in respect of that land by the Company or any predecessor in title of the Company;

“Permitted Security Interest” means:

- (a) this Security;
- (b) liens or rights of set-off arising in the normal course of trading or by operation of law securing obligations not more than 30 days overdue;
- (c) any banker’s lien or right of set-off pursuant to a bank’s standard account opening documentation; and
- (d) any rights by way of reservation or retention of title which are required by the supplier of any property to the Company in the normal course of such supplier’s business;

“Receiver” means any one or more persons appointed as receiver in accordance with the provisions of this Deed or the Act and includes an administrative receiver (as referred to in the Insolvency Act 1986) and a receiver and manager;

“Secured Liabilities” means each and every liability which the Company may now or hereafter have to the Charge Holder for borrowed money, and whether for principal, interest or otherwise now or hereafter owing due or incurred by the Company to the Charge Holder in respect of any such liabilities together with all sums covenanted in this Deed to be paid by the Company to the Charge Holder;

“Security” means the security from time to time constituted by, or pursuant to, this Deed;

“Security Interest” means any mortgage, charge, pledge, hypothecation, lien, assignment, title retention, option, right of set-off, security interest, trust arrangement and any other preferential right or agreement to confer security and any transaction which, although in legal terms is not a secured borrowing, has an economic or financial effect similar to that of a secured borrowing;

“Security Period” means the period beginning on the date of this Deed and ending on the date on which the Charge Holder is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

“Subsidiary” has the meaning given to it by section 736 of the Companies Act 1985 and also means a **“subsidiary undertaking”** (as defined in section 258 of the Companies Act 1985);

“Tax” means and includes any present or future tax (including Value Added Tax), levy, impost, duty, charge, fee, deduction or withholding of any nature and any

interest or penalty in respect thereof; and

“Winding-up” of a person means the administration, amalgamation, reconstruction, reorganisation, dissolution, liquidation, merger or consolidation of that person, and any equivalent or analogous procedure under the laws of any jurisdiction and a reference to the **commencement** of any of these includes a reference to the presentation of a petition to a court of competent jurisdiction or the passing of a resolution by the person for, or with a view to, any of them.

1.2 *Interpretation*

In this Deed, unless the context requires otherwise:

- 1.2.1 references to the **Company** or the **Charge Holder** shall be construed so as to include its or their successors in title and permitted assignees and transferees;
- 1.2.2 references to **Clauses** are to clauses of this Deed;
- 1.2.3 headings to **Clauses** and the contents page are for convenience only and are to be ignored in construing this Deed;
- 1.2.4 references to a **“person”** are to be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority, or any joint venture, association or partnership (whether or not having separate legal personality);
- 1.2.5 subject to Clause 8, references to any statute or statutory provision are to be construed as references to the same as it may have been, or may from time to time be, amended or re-enacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom;
- 1.2.6 any reference to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of a jurisdiction other than England, be deemed to include that which most nearly approximates in that jurisdiction to the English legal term;
- 1.2.7 any reference to the **“Charged Assets”** shall be a reference to all the Charged Assets and/or to each and every part of the Charged Assets and reference to any other defined term or noun in the plural number or collective plural shall be interpreted mutatis mutandis in the same manner;
- 1.2.8 in this Deed the masculine gender shall also include the feminine and neuter genders and vice versa;
- 1.2.9 references in this Deed to this **“Deed”** or any other deed, agreement or instrument are references to this Deed, the relevant deed, agreement or instrument as amended, supplemented, replaced or novated from time to time and include references to any document which amends, supplements, replaces, novates or is entered into, made or given pursuant to, or in accordance with, this Deed, the relevant deed, agreement or instrument; and

- 1.2.10 references in this Deed to “including” and “in particular” (and other cognate references) shall be construed as not limiting any general words or expressions in connection with which they are used.

1.3 *Law of Property (Miscellaneous Provisions) Act 1989*

The terms of any agreements between the parties hereto in relation to the Secured Liabilities are incorporated in this Deed to the extent required to ensure that any disposition of the Charged Assets contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 *Contracts (Rights of Third Parties) Act 1999*

A person who is not a party to this Deed shall not under the Contracts (Rights of Third Parties) Act 1999 be entitled to enforce or enjoy the benefit of any of the terms of this Deed, except the Receiver, its directors, employees and agents and any delegate or sub-delegate appointed pursuant to Clause 13.

1.5 *Enterprise Act 2002*

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Deed.

1.6 *The Charge Holder and Receiver's discretion*

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Charge Holder or any Receiver may be exercised or made in his absolute and unfettered discretion without any obligation to give reasons therefor.

1.7 *Liability of Trustees*

The parties acknowledge that the trustees shall have liability under this Deed that is limited to the assets of the Scheme from time to time.

2 CHARGING PROVISION

The Company with full title guarantee (subject to Permitted Security Interests) charges in favour of the Charge Holder for the payment and discharge of the Secured Liabilities by way of floating charge all Assets being the date the loan facility was made available to the Company. This charging provision supersedes all previous Charging Provisions against the Company in respect of its liabilities to the Trustees of the Scheme

3 CRYSTALLISATION OF FLOATING CHARGE

3.1 *By notice*

The Charge Holder may, at any time by notice to the Company, convert the Floating Charge with immediate effect into a fixed charge as regards any Charged Asset subject to the Floating Charge which the Charge Holder has reasonable grounds to believe to be in jeopardy.

3.2 *Automatic on creation of other Security Interests or judicial process*

If, without the prior written consent of the Charge Holder:

3.2.1 the Company creates or permits to subsist a Security Interest (other than a Permitted Security Interest) over the Charged Assets, or attempts to do so; or

3.2.2 any person levies, or attempts to levy, any distress, attachment, execution or other legal process against the Charged Assets,

the Floating Charge over the Charged Assets the subject of that Security Interest, process or attempt shall automatically convert into a fixed charge.

3.3 *Winding-up, insolvency*

Notwithstanding Clauses 3.1 and 3.2, and without prejudice to any law which may have a similar effect, the Floating Charge shall automatically be converted with immediate effect into a fixed charge as regards all the Charged Assets subject to the Floating Charge:

3.3.1 on the occurrence of an Enforcement Event; or

3.3.2 on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company.

4 RESTRICTIONS ON DEALING WITH CHARGED ASSETS

4.1 *No Security Interests over Charged Assets*

The Company shall not create or allow to subsist any Security Interest on or over the Charged Assets (save for Permitted Security Interests).

4.2 *Dealing with Book Debts*

The Company shall not sell, assign, transfer, discount, factor, alienate, deal with or otherwise dispose of, exchange, compound, set-off or grant time or indulgence in respect of, or waive or release the Book Debts.

4.3 *Dealing with other Charged Assets*

This Clause 4.3 does not apply to the Book Debts. The Company shall not, without the prior written consent of the Charge Holder:

4.3.1 sell, transfer, grant any lease or licence in relation to, enter into any agreement for the sale, transfer of, grant of lease or licence relating to, or otherwise dispose of, the Charged Assets;

4.3.2 part with possession of the Charged Assets;

4.3.3 confer upon any person any licence, right or interest to occupy the Charged Assets;

4.3.4 grant any licence or permission to assign or underlet the Charged Assets; or

- 4.3.5 enter into any option agreement or arrangement having a similar effect to any of the actions referred to above in this Clause 4.3.

4.4 *Winding-up, corporate existence, etc*

The Company shall not:

- 4.4.1 take steps with a view to the commencement of its Winding-up; or
- 4.4.2 take any action which may prejudice its corporate existence or its right or ability to carry on its business and operations.

4.5 *Floating Charge Assets*

The prohibitions contained in Clause 4 shall not prevent the Company from dealing in the ordinary course of its business with the Charged Assets which are, at the relevant time, subject to the Floating Charge until (whichever shall first occur):

- 4.5.1 the Floating Charge relating to the relevant Charged Assets is converted into a fixed charge; or
- 4.5.2 the Charge Holder gives notice to the Company that the exception to Clause 4 effected by this Clause 4.5 is no longer to apply.

4.6 *Operation of bank current accounts*

Without prejudice to the rights which the Charge Holder may have generally at law or in equity or as specifically provided in this Deed in relation to, or over, any current account at any bank, the Company may, before the occurrence of an Enforcement Event or in the absence of any written instructions from the Charge Holder to the contrary, pay away in the ordinary course of its business any monies standing to the credit of any current account at any bank.

5 GENERAL UNDERTAKINGS

5.1 *Business*

The Company shall:

- 5.1.1 acquire, maintain and renew all rights, contracts, powers, privileges, licences, leases, sanctions, franchises and concessions necessary or desirable for the conduct of its business and operations;
- 5.1.2 conduct its business and operations in a proper and efficient manner; and
- 5.1.3 not make any substantial alterations in the nature of its business or operations.

5.2 *Information*

The Company shall provide the Charge Holder with such information in writing as the Charge Holder may from time to time reasonably require.

5.3 *Environmental matters*

The Company shall acquire, maintain and comply with all relevant environmental permissions and permits and shall at all times comply with all laws relating to the protection of the environment.

5.4 *Notices received relating to Charged Assets*

The Company shall, immediately following receipt, give to the Charge Holder a copy of any notice, order, direction, requisition, permission, proposal or other matter affecting or likely to affect the Charged Assets and shall, in relation thereto, comply with any instructions given to it by the Charge Holder.

5.5 *Employment matters*

The Company shall observe all enactments relating to or affecting the employment of persons at the Charged Assets.

5.6 *Rates, Taxes*

The Company shall punctually pay all rent, rent charges, rates, taxes, charges, duties, levies, assessments, impositions and outgoings whatsoever in respect of the Charged Assets.

5.7 *Sums having priority to the Floating Charge*

The Company shall punctually pay all sums which would have priority to the Charge Holder under the Floating Charge.

5.8 *Uncalled capital*

The Company shall, at the request of the Charge Holder, call up (and shall not call up without the prior consent in writing of the Charge Holder) any uncalled capital.

5.9 *Title documents*

The Company shall, when required by the Charge Holder, deposit with the Charge Holder all deeds and documents of title, share and other certificates or evidence of ownership relating to the Charged Assets, and all local land charges, land charges and land registry search certificates and the like relating to the Charged Land, all of which the Charge Holder shall be entitled to retain throughout the Security Period.

5.10 *General*

The Company shall execute and do at the expense of the Company all such work and things as may now or at any time during the Security Period be directed or required by any national, local or other competent authority to be executed or done on, or in respect of, the Charged Assets or, as the case may be, by the owner or occupier of the Charged Assets.

6 SECURITY TO BECOME ENFORCEABLE

6.1 *Powers arising*

The Secured Liabilities shall be deemed to have become due and payable, and the power of sale and other powers conferred on mortgagees by section 101 of the Act as varied and extended by this Deed shall arise, immediately on execution of this Deed by the Company.

6.2 *Powers exercisable*

Neither section 93 nor section 103 of the Act shall apply to this Deed and the powers referred to in Clause 6.1 may be exercised by the Charge Holder and this Security shall become enforceable without notice to the Company on or any time after an Enforcement Event has occurred.

7 APPOINTMENT AND REMOVAL OF RECEIVER

7.1 *Appointment*

When an Enforcement Event occurs or at any time afterwards, or at any time if so requested by the Company, the Charge Holder may, subject to statutory restrictions, appoint any person or persons as Receiver or Receivers over all or any part of the Charged Assets or appoint an administrator.

7.2 *Removal and further appointment*

The Charge Holder may:

7.2.1 remove any Receiver (but only if sanctioned by the order of the court in the case of an administrative receiver) previously appointed under this Deed; and

7.2.2 appoint any person or persons as Receiver or Receivers either in the place of a Receiver so removed or who has otherwise ceased to act or to act jointly with a Receiver or Receivers previously appointed under this Deed.

7.3 *Method of appointing*

Every appointment or removal of Receivers, and every appointment or removal of delegates by the Charge Holder in the exercise of any right contained in this Deed to delegate the Charge Holder's powers or to remove delegates, may be made on the terms (including power to sub-delegate) and subject to any regulations which the Charge Holder may think fit and may be made either by deed or by instrument in writing under the hand of the Charge Holder or any person so authorised in writing in that behalf by the Charge Holder.

8 POWERS OF RECEIVER

8.1 *Powers*

A Receiver appointed in accordance with Clause 7 shall, until his removal, have the powers conferred by section 109 of the Act and those powers listed in schedule 1 to the Insolvency Act 1986 (both as in force at the date of this Deed)

and may exercise those powers either in his own name or in the name of the Company and shall in addition have the following powers:

- 8.1.1 in connection with any sale or other disposition of the Charged Assets, to receive the consideration therefor in a lump sum or in instalments and to receive shares by way of consideration;
- 8.1.2 to grant options, licences or any other interest in the Charged Assets;
- 8.1.3 to sever fixtures from, and to repair, improve and make any alterations to, the Charged Assets;
- 8.1.4 to exercise any voting rights appertaining to the Company;
- 8.1.5 to do all other acts and things which he may consider desirable or necessary for realising any Charged Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and
- 8.1.6 to exercise, in relation to Charged Assets, all other powers, authorities and rights which he could exercise if he were their absolute unencumbered beneficial owner.

8.2 *Leasing*

The statutory powers of leasing shall, following the occurrence of an Enforcement Event, be extended so as to authorise the Receiver to lease and make agreements for leases at a premium or otherwise and to accept surrenders of leases and to grant options as the Receiver thinks fit without the need to observe any of the restrictions in sections 99 and 100 of the Act.

8.3 *Powers to be additional*

The powers conferred by this Deed in relation to the Charged Assets on the Receiver shall be in addition to, and not in substitution for, the powers conferred on a receiver under the Act and on an administrative receiver under the Insolvency Act 1986.

8.4 *Conflict*

If and to the extent that there is any ambiguity or conflict between:

- 8.4.1 the powers conferred on the Receiver by the Act and those powers listed in schedule 1 of the Insolvency Act 1986; and
 - 8.4.2 the powers conferred by this Clause 8;
- the powers conferred by this Clause 8 shall prevail.

8.5 *Several Receivers*

If, at any time, there is more than one Receiver of the Charged Assets, each Receiver may exercise individually all the powers conferred on a Receiver under this Deed and to the exclusion of the other Receiver or Receivers, unless the document appointing that Receiver states otherwise.

9 RESPONSIBILITY FOR AND REMUNERATION OF RECEIVER

9.1 *Receiver to be agent of the Company*

In the exercise of his powers under this Deed, the Receiver will be the agent of the Company. This agency shall continue until the Company goes into liquidation after which the Receiver shall act as principal and shall not become the agent of the Charge Holder.

9.2 *Level of remuneration*

The Charge Holder may, from time to time and without being limited by the maximum rate specified in section 109(6) of the Act, fix the remuneration of the Receiver and, without prejudice to Clause 10.1, direct that such remuneration be paid from monies accruing to, or collected by, the Receiver in the exercise of his powers as Receiver.

10 LIABILITY OF RECEIVER

10.1 *Possession*

If the Receiver enters into possession of the Charged Assets, the Receiver may, from time to time and at any time, go out of such possession.

10.2 *Receipts*

The Receiver shall not, by reason of any entry by him into, or the taking by him of, possession of the Charged Assets or for any other reason (and whether as mortgagee in possession or on any other basis):

10.2.1 be liable to account to the Company for anything except the Receiver's actual receipts arising from the exercise of his powers under this Deed; or

10.2.2 be liable to the Company for any loss or damage arising from:

(a) any act, default or omission of the Receiver in relation to the Charged Assets; or

(b) any exercise or non-exercise by the Receiver of any power, authority or discretion conferred on him in relation to the Charged Assets under this Deed, the Act or the Insolvency Act 1986.

10.3 *Protection of the Receiver*

The Receiver shall be entitled to all the privileges and immunities which the Act confers on Receivers appointed under the Act.

11 POWERS AND PROTECTION OF THE CHARGE HOLDER

11.1 *Powers*

All the powers, authorities and discretions which are expressly or impliedly conferred by this Deed on a Receiver may, after an Enforcement Event has

occurred, be exercised by the Charge Holder in respect of the Charged Assets whether or not a Receiver has been or is later appointed.

11.2 *Protections*

All the protections and immunities which this Deed provides for a Receiver shall be available to the Charge Holder when exercising the powers, authorities and discretions conferred on the Charge Holder by this Deed.

12 **APPLICATION OF PROCEEDS OF REALISATION**

12.1 *Order of application*

All monies received by the Charge Holder or a Receiver shall, after this Security becomes enforceable and subject to the payment of any claims having priority to this Security, be applied in the following order (but without prejudice to the right of the Charge Holder to recover any shortfall from the Company and notwithstanding any purported appropriation by the Company):

12.1.1 **first**, in payment of the remuneration of the Receiver and the costs of realisation, including any costs and expenses of, or incidental to, any exercise of any power conferred by this Deed;

12.1.2 **secondly**, in or towards the payment of any debts or other amounts which are in law payable in preference to the Secured Liabilities ; and

12.1.3 **thirdly**, in or towards satisfaction of the Secured Liabilities in such order (as to principal or interest) as the Charge Holder or the Receiver shall, in his absolute discretion, determine,

and the surplus (if any) shall be paid to the Company or such other person as may be entitled to that surplus.

12.2 *Variation of statutes*

Clause 12.1 shall take effect as a variation of sections 99 to 109 of the Act, which as so varied are deemed incorporated into this Deed.

12.3 *Contingencies*

If the Charge Holder enforces this Security at a time when no Secured Liabilities are due but at a time when Secured Liabilities may or will become so due, the Charge Holder (or the Receiver) may, out of the proceeds of any recoveries effected by the Charge Holder, retain such amount as the Charge Holder considers appropriate in order to provide adequate cash cover for the contingent or future liability.

13 **DELEGATION**

13.1 *Method of appointment*

The Charge Holder and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by either of them under this Deed in relation to the Charged Assets.

13.2 *Terms of delegation*

Any such delegation may be made on the terms (including power to sub-delegate) and subject to any regulations which the Charge Holder or the Receiver may think fit, and may be made either by deed or by instrument in writing under the hand of the Charge Holder or of the Receiver or any person so authorised in writing in that behalf by the Charge Holder.

13.3 *Liability of Charge Holder or Receiver*

Neither the Charge Holder nor any Receiver shall be liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

13.4 *Liability of delegates and sub-delegates*

Clause 10.2 shall apply in respect of the liability of any delegate or sub-delegate referred to in this Clause 13 in all respects as though every reference in Clause 10.2 to the Receiver were instead a reference to such delegate or sub-delegate.

14 **PROTECTION OF THIRD PARTIES**

14.1 *Contractual*

No person dealing with the Charge Holder, a Receiver, delegate or sub-delegate, or its agents will be concerned to enquire:

14.1.1 whether the Security Period continues;

14.1.2 whether the Secured Liabilities have become payable or have been paid;

14.1.3 whether any power, authority or discretion which the Charge Holder, the Receiver, delegate or sub-delegate is purporting to exercise has become exercisable or has been properly exercised;

14.1.4 whether the Receiver is acting within his powers; or

14.1.5 how any monies paid to the Charge Holder, the Receiver, delegate or sub-delegate are to be or have been applied.

14.2 *Statutory*

The protection given to purchasers in sections 104 and 107 of the Act and to persons dealing with an administrative receiver in section 42(3) of the Insolvency Act 1986 shall apply equally to purchasers and any other persons dealing with the Charge Holder or the Receiver.

15 **REDEMPTION OF PRIOR SECURITY INTERESTS**

15.1 *Redemption and other action*

If this Security has become enforceable or if any proceedings or steps are being taken to enforce or realise any prior Security Interest affecting the Charged Assets, the Charge Holder or Receiver may:

- 15.1.1 redeem any prior Security Interest affecting any Charged Asset;
- 15.1.2 procure the transfer of that Security Interest to himself or to his nominee; and
- 15.1.3 settle the accounts of the holder of the prior Security Interest (and any accounts so settled shall be conclusive and binding on the Company).

15.2 *Monies paid by the Charge Holder*

All principal monies, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer shall be paid by the Company to the Charge Holder on demand.

16 **FURTHER ASSURANCES**

16.1 *Perfection of Security Interests*

The Company shall, at its own expense, execute and do all such assurances, acts and things as the Charge Holder may require for perfecting the Security Interests intended to be created by this Deed over the Charged Assets or for facilitating the realisation of the Charged Assets and in the exercise of all powers, authorities and discretions vested in the Charge Holder or any Receiver of the Charged Assets or in any delegate or sub-delegate.

16.2 *Notices of this Security*

The Company shall if so requested by the Charge Holder, promptly affix to the Charged Assets, and indorse or cause to be indorsed on the certificates and documents which constitute or evidence title to the Charged Assets, such notices, endorsements or memoranda referring to this Security as the Charge Holder may reasonably and from time to time require.

16.3 *Land*

Insofar as the exercise of any right of further assurance referred to in Clause 16.1 applies to any Land or any interest in Land, it shall be a separate and distinct undertaking and as such shall not be deemed to form part of this Deed, but the provisions of this Deed shall be deemed incorporated into the document exercising that right as though they were set out in that document in full in order to satisfy the requirements of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989.

17 **POWER OF ATTORNEY**

17.1 *Appointment*

The Company hereby by way of security and in order more fully to secure the performance of its obligations under this Deed irrevocably appoints the Charge Holder and every Receiver and every delegate or sub-delegate to be its attorney acting severally, and on its behalf and in its name or otherwise:

- 17.1.1 to execute and do all such assurances, acts and things which the Company ought to do under this Deed;

- 17.1.2 to make any demand upon, or to give any notice or receipt to, any person owing monies to the Company;
- 17.1.3 to execute and deliver any legal mortgages, charges, assignments or other security and any transfers of Securities;
- 17.1.4 to exercise the powers, authorities and discretions conferred by or pursuant to this Deed or by statute on the Charge Holder or any such Receiver, delegate or sub-delegate; and
- 17.1.5 to sell and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it may deem proper in or for the purpose of exercising any of such powers, authorities and discretions.

17.2 *Ratification*

The Company hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in this Clause 17 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause.

17.3 *General power*

The appointment under Clause 17.1 shall operate as a general power of attorney made under section 10 of the Powers of Attorney Act 1971.

18 **SUBSEQUENT SECURITY INTERESTS**

If the Charge Holder shall at any time receive or be deemed to have received notice of any Security Interest affecting the Charged Assets or any assignment or transfer thereof which is prohibited by this Deed, then unless the Charge Holder gives express written notice to the Company to the contrary, all payments by or on behalf of the Company to the Charge Holder shall be credited or treated as having been credited to any advance made by the Charge Holder to or any liability of the Company to the Charge Holder arising after such time and not as having been applied in reduction of the Secured Liabilities at such time.

19 **SET-OFF**

19.1 *Set-off*

The Charge Holder may set-off or transfer any sum owing by the Charge Holder to the Company in or towards satisfaction of the Secured Liabilities, and may do so whether or not the sums and the Secured Liabilities are expressed in the same currency.

19.2 *Notice*

The Charge Holder shall notify the Company immediately on the exercise or purported exercise of any right under this Clause 19 provided that any failure by the Charge Holder so to notify will not invalidate or otherwise prejudice any such exercise or purported exercise.

20 INDEMNITIES AND EXPENSES

20.1 *General indemnity*

The Company shall, on demand, indemnify the Charge Holder, any Receiver and any manager, agent, officer or employee for whose liability, acts or omissions the Charge Holder or the Receiver may be answerable from and against all liabilities, costs, charges, losses, expenses, legal and other professional fees (including Tax) suffered or incurred by any of them arising from or as a result of:

- 20.1.1 the exercise or the purported exercise of any powers, authorities or discretions conferred on any of them under or by virtue of this Deed;
- 20.1.2 any matter or thing done or omitted to be done under, or in any way relating to, this Deed;
- 20.1.3 any breach, non-observance or non-performance by the Company of any of its covenants, undertakings, obligations, representations or warranties under this Deed;
- 20.1.4 the making good of any such breach, non-observance or non-performance;
- 20.1.5 the enforcement of this Deed; or
- 20.1.6 any action, claim or proceeding relating to any of the above.

20.2 *Obligation to pay*

The Company shall, in accordance with Clause 20.5, pay to the Charge Holder:

- 20.2.1 the items of expenditure set out in Clause 20.3; and
- 20.2.2 the amount referred to in Clause 20.4.

20.3 *Identification of expenses*

The items of expenditure referred to in Clause 20.2.1 are all expenses (including, without limitation, legal and out-of-pocket expenses on a full indemnity basis) incurred by the Charge Holder in connection with:

- 20.3.1 the preparation, negotiation and execution of this Deed;
- 20.3.2 the preparation and negotiation of documentation relating to any amendment or extension of this Deed, regardless of the form which such documentation takes and whether or not such documentation is acceptable to, and/or executed by, any or all parties to that documentation;
- 20.3.3 the granting, preparation and documenting of any waiver, approval, consent, confirmation or release under, or in respect of, this Deed;
- 20.3.4 any investigation or due diligence into the financial or other condition of the Company or into ascertaining whether or not the Company has complied or is complying with this Deed;

- 20.3.5 the contemplation of the enforcement of any rights or the exercise of any powers under this Deed or in investigating any possible breach by the Company of this Deed;
- 20.3.6 any proceedings (legal or otherwise) involving the Charge Holder in connection with this Deed or the Charged Assets, whether such proceedings are brought by the Company or a third party; and
- 20.3.7 the matters referred to in Clause 18.

20.4 *Stamp duties and other payments*

In addition, the Company shall pay an amount equal to any stamp duties, search fees, registration fees and duties payable in connection with this Deed and any penalties with respect to, or resulting from, delay or omission to pay any such duties or fees.

20.5 *Time for payment*

The Company shall, on first demand, pay or reimburse the Charge Holder for the items of expenditure referred to in Clause 20.3 and any amount referred to in Clause 20.4.

21 **EFFECTIVENESS OF SECURITY**

21.1 *Continuing security*

This Security is a continuing security and will not be considered satisfied by any intermediate payment or settlement of account or otherwise, but will remain in force until the end of the Security Period.

21.2 *Rights additional*

The rights of the Charge Holder under this Deed are in addition to any guarantee, other rights or Security Interest, present or future, held by the Charge Holder from the Company or any other person in respect of the payment or discharge of the Secured Liabilities and will not merge with, or prejudice or be prejudiced by, any guarantee, such rights or Security Interest or by any dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any of them, and this Deed may be enforced against the Company without first having recourse to any guarantee, other rights or Security Interest in favour of the Charge Holder.

21.3 *Other dealing*

This Security and its validity shall not in any way be prejudiced or affected by the Charge Holder dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any Security Interest, guarantee or other rights or remedies referred to in Clause 21.2 or by giving time for payment or indulgence or compounding with any other person liable.

21.4 *Conditional release of security*

If any Security Interest, disposition or payment made or given to the Charge Holder is avoided, reduced, set aside, rendered unenforceable or required to be

paid away by virtue of any provision, requirement or enactment, whether relating to bankruptcy, insolvency or liquidation or otherwise at any time in force, or by virtue of any obligation to give effect to any preference or priority, the Charge Holder shall be entitled to recover the value or amount of that Security Interest, disposition or payment from the Company on demand.

21.5 *Perpetuity period*

The perpetuity period for the trusts contained in this Deed is 80 years from the date of this Deed.

22 **REASSIGNMENT AND RELEASE OF SECURITY**

On the expiry of the Security Period, the Charge Holder shall, at the request and cost of the Company and without any warranty or representation in connection with the reassignment, execute such reassignments and do all such other deeds, acts and things as may be necessary to reassign those Charged Assets (then in existence) which were assigned to the Charge Holder and to release the remaining Charged Assets from this Security.

23 **MISCELLANEOUS**

23.1 *Certificate of Charge Holder*

The certificate of the Charge Holder as to:

23.1.1 any matter in relation to this Deed which is to be designated, calculated, decided, determined or certified by the Charge Holder under, or in respect of, this Deed; or

23.1.2 the amount at any time of the Secured Liabilities or any other amount payable under this Deed; or any rate of exchange or currencies,

shall be conclusive and binding on the Company unless there is an obvious error.

23.2 *Severability*

If a provision of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Deed.

23.3 *Waivers, remedies cumulative*

The rights of the Charge Holder under this Deed:

23.3.1 may be exercised as often as the Charge Holder considers necessary or desirable;

23.3.2 are cumulative and not exclusive of their respective rights under any applicable law; and

23.3.3 may be waived only in writing and specifically.

23.4 *Delay*

Delay in exercising or the non-exercise of any right of the Charge Holder under this Deed is not a waiver of that right.

24 **ASSIGNMENTS, TRANSFER, ETC**

24.1 *Company*

The Company may not assign, transfer or otherwise dispose of any of its rights or obligations under this Deed.

24.2 *Charge Holder*

The benefit of this Deed may be assigned in whole or in part by the Charge Holder without regard to any set-off, counterclaim or equities between the Company and the Charge Holder or any intermediate holder.

25 **NOTICES**

25.1 *Communications to be in writing*

Each communication to be made under this Deed shall be made in writing but, unless otherwise stated, may be made by facsimile or letter.

25.2 *Delivery of communications*

Any communication or document to be made or delivered by one person to another under this Deed shall (unless that other person has by 15 days' written notice to the other party specified another address) be made or delivered to that other person at the facsimile number or address identified with its or his signature below and shall be deemed to have been made or delivered when receipt has been acknowledged (in the case of any communication by facsimile) or (in the case of posting) two working days after being deposited in the post postage prepaid in an envelope addressed to it or him at that address provided that:

25.2.1 any communication or document to be made or delivered to the Charge Holder shall be effective only when received by the Charge Holder; and

25.2.2 any communication or document made or delivered after normal business hours in the place of receipt shall not be deemed to be made or delivered until opening of business on the next working day in such place.

26 **COUNTERPARTS**

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

27 **LAW**

This Deed shall be governed by English law.

28 **CERTIFICATION**

The Company certifies that the creation of this Security does not contravene any provision of its memorandum and articles of association or any other of its constitutional documents.

IN WITNESS WHEREOF this Deed has been executed as a Deed by the Company by its duly authorised representatives and the Charge Holder and is intended to be and is hereby delivered on the date stated at the beginning of this Deed.

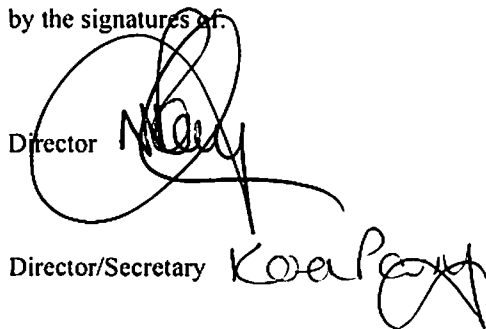
THE COMPANY

**Executed and Delivered as a Deed for and on
behalf of MANOR CAR HIRE LIMITED**

by the signatures of:

Director

Director/Secretary

The block contains two handwritten signatures. The first signature, for the Director, is a large, stylized cursive mark that appears to start with a capital 'M'. The second signature, for the Director/Secretary, is a more fluid cursive signature that appears to start with a capital 'K'.

THE CHARGE HOLDER

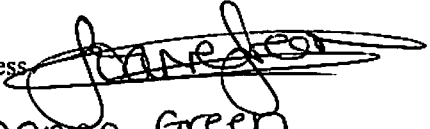
**Executed and Delivered as a Deed by
NICHOLAS PARRY**

in the presence of:

Signature of Witness

Full Name

Address


Joanne Green
129 Loushers Lane
Warrington
WA4 2RF

MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME

and

MANOR CAR HIRE LIMITED

Date:

Contents

Date

Parties

1	Definitions
2	Amount of the debt
3	Repayment conditions
4	Interest payable
5	Early repayment of part
6	Method of payment
7	No change to capital structure
8	Borrower's warranties
9	The Security
10	Event of Default
11	Notice of default
12	Consequences of termination
13	Assignment
14	Promise to provide information
15	Contract is divisible
16	Notices and service
17	Headings
18	Dispute resolution
19	Waiver
20	Jurisdiction

This Agreement is dated:

It is made between

The "Lender" Trustees of MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME whose serving address is situate at The Administrator, Daws House, 33-35 Daws Lane, London, NW7 4SD

and

The "Borrower" MANOR CAR HIRE LIMITED, Manor Way, Coppull, Chorley. PR7 5FH

Background

The purpose of this agreement is to set out the contractual terms under which a loan has been made by the Trustees of MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME to MANOR CAR HIRE LIMITED

This Agreement stands alone from any other agreements the Trustees have in place with the Borrower.

The terms of this Agreement are:

1 Definitions that apply to this agreement:

"Advance"	means a part of the Loan drawn down by the Borrower at his request.
"Basic rate"	means a fixed rate of interest of 9.2% for the term of the loan.
"Higher Rate"	means a rate of interest 2% per cent higher than the Basic Rate.
"Interest Date"	means the date in which monthly interest is payable.
"Loan"	means the total amount of money lent now or at any later date than today, the amount outstanding as due from the Borrower to the Lender whether of capital or interest.
"Security"	means a legal charge deed between the Borrower and Lender which is affixed to the Agreement.

The terms "Lender" and "Borrower" include in the case of a corporation, any associated or subsidiary company.

2 Amount of the Loan

The Loan is in the sum of £74,206 or such lesser sum as shall in fact have been lent by the Lender to the Borrower at any time this agreement subsists, or such lesser sum as shall be outstanding after part repayment has been made.

3 Advances

3.1 Before any new Advance may be drawn down, the Borrower shall send to the Lender such information that they may require from time to time to be satisfied as to the appropriateness and the judiciousness

4 Repayment conditions

The Loan amount shall be repaid in installments set out in the loan repayment schedule from the date that the advancement is debited from, or at an earlier date as may be required by the Lender from time to time; with a final payment amount referred to in the loan repayment schedule as the balloon payment.

5 Interest payable

5.1 Interest shall be paid at the Basic Rate

5.1 Interest shall be calculated on a daily basis and cumulated monthly.

5.2 Interest shall be paid on the Interest Date.

6 Early repayment of part

The Borrower may repay all or part of the Loan before the due date for repayment provided that not less than seven working days' notice is given by the Borrower to the Lender specifying the amount proposed to be prepaid. This notice then binds the Borrower to make that payment on the date he has specified.

7 Method of payment

All payments due to the Lender of both capital and interest shall be paid in pounds sterling by bankers order into such account and bank within the United Kingdom as the Lender may from time to time in writing notify.

8 Borrower's warranties

The Borrower represents and warrants that:

- 8.1 It is authorised to enter into this agreement;
- 8.2 every Trustee is authorised to accept the liabilities set out in this agreement as if it was a party;
- 8.3 the execution of this agreement, the borrowing, and the performance by the Borrower of his obligations are fully within the Borrower's legal authority, are not in breach of the Trust Deed and rules of the Borrower, and do not and will not contravene or be in conflict with any provision of law or of any agreement binding upon the Borrower.
- 8.4 the Borrower has no undisclosed contingent obligations;
- 8.5 there are no material, unrealised or anticipated losses from any present commitment of the Borrower;
- 8.6 the Borrower will advise the Lender of material adverse changes which occur at any time prior to the date of final payment;
- 8.7 no litigation, arbitration proceedings or governmental proceedings are pending or threatened against the Borrower which would, if adversely determined, materially adversely affect the financial condition of the Borrower.
- 8.8 the Borrower has filed all tax returns, if any, which are required to be filed, and has paid all taxes which have become due;
- 8.9 the Security is owned by the Borrower with no charge to any other person;

9 The Security

- 9.1 So far as the Lender has taken up an undated document of transfer of any Security, he undertakes not to date or use such document until Seven days after he has served notice of default in the terms specified in this agreement.
- 9.2 After the expiry of seven days from the date of service of a notice of default, the Lender may sell the Security or any of it in a publicly used exchange or market place and the Borrower shall not complain at the price realised.

10 Event of Default

An "event of default" occurs when:

- 10.1 the Borrower fails to pay in full and on the due date for payment any sum due and remains in default for fourteen days after the Lender by notice to the Borrower has demanded immediate payment; or
- 10.2 in the opinion of the Lender, any representation or warranty made by the Borrower is found to be incorrect; or
- 10.3 If and whenever the value of the Security, as published in a recognised publication or by a recognised market, falls below 80% of the value today, then the Lender may call upon the Borrower to make up the total value by the addition of new Security to the sum of the value today. If the Borrower fails within seven days so to make up the value of the Security, then the Lender may treat the default as an event of default and give notice accordingly.

11 Notice of default

- 11.1 Where an event of default has occurred the Lender may issue a notice of default. When the Lender does so, the whole amount of the Loan then outstanding and any unpaid interest immediately fall due for payment.
- 11.2 From the date when the Lender issues a notice of default, the rate of interest on the loan and on any unpaid interest shall be the Higher Rate and such interest shall be cumulated and calculated monthly.
- 11.3 Each Event of Default stands on its own, independently from any other Event of Default and shall not be limited by another Event of Default.
- 11.4 When an event of default happens, the Lender may serve on the Borrower a notice specifying the default.

12 Consequences of Termination

At any time after issue of a valid notice of default by the Lender:

- 12.1 the Lender may sell the Security wherever it may be, whereupon the Borrower has no further interest in the Security, but only in the proceeds of sale, if in excess of the sum of all sums due to the Lender.
- 12.2 the Borrower shall pay to the Lender:
 - 12.2.1 all money due at any time under this agreement;
 - 12.2.2 damages for any breach of this agreement;

- 12.3 When at any time, the Lender is entitled to sell the Security and does sell it for a sum which exceeds the total sums due to him from the Borrower, then the balance of the realisation in excess of the Loan and other sums due by the Borrower, shall be paid immediately to the Borrower.
- 12.4 The Borrower now undertakes that upon notice of default having been given, he will use his best endeavours to assist the Lender in any way possible, to transfer the Security to the name of the Lender or to a third party by way of realisation.

13 Assignment

- 13.1 This Agreement shall be binding upon any successors, permitted assigns and transferees of either party, but the Borrower shall not assign or transfer any of its rights or obligations without the previous written consent of the Lender.
- 13.2 The Lender may assign its rights obligations to any other person without consent of the Borrower.
- 13.3 The Lender may disclose to a potential assignee who may propose enter into contractual relations with the Lender, such information about the Borrower as the Lender shall consider appropriate.

14 Promise to provide information

Until all obligations of the Borrower under this agreement have been performed in full and the Loan has been repaid, the Borrower agrees that, unless at any time the Lender shall otherwise expressly consent in writing, he will furnish to the Lender:

- 14.1 Within 6 months of the Lender's Year End during the term of the loan, a financial statement will be provided to the Lender;
- 14.2 The Lender may request that the Financial Statement be Independently Audited and the Borrower will do everything necessary in an expedient manner to assist with that request. The costs for the Audit will be borne by the Borrower.
- 14.3 The Financial Statement will be prepared on a consolidated basis and in conformity with generally accepted accounting principles, duly certified by an independent and professionally qualified accountant.
- 14.4 from time to time such other information concerning the Borrower as the Lender may reasonably request.

15 Contract is divisible

Each sub paragraph in this agreement is independent and severable from each other paragraph and therefore separately enforceable. If any restriction is unenforceable for any reason but would be enforceable if part of the wording were deleted, it will apply with such deletions as may be necessary to make it valid and enforceable.

16 Notices and service

- 16.1 Any notice or other information required or authorised by this agreement to be given by either party to the other may be given by hand or sent by first class pre-paid post, or electronic means to the other party at the address last provided for that type of communication.
- 16.2 Any notice or other information given by post shall be deemed to have been given on the second day after it was posted; and proof that the envelope containing any such notice or information was properly addressed, pre-paid and posted, or that it has not been so returned to the sender, shall be sufficient evidence that it has been duly given.
- 16.3 Any notice or other information sent by electronic means, shall be deemed to have been duly sent on the date of transmission.
- 16.4 Service of any legal proceedings concerning or arising out of this agreement shall be effected by causing the same to be delivered to the party to be served at his main place of business or his registered office, or to such other address as may from time to time be notified in writing by the party concerned.

17 Headings

The headings in this document are for reference only.

18 Dispute Resolution

In the event of a dispute arising out of this agreement the parties undertake to attempt to settle it through professional mediation before commencing litigation.

19 Waiver

The failure by either party to enforce at any time or for any period any one or more of the terms or conditions of this Contract shall not be a waiver of them or of the right at any time subsequently to enforce all terms and conditions of this Contract.

20 Jurisdiction

This Contract shall be interpreted according to the Laws of England and the parties agree to submit to the exclusive jurisdiction of the English courts.

Signed by: MANOR CAR HIRE LIMITED

Acting by:
Director

Acting by:

Director/Company Secretary

Signed by:

Trustees of the MCH HOLDINGS LIMITED DIRECTORS PENSION SCHEME

Acting by:
Trustee

Acting by:
Trustee