



**Registration of a Charge**

Company name: **BRUNTONS AERO PRODUCTS LIMITED**

Company number: **00045894**



X9BTN46R

Received for Electronic Filing: **20/08/2020**

---

**Details of Charge**

Date of creation: **14/08/2020**

Charge code: **0004 5894 0008**

Persons entitled: **ERIC COOK  
ANDREW MARTIN FAY  
ANDREW JAMES CASSELL  
PAN TRUSTEES UK LLP AS TRUSTEES OF THE CARCLO GROUP  
PENSION SCHEME.**

Brief description: **FIXED CHARGES OVER ALL LAND AND INTELLECTUAL PROPERTY  
OWNED BY THE COMPANY AT ANY TIME**

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

---

**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

---

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GEMMA HANELY**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 45894

Charge code: 0004 5894 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th August 2020 and created by BRUNTONS AERO PRODUCTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th August 2020 .

Given at Companies House, Cardiff on 21st August 2020

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

DATED 14 August 2020

(1) THE CHARGORS

(2) ANDREW JAMES CASSELL, ERIC COOK, ANDREW MARTIN FAY AND PAN  
TRUSTEES UK LLP AS TRUSTEES OF THE CARCLO GROUP PENSION SCHEME  
(as Trustees of The Carclo Group Pension Scheme)

---

DEBENTURE

---

This Deed is subject to the terms of the Intercreditor Deed

THIS DEED is made on

14 August

2020

BETWEEN:-

- (1) THE COMPANIES whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "Chargor" and together the "Chargors"); and
- (2) ANDREW JAMES CASSELL of [REDACTED] ANDREW MARTIN ERIC COOK of [REDACTED] and PAN TRUSTEES UK LLP (registered number 02952373) of The Annex, Oathall House, Oathall Road, Haywards Heath, West Sussex, England, RH16 3EN AS TRUSTEES OF THE CARCLO GROUP PENSION SCHEME (the "Trustees").

## INTRODUCTION

- (A) The Company is the principal employer in relation to the Carclo Group Pension Scheme (the "Scheme").
- (B) As part of a wider restructuring of the Company's liabilities to HSBC UK Bank Plc and the Trustees, the Chargors have agreed to enter into this Deed to provide Security over their assets to the Trustees.

IT IS AGREED as follows:-

## 1. INTERPRETATION

## 1.1 Definitions

In this Deed:-

**"Account"**

means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts

**"Assigned Account"**

means:-

- (a) each of the Accounts specified in Schedule 6 (*Details of Assigned Accounts*) (and any renewal or redesignation of such Accounts); and
- (b) any other Account agreed by the Trustees and the Company in writing to be an Assigned Account

**"Assigned Contracts"**

means the contracts (if any) specified in Schedule 4 (*Details of Assigned Contracts*) (including any amendment, substitution, replacement of or supplement to such contract)

"Assigned Insurances"	means the Insurances (if any) specified in Schedule 5 ( <i>Details of Assigned Insurances</i> ) (including any renewal, substitution or replacement of such Insurance)
"Authorisation"	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration
"Company"	means Carclo Plc (CRN: 00196249)
"Declared Default"	means an Event of Default which has resulted in the Trustees exercising any of their rights under clause 10.3 ( <i>Acceleration</i> ) of the Pensions Covenant
"Deed of Accession"	means a deed substantially in the form of Schedule 7 ( <i>Deed of Accession</i> ) executed, or to be executed, by a person becoming a Chargor
"Default Rate"	means the rate specified in clause 11.3 ( <i>Default interest</i> ) of the Facilities Agreement as at the date of this Deed
"Event of Default"	means each of the events or circumstances set out in Clause 10 ( <i>Events of Default</i> ) of the Pensions Covenant
"Facilities Agreement"	means the facilities agreement made on or about the date of this Deed between, amongst others, the Company and HSBC UK Bank PLC as lender
"Floating Charge Asset"	means all the assets and undertaking from time to time subject to the floating charge created under clause 3.14 ( <i>Floating Charge</i> )
"Group"	has the meaning given to that term in the Pensions Covenant
"Guarantee"	means (i) the guarantee of even date executed by the Company, Carclo Technical Plastics Limited, Bruntons Aero Product Limited and Carclo Overseas Holdings Limited in favour of the Trustees; and (ii) any guarantee executed by Carclo Technical Plastics Private Limited (registered in India) in favour of the Trustees pursuant to the Pensions Covenant
"Guarantor"	Carclo Plc, Carclo Technical Plastics Limited, Bruntons Aero Products Limited, Carclo Overseas Holdings Limited and, to the extent it executes a Guarantee, Carclo Technical Plastics Private Limited (registered in India)
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties and the directors and officers' liability insurance
"Intellectual Property"	means any of the following:-  (a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection

certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above;

- (b) any brand and trade names, domain names, invention, copyright, design right or performance right;
- (c) any trade secrets, database right, know-how and confidential information; and
- (d) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest

<b>"Intercreditor Deed"</b>	means the intercreditor deed dated on or about the date of this Deed and made between the Company, the Original Obligors, the Intra-Group Lenders, HSBC UK Bank plc, and the Trustees (all as defined in the Intercreditor Deed)
<b>"Intra-Group Liabilities"</b>	shall have the meaning given to that term in the Intercreditor Deed
<b>"Land"</b>	has the meaning given to that term in section 205(1) of the LPA but for these purposes <b>"Land"</b> excludes heritable property situated in Scotland
<b>"LPA"</b>	means the Law of Property Act 1925
<b>"Monetary Claims"</b>	means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt
<b>"Party"</b>	means a party to this Deed
<b>"Pensions Covenant"</b>	means the Pensions Covenant of even date made between the Company and the Trustees
<b>"Plant and Equipment"</b>	means all plant, machinery or equipment (including office equipment, computers, vehicles and other equipment) of each Chargor of any kind and the benefit of all licences, warranties and contracts relating to the same
<b>"Receiver"</b>	means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver

	(whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets
<b>"Regulations"</b>	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements
<b>"Related Rights"</b>	means in relation to any Secured Asset:- <ul style="list-style-type: none"> <li>(a) the proceeds of sale of all or any part of that Secured Asset;</li> <li>(b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;</li> <li>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</li> <li>(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset</li> </ul>
<b>"Secured Assets"</b>	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of the Trustees by or pursuant to this Deed
<b>"Secured Liability"</b>	means all present and future obligations and liabilities expressed to be due, owing or payable (i) by any Guarantor under or in connection with the Guarantee; and (ii) by any Chargor to the Scheme (whether present or future, actual or contingent and whether incurred solely or jointly (or jointly and severally) with any other person) (together the <b>"Secured Liabilities"</b> )
<b>"Securities"</b>	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the Regulations) including those held via a nominee, trustee or clearing system
<b>"Security"</b>	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
<b>"Security Period"</b>	means the period beginning on the date of this Deed and ending on the date which all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full



"Senior Debenture"	means the debenture dated on or around the date of this Deed and made between the Chargors in favour of HSBC UK Bank plc
"Senior Discharge Date"	has the meaning given to that term in the Intercreditor Deed
"Senior Finance Documents"	has the meaning given to that term in the Intercreditor Deed
"Shares"	means:- <ul style="list-style-type: none"> <li>(a) all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>); and</li> <li>(b) any shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time</li> </ul>
"Subordinated Creditor Documents"	has the meaning given to that term in the Intercreditor Deed
"Transaction Security"	means the Security created or expressed to be created in favour of the Trustees pursuant to this Deed
"VAT"	means:- <ul style="list-style-type: none"> <li>(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and</li> <li>(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere</li> </ul>

## 1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Pensions Covenant or in the Intercreditor Deed shall have the same meanings in this Deed.

## 1.3 Interpretation

1.3.1 The principles of interpretation set out in clause 1.2 (*Construction*) of the Intercreditor Deed shall apply to this Deed insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a "**Subordinated Creditor Document**" or any other agreement, deed or instrument is a reference to that Subordinated Creditor Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

#### 1.4 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Trustees.

#### 1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Subordinated Creditor Documents and of any side letters between any parties in relation to any Subordinated Creditor Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### 1.6 Third party rights

1.6.1 The Trustees, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.6.2 Notwithstanding any term of any Subordinated Creditor Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

#### 1.7 Continuing Event of Default

An Event of Default is continuing if it has not been remedied or waived.

#### 1.8 Nominees

If the Trustees cause or require Shares or any other asset to be registered in the name of their nominee, any reference in this Deed to the Trustees shall, if the context permits or requires, be construed as a reference to the Trustees and their nominee.

#### 1.9 Double Recovery

To the extent an indemnity contained in this Deed is also contained in another Subordinated Creditor Document (a "**Repeated Clause**"), the Repeated Clause shall not provide for a double recovery by the Trustees in respect of the same amount.

#### 1.10 Senior Debenture

Prior to the Senior Discharge Date, for so long as each Obligor (as defined in the Senior Debenture) is in compliance with Clause 6 (*Covenants*) of the Senior Debenture, they shall be deemed to be complying with Clause 6 (*Covenants*) of this Deed.

### 2. COVENANT TO PAY

#### 2.1 Secured Liabilities

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

#### 2.2 Interest

Each Chargor covenants to pay interest at the Default Rate to the Trustees on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment).

### 3. CHARGES

#### 3.1 Land

Each Chargor charges:

3.1.1 by way of legal mortgage all Land described in Schedule 2 (*Details of Land*); and

3.1.2 by way of fixed charge:-

- (a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land; and
- (c) all Land acquired by any after the date of this Deed.

#### 3.2 Shares

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with the Shares.

#### 3.3 Securities

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Securities and all Related Rights under or in connection with the Securities.

#### 3.4 Intellectual Property

Each Chargor charges by way of fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property (other than any Intellectual Property which is required to be transferred or otherwise disposed of by a Chargor in the ordinary course of its trading).

#### 3.5 Monetary Claims

Each Chargor charges by way of fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

#### 3.6 Plant and Equipment

Each Chargor charges by way of fixed charge:-

3.6.1 the Plant and Equipment (to the extent not effectively charged by Clauses 3.1.1 or 3.1.2) other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.6.2 all Related Rights under or in connection with the Plant and Equipment.

#### 3.7 Goodwill

Each Chargor charges by way of fixed charge its present and future goodwill.

**3.8 Uncalled capital**

Each Chargor charges by way of fixed charge its uncalled capital.

**3.9 Authorisations**

Each Chargor charges by way of fixed charge the benefit of all licences, consents, agreements, and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

**3.10 Letters of credit**

Each Chargor charges by way of fixed charge any letter of credit issued in its favour and all bills of exchange and other negotiable instruments held by it.

**3.11 Assigned Contracts**

Subject to a grant of assignment under the Senior Debenture in connection with the Facilities Agreement, each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.11.1 the Assigned Contracts to which it is a party; and

3.11.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

**3.12 Assigned Insurances**

Subject to a grant of assignment under the Senior Debenture in connection with the Facilities Agreement, each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.12.1 the Assigned Insurances to which it is a party; and

3.12.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

**3.13 Assigned Accounts**

Subject to a grant of assignment or charge under the Senior Debenture in connection with the Facilities Agreement, each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.13.1 the Assigned Accounts in its name; and

3.13.2 all Related Rights under or in connection with the Assigned Accounts in its name.

**3.14 Floating Charge**

3.14.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.14.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

### 3.15 Trust

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

3.15.1 hold it on trust for the Trustees as security for the payment and discharge of the Secured Liabilities; and

3.15.2 take such steps as the Trustees may reasonably require to remove the impediment to assignment or charging it,

and until such impediment to assign or charge the relevant Secured Asset is removed, such Secured Asset shall be excluded from any fixed charge Security or assignment created pursuant to this Deed or any Deed of Accession.

### 3.16 Nature of Security created

The Security created under this Deed is created:-

3.16.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities; and

3.16.2 with full title guarantee.

## 4. CRYSTALLISATION OF FLOATING CHARGE

### 4.1 Crystallisation: By Notice

4.1.1 The Trustees may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.14 (*Floating Charge*) into a fixed charge with immediate effect as regards any Floating Charge Asset if:-

- (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 13.1 (*Enforcement*); or
- (b) the Trustees consider that Floating Charge Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise be in jeopardy; or
- (c) the Trustees consider that it is necessary in order to protect the priority of the Security of the relevant Floating Charge Asset created by or pursuant to this Deed.

4.1.2 If no specific Floating Charge Assets are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the Floating Charge Assets.

### 4.2 Crystallisation: Automatic

The floating charge created by a Chargor under Clause 3.14 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge over the relevant Floating Charge Assets or, in the circumstances described in clauses 4.2.3, 4.2.4, and 4.2.5 (to the extent applicable) over all of the Floating Charge Assets if:-

- 4.2.1 if that Chargor creates or attempts to create any Security (other than as permitted under the Intercreditor Deed and/ or the Subordinated Creditor Documents) over any of the Secured Assets; or
- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if the Trustees receive notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

#### 4.3 Assets acquired post-crystallisation

Any assets acquired by a Chargor after crystallisation of all of the Floating Charge Assets has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.14 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the relevant Chargor at the date of crystallisation.

#### 4.4 Crystallisation: Moratorium where directors propose voluntary arrangement

The floating charge created by Clause 3.14 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:-

- 4.4.1 the obtaining of a moratorium; or
  - 4.4.2 anything done with a view to obtaining a moratorium,
- under Schedule A1 to the Insolvency Act 1986.

#### 4.5 Exceptions

- 4.5.1 Save as permitted by Part A1 of the Insolvency Act 1986, where a Chargor obtains a moratorium under that Part A1, and whilst the moratorium continues, the floating charge created by the Chargor in clause 3.14 (*Floating Charge*):
  - (a) may not be converted into a fixed charge by notice in accordance with clause 4.1 (*Crystallisation: By Notice*) and (ii) shall not automatically convert into a fixed charge under clause 4.2 (*Crystallisation: Automatic*).
- 4.5.2 Notwithstanding clauses 4.1 (*Crystallisation: By Notice*) and 4.2 (*Crystallisation: Automatic*), and save as permitted under Part A1 of the Insolvency Act 1986 nothing done for or by a Chargor with a view to obtaining a moratorium under that Part 1A shall give rise to any right to crystallise the floating charge by notice under clause 4.1 (*Crystallisation: By Notice*) or cause the automatic crystallisation of that floating charge under clause 4.2 (*Crystallisation: Automatic*).

#### 4.6 Partial crystallisation

The giving of a notice by the Trustees pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Trustees to serve similar notices in respect of any other class of assets or of any other right of the Trustees.

#### 4.7 De-crystallisation of floating charge

Any charge that has crystallised under this Clause may by notice in writing (given at any time by the Trustees to the Company), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### 5. PERFECTION OF SECURITY

#### 5.1 Notices of assignment

5.1.1 The Chargors shall promptly upon the request of the Trustees at any time following the Senior Discharge Date, deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

- (a) Assigned Contracts: within five Business Days of the date on which the assignment is granted, by issuing a notice in substantially the form set out in Schedule 10 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
- (b) Assigned Insurances:-
  - (i) within five Business Days of the date on which the assignment is granted, by issuing a notice in substantially the form set out in Schedule 8 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;
  - (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, on or within 5 Business Days of the date of the renewal, substitution or replacement, a notice in substantially the form set out in Schedule 8 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;
- (c) Assigned Accounts:-
  - (i) in respect of each Assigned Account by issuing, within five Business Days of the date on which the assignment is granted, a notice in substantially the form set out in Schedule 9 (*Form of notice of assignment of Assigned Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held;
  - (ii) in respect of any Account subsequently designated in writing by the Trustees and the Company as an Assigned Account, by issuing, within five Business Days of the date of the designation, a notice in substantially the form set out in Schedule 9 (*Form of notice of assignment of Assigned Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held.

5.1.2 The Chargors shall use all reasonable endeavours to procure that, within 14 Business Days of the date of the each notice of assignment delivered pursuant

to Clause 5.1.1 above, each notice of assignment is acknowledged by the party to whom it is addressed. If such acknowledgement has not been obtained within the relevant 14 Business Days' notice period then the relevant Chargor's obligation to obtain such acknowledgement shall cease at the end of the 14 Business Day period.

**5.1.3 Each Chargor will deliver to the Trustees:-**

- (a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and
- (b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

**5.2 Documents of Title**

**5.2.1 Land**

The Chargors shall, if requested by the Trustees in writing upon it having the benefit of a first ranking charge or if so required by the Subordinated Creditor Documents, deliver (or procure delivery) to the Trustees of either:-

- (a) all deeds, certificates and other documents relating to such Land (which the Trustees shall be entitled to hold and retain at the expense and risk of the Chargors); or
- (b) an undertaking from the Company's solicitors (in form and substance acceptable to the Trustees) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Trustees.

**5.2.2 Shares**

The Chargors shall upon the Senior Discharge Date (or, if later, upon any Deed of Accession, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares and upon the acquisition by any Chargor of any interest in any Shares) deliver (or procure delivery) to the Trustees of:-

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if the Trustees so require, pre-stamped; and
- (c) any other documents which the Trustees (acting reasonably) may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which the Trustees are entitled to hold at the expense and risk of the Chargors.

**5.2.3 Securities**

Following the Senior Discharge Date, promptly (and in any event within five Business Days) upon any Securities being registered in, or transferred into the name of, a Chargor, or held by or in the name of the Trustees or a nominee (and in any event as soon as the Trustees so request), such Chargor shall deposit with the Trustees, in respect of or in connection with those Securities:-



- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if the Trustees so require, pre-stamped; and
- (c) any other documents which the Trustees (acting reasonably) may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which the Trustees are entitled to hold at the expense and risk of the Chargors.

### 5.3 Application to the Land Registry

Each Chargor and the Trustees apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

#### 5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[insert date]* in favour of *[insert name of Trustees]* referred to in the charges register (Form P)"

#### 5.3.2 a notice that:-

"*[details of the Trustees]* are under an obligation to make further advances."

## 6. COVENANTS

### 6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever the Trustees reasonably require to:-

- 6.1.1 give effect to the requirements of this Deed;
- 6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in the Trustees or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to the Trustees or their nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

### 6.2 Negative pledge

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 24.14 (*Negative pledge*) of the Facilities Agreement as at the date of this Deed except as expressly permitted

under the terms of the Facilities Agreement as at the date of this Deed and, following the Senior Discharge Date, where under the Facilities Agreement such a permission would have required the consent of the Lender it shall require the consent of the Trustees under this Deed.

### 6.3 Disposals

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Secured Assets except as permitted by clause 9 (*Permitted Disposals*) of the Pensions Covenant.

### 6.4 Land

Each Chargor shall promptly notify the Trustees in writing if it intends to acquire any estate or interest in Land and shall promptly on request by the Trustees (at the cost of that Chargor) and subject to the terms of the Intercreditor Deed execute a legal mortgage in favour of the Trustees of that property in any form which the Trustees may (acting reasonably) require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

## 7. SHARES AND SECURITIES

### 7.1 Shares: before a Declared Default

Prior to the occurrence of a Declared Default, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into an Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Intercreditor Deed;
- 7.1.3 following the Senior Discharge Date, promptly upon receipt, forward to the Trustees copies of all notices and other communications received in connection with the Shares;
- 7.1.4 following the Senior Discharge Date, promptly comply with (and copy to the Trustees) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely affect the interests of the Trustees.

### 7.2 Shares: after a Declared Default

After the occurrence of a Declared Default and following the Senior Discharge Date, the Trustees may at their discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 15 (*Application of Moneys*);

- 7.2.3 transfer the Shares into their name or the name of their nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
- (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
  - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
  - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Trustees may think fit, and the proceeds of any such action shall form part of the Secured Assets.

### 7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Trustees may, if they think fit and following the Senior Discharge Date, make such payment on behalf of such Chargor in which case any sums paid by the Trustees shall be reimbursed by the Chargor to the Trustees on demand and shall carry interest from the date of payment by the Trustees until reimbursed at the rate notified to the Chargor by the Trustees.

### 7.4 **Securities: exercise of rights**

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Trustees (acting reasonably), would prejudice the effectiveness of, or the ability of the Trustees to realise, the Security created by or pursuant to this Deed.

## 8. **INTELLECTUAL PROPERTY**

Each Chargor shall, if requested by the Trustees following the Senior Discharge Date and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Trustees may require (acting reasonably) and do all acts that the Trustees may require (acting reasonably) to perfect the Security taken by, or to record the interest of, the Trustees in any registers relating to any registered Intellectual Property.

## 9. **MONETARY CLAIMS**

- 9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay the proceeds of those Monetary Claims into an Account.
- 9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of the Trustees or otherwise as permitted pursuant to the terms of the Subordinated Creditor Documents or the Senior Debenture, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

- 9.3 If and to the extent that the Trustees so specify, at any time after the occurrence of a Declared Default and subject to the terms of the Intercreditor Deed and the Senior Debenture, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as the Trustees may require into such Account(s) as the Trustees may from time to time specify and pending such payment shall hold all such receipts on trust for the Trustees.

## 10. ACCOUNTS

### 10.1 General

#### 10.1.1 Each Chargor shall:-

- (a) deliver to the Trustees:-
  - (i) following the Senior Discharge Date (or, if later, the date of any Deed of Accession, if applicable), details of each of its Accounts; and
  - (ii) if any change in such detail (including any renewal or redesignation of any such Account) occurs after the Senior Discharge Date or any new Account is opened as permitted under the terms of the Subordinated Creditor Documents and the Intercreditor Deed, details of such change or new Account on the date of such change or opening;
- (b) following the Senior Discharge Date, upon the occurrence of a Declared Default, not (without the prior written consent of the Trustees) permit or agree to any variation of the rights attaching to, or close, any Account; and
- (c) following the Senior Discharge Date open such new Accounts as the Trustees may require (whether before or after the Security created by this Deed has become enforceable).

#### 10.1.2 Without prejudice to and in addition to Clause 6.2 (*Negative pledge*) and Clause 6.3 (*Disposals*):-

- (a) the benefit of each Assigned Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed and the Senior Debenture; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Assigned Account without the prior written consent of the Trustees.

#### 10.1.3 Following the Senior Discharge Date upon the occurrence of a Declared Default, the Trustees shall be deemed to have designated in writing all Accounts other than the Assigned Accounts as Assigned Accounts and at any time thereafter the Trustees may:

- (a) in relation to such new Assigned Accounts, require the Chargors to, and the Chargors shall promptly on request (and in any event within two Business Days of such request), serve a notice of assignment in accordance with Clause 5.1 (*Notices of assignment*) on each bank or other financial institution with which any such Account is maintained (and the relevant Chargor shall comply with its obligation

under Clause 5.1.3 to obtain an acknowledgement of each such notice of assignment); and

- (b) exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

## 10.2 Assigned Accounts

### 10.2.1 Assigned Accounts: before a Declared Default

The Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account.

### 10.2.2 Assigned Accounts: after a Declared Default

- (a) The Trustees shall, following the Senior Discharge Date and upon the occurrence of a Declared Default, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:-
  - (i) demand and receive all and any moneys due under or arising out of each Assigned Account;
  - (ii) exercise all such rights as the Chargors were then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Deed, exercise; and
  - (iii) apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 15 (*Application of Moneys*).
- (b) After the occurrence of a Declared Default, unless permitted under the Senior Finance Documents, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Trustees.

### 10.2.3 Assigned Accounts: after a winding-up petition

Whilst a winding-up petition is outstanding against it, a Chargor shall not be entitled to receive, withdraw or otherwise transfer any balance from time to time on any Assigned Account except with the prior consent of the Trustees.

## 11. ASSIGNED CONTRACTS AND ASSIGNED INSURANCES

### 11.1 Each Chargor shall, following the Senior Discharge Date:-

- 11.1.1 deliver to the Trustees, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as the Trustees may reasonably require;
- 11.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner; and
- 11.1.3 notify the Trustees of any breach of or default under an Assigned Contract or Assigned Insurance by it or any other party and any right that arises entitling

it or any other party to terminate or rescind an Assigned Contract or Assigned Insurance, promptly upon becoming aware of the same.

- 11.2 The Chargors shall not, without the prior written consent of the Trustees:-
- 11.2.1 amend, supplement, supersede or waive any provision (or agree to do to any of the foregoing) of any Assigned Contract or Assigned Insurance;
  - 11.2.2 exercise any right to rescind, cancel, terminate or release any counterparty from any obligations (or agree to do to any of the foregoing) in respect of any Assigned Contract or Assigned Insurance; or
  - 11.2.3 assign, transfer, charge or otherwise deal with or dispose of any Assigned Contract or Assigned Insurance or any of the Chargors' rights, title, interest and benefits in, to and in respect of any Assigned Contract or Assigned Insurance,
- except as permitted by the terms of the Subordinated Creditor Documents and/or the Senior Debenture.
- 11.3 Save as expressly restricted pursuant to the terms of the Subordinated Creditor Documents, while no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Contracts to which it is a party (other than the Intra-Group Liabilities) including receiving and exercising all rights relating to proceeds of those Assigned Contracts (other than the Intra-Group Liabilities).
- 11.4 While no Event of Default is continuing, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Subordinated Creditor Documents and/or the Senior Debenture.
- 11.5 Each Chargor which is the borrower of an Intra-Group Liability by its execution of this Deed or a Deed of Accession acknowledges receipt of notice of assignment under Clause 3.11 (*Assigned Contracts*) of the relevant Intra-Group Liability.

## 12. PROTECTION OF SECURED ASSETS

### 12.1 Insurance

- 12.1.1 The Chargors shall at all times during the subsistence of this Deed:-
- (a) keep the Secured Assets insured in accordance with the terms of the Subordinated Creditor Documents;
  - (b) if required by the Trustees upon their having the benefit of a first ranking charge or if required by the Subordinated Creditor Documents, cause each Insurance relating to the Secured Assets (other than any Insurances which are Assigned Insurances) to contain (in form and substance satisfactory to the Trustees) a note of the interest of the Trustees (other than third party, public liability, and director and officers' insurance policies) and an endorsement naming the Trustees as first loss payee in respect of all claims;
  - (c) promptly, and in any event no later than their due date, pay all premiums and other moneys payable under all its Insurances or procure that such is done and promptly upon request, produce to the Trustees a copy of each policy and evidence (acceptable to the Trustees) of the payment of such sums (or procure that such is done);

- (d) comply with the terms of all Insurances relating to the Secured Assets and renew each policy in good time prior to its expiry date;
- (e) if any Insurances relating to the Secured Assets become void or voidable, immediately, at its own cost, effect a new Insurance of the same value as the void or voidable policy;
- (f) if required by the Trustees or the Subordinated Creditor Documents, provide a copy of all Insurances relating to the Secured Assets to the Trustees; and
- (g) ensure that all moneys received in respect of any Insurances in respect of the Secured Assets are applied in accordance with the terms of the Subordinated Creditor Documents.

12.1.2 If any Chargor defaults in complying with Clause 12.1.1, subject to the Intercreditor Deed, the Trustees may effect or renew any such Insurance on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all moneys expended by the Trustees in doing so shall be reimbursed by the Chargors to the Trustees on demand and shall carry interest from the date of payment by the Trustees until reimbursed at the rate specified in Clause 2 (*Covenant to Pay*).

## 12.2 Application of Insurance Proceeds

12.2.1 All moneys received under any Insurance relating to the Secured Assets shall, prior to the occurrence of an Event of Default which is continuing, be applied in accordance with the terms of the Intercreditor Deed.

12.2.2 After the occurrence of an Event of Default which is continuing the Chargors shall, subject to the terms of the Intercreditor Deed, hold such moneys upon trust for the Trustees pending payment to the Trustees for application in accordance with Clause 15 (*Application of Moneys*) and each Chargor waives any right it may have to require that any such moneys are applied in reinstatement of any part of the Secured Assets.

## 12.3 Power to remedy

12.3.1 Subject to Clause 12.3.2, if any Chargor fails to comply with any of its obligations in relation to any of its assets subject to Security pursuant to this Deed, or the Trustees reasonably consider that a Chargor has failed to comply with any such obligations, the Trustees may, if they think fit (but without any obligation) take such steps as they deem appropriate to remedy such failure (including, without limitation, the carrying out of repairs, the putting in place of insurance or the payment of costs, charges or other expenses) and the Chargors will co-operate with and will grant the Trustees or their agents or contractors such access as the Trustees may require to the relevant assets or otherwise in order to facilitate the taking of such steps.

12.3.2 Other than where an Event of Default is continuing or where the Trustees reasonably consider that an Event of Default is continuing or may occur the Trustees are not authorised to remedy any default pursuant to Clause 12.3.1 unless they have first given the relevant Chargor at least five Business Days' prior written notice requiring the relevant Chargor to remedy such default.

## 13. DEMAND AND ENFORCEMENT

### 13.1 Enforcement

The Security created by this Deed shall become enforceable upon:-



- 13.1.1 the occurrence of an Event of Default which is continuing;
- 13.1.2 any request being made by a Chargor to the Trustees for the appointment of a Receiver or an administrator, or for the Trustees to exercise any other power or right available to them; or
- 13.1.3 the occurrence of any event causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

### 13.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, the Trustees may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 13.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 13.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 13.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to the Trustees insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as the Trustees shall determine in a commercially reasonable manner;
- 13.2.4 subject to Clause 14.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and
- 13.2.5 appoint an administrator of any Chargor.

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under Part A1 of the Insolvency Act 1986 nor the doing of anything for or by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or shall be construed as, a ground under this Deed for the appointment of a Receiver save where such an appointment would be permitted under that Part A1.

### 13.3 Disposal of the Secured Assets

In exercising the powers referred to in Clause 13.2 (*Powers on enforcement*), the Trustees or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### 13.4 Same rights as Receiver

Any rights conferred by any Subordinated Creditor Document upon a Receiver may be exercised by the Trustees, or to the extent permitted by law, an administrator, after the



Security created by this Deed has become enforceable, whether or not the Trustees shall have taken possession or appointed a Receiver of the Secured Assets.

### 13.5 Delegation

The Trustees may delegate in any manner to any person any rights exercisable by the Trustees under any Subordinated Creditor Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Trustees think fit.

## 14. RECEIVERS

### 14.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Trustees under this Deed shall be in writing under the hand of any officer or manager of the Trustees (subject to any requirement for a court order in the case of the removal of an administrative receiver).

### 14.2 Removal

The Trustees may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

### 14.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 14.3.1 of the Trustees under this Deed;
- 14.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);
- 14.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 14.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and
- 14.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

### 14.4 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of the Trustees.

### 14.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

**14.6 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Trustees and the maximum rate specified in section 109(6) of the LPA shall not apply.

**15. APPLICATION OF MONEYS****15.1 Application of moneys**

All sums received by virtue of this Deed by the Trustees or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 15.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by the Trustees, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 15.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Trustees or any Receiver;
- 15.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Intercreditor Deed; and
- 15.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

**16. POWER OF ATTORNEY****16.1 Appointment**

Subject to Clause 16.2 (*Use of Powers*), each Chargor irrevocably and by way of security appoints:-

- 16.1.1 the Trustees (whether or not a Receiver has been appointed);
- 16.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Trustees; and
- 16.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which the Trustees in their sole opinion may consider necessary or desirable for perfecting their title to any of the Secured Assets or enabling the Trustees or the Receiver to exercise any of its rights or powers under this Deed.

**16.2 Use of Powers**

The Trustees or any of the persons set out in Clauses 16.1.1 to 16.1.3 shall only be able to exercise the power of attorney under this Clause 16 (*Power of Attorney*):-

- 16.2.1 upon the occurrence of an Event of Default which is continuing; or

16.2.2 if a Chargor has failed to comply with a further assurance or perfection obligation (or any of them) under this Deed; or

16.2.3 following the failure by a Chargor to comply with a request from the Trustees within 5 Business Days of receipt of such a request, to take any action and sign or execute any further documents which that Chargor is required to take, sign or execute in accordance with this Deed.

### 16.3 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 16.1 (*Appointment*) lawfully does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 16.1 (*Appointment*).

## 17. PROTECTION OF THIRD PARTIES

### 17.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Trustees, as varied and extended by this Deed, and all other powers of the Trustees, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

### 17.2 Purchasers

No purchaser from or other person dealing with the Trustees, any person to whom they have delegated any of their powers, or the Receiver shall be concerned:-

17.2.1 to enquire whether any of the powers which the Trustees or a Receiver have exercised has arisen or become exercisable;

17.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

17.2.3 as to the propriety or validity of the exercise of those powers; or

17.2.4 with the application of any moneys paid to the Trustees, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

### 17.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Trustees, any Receiver or any person to whom any of them have delegated any of their powers.

## 18. PROTECTION OF THE TRUSTEES AND ANY RECEIVER

### 18.1 No liability

None of the Trustees, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage (unless such loss or damage is caused by its gross negligence or wilful misconduct) which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

**18.2 Not mortgagee in possession**

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render the Trustees, any Receiver or any of their respective officers or employees liable:-

- 18.2.1 to account as mortgagee in possession;
- 18.2.2 for any loss on realisation; or
- 18.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Trustees or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

**18.3 Indemnity**

Each Chargor shall indemnify and keep indemnified the Trustees, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities properly incurred by them in respect of all or any of the following:-

- 18.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;
- 18.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;
- 18.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 18.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 18.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Trustees,

except in the case of gross negligence or wilful misconduct on the part of that person.

**18.4 Interest**

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 18 (*Protection of the Trustees and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

**18.5 Indemnity out of the Secured Assets**

The Trustees, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 18.3 (*Indemnity*).

**18.6 Liability of Chargors related to Secured Assets**

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Secured Assets. The Trustees or any Receiver are not under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

**18.7 Continuing protection**

The provisions of this Clause 18 (*Protection of the Trustees and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

**19. PROVISIONS RELATING TO THE TRUSTEES****19.1 Powers and discretions**

The rights, powers and discretions given to the Trustees in this Deed:-

- 19.1.1 may be exercised as often as, and in such manner as, the Trustees thinks fit;
- 19.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 19.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

**19.2 Certificates**

A certificate by an officer of the Trustees:-

- 19.2.1 as to any amount for the time being due to the Trustees; or
- 19.2.2 as to any sums payable to the Trustees under this Deed,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

**19.3 Assignment**

The Company acknowledges that:

- 19.3.1 the rights and obligations of the Trustees under this Deed may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004; and
- 19.3.2 the rights and obligations under this Deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.

**19.4 Trusts**

The perpetuity period for any trust constituted by this Deed shall be 125 years.

**19.5 Provisions of the Intercreditor Deed**

- 19.5.1 This Deed is subject to the terms of the Intercreditor Deed.
- 19.5.2 The provisions of the Intercreditor Deed shall apply to the Trustee's rights and duties as if set out in this Deed.

## 20. PRESERVATION OF SECURITY

### 20.1 Continuing Security

This Deed shall be a continuing security to the Trustees and shall remain in force until expressly discharged in writing by the Trustees notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

### 20.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Trustees may have now or at any time in the future for or in respect of any of the Secured Liabilities.

### 20.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargors under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Trustees) including:-

- 20.3.1 any time, waiver or consent granted to, or composition with, any Chargor, Guarantor or any other person;
- 20.3.2 the release of any Chargor, Guarantor or any other person under the terms of any composition or arrangement with any person;
- 20.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Chargor, Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 20.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, Guarantor or any other person;
- 20.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Subordinated Creditor Document or any other document or Security;
- 20.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Subordinated Creditor Document or any other document; or
- 20.3.7 an insolvency, liquidation, administration or similar procedure.

### 20.4 Immediate recourse

Subject to the Intercreditor Deed, each Chargor waives any right it may have of first requiring the Trustees (or any trustee or agent on their behalf) to proceed against or enforce any other rights of Security or claim payment from any person before claiming from a Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Subordinated Creditor Document to the contrary.

### 20.5 Appropriations

During the Security Period, the Trustees may, subject to the terms of the Intercreditor Deed:-

20.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on their behalf) in respect of the Secured Liabilities, or, subject to Clause 15.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and

20.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities (unless such monies would be sufficient to discharge the Secured Liabilities in full, in which case the Trustees shall apply such monies in discharge of the Secured Liabilities upon request of that Chargor).

## 20.6 Deferral of Chargor's rights

During the Security Period and unless the Trustees otherwise direct, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

20.6.1 to receive or claim payment from, or be indemnified by a Chargor or Guarantor;

20.6.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Chargor or Guarantor's obligations under the Subordinated Creditor Documents;

20.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Trustees under any Subordinated Creditor Document or of any guarantee or Security taken pursuant to, or in connection with, the Subordinated Creditor Documents by the Trustees;

20.6.4 to exercise any right of set-off against any Chargor or Guarantor; and/or

20.6.5 to claim or prove as a creditor of any Chargor or Guarantor in competition with the Trustees.

## 21. RELEASE

### 21.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Trustees shall, or shall procure that its appointees will, at the request and cost of the Chargors (as agreed in advance with the Trustees):-

21.1.1 release the Secured Assets from this Deed; and

21.1.2 re-assign the Secured Assets that has been assigned to the Trustees under this Deed.

If a Chargor disposes of any asset which is either permitted by the Subordinated Creditor Documents or otherwise with the prior written consent of the Trustees, and such asset is subject to the Transaction Security, the Trustees shall, at the cost and request of the Company, release the Transaction Security over that asset and issue any certification of non-crystallisation of any floating charge.

### 21.2 Reinstatement

If the Trustees consider that any amount paid or credited to them under any Subordinated Creditor Document (whether in respect of the obligations of the Chargor

or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

21.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

21.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

### 21.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

## 22. MISCELLANEOUS PROVISIONS

### 22.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

22.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

22.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

### 22.2 Information

The Trustees may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as the Trustees (acting reasonably) may think fit and each Chargor agrees to request any such person to provide any such information to the Trustees and agrees to provide such further authority in this regard as the Trustees or any such third party (both acting reasonably) may from time to time require.

### 22.3 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

### 22.4 Counterparts

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

### 22.5 Deeds of Accession

22.5.1 The Company and each of the Chargors shall procure that each company which is required by the Subordinated Creditor Documents to accede to this Deed shall, within the timeframe allotted by the Subordinated Creditor Documents, execute and deliver a Deed of Accession.

22.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;



- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to the Trustees (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

22.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

## 23. NOTICES

### 23.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by fax or letter.

### 23.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:-

23.2.1 in the case of each Chargor, that identified with its name (in the execution pages) below;

23.2.2 in the case of the Trustees, that identified with their name (in the execution pages) below,

or any substitute address, fax number, or department or officer as the Party may notify to the Trustees (or the Trustees may notify to the other Parties, if a change is made by the Trustees) by not less than five Business Days' notice.

### 23.3 Delivery

23.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:-

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 23.2 (*Addresses*) of this Deed, if addressed to that department or officer.

23.3.2 Any communication or document to be made or delivered to the Trustees will be effective only when actually received by the Trustees and then only if it is

expressly marked for the attention of the department or officer identified with the Trustees' signature below (or any substitute department or officer as the Trustees shall specify for this purpose).

**23.4 English language**

23.4.1 Any notice given under or in connection with this Deed must be in English.

23.4.2 All other documents provided under or in connection with this Deed must be:-

- (a) in English; or
- (b) if not in English, and if so required by the Trustees, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

**24. GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

**25. ENFORCEMENT**

**25.1 Jurisdiction of English Courts**

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

25.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

25.1.3 This Clause 25.1 is for the benefit of the Trustees only. As a result, the Trustees shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Trustees may take concurrent proceedings in any number of jurisdictions.

**EXECUTED AND DELIVERED AS A DEED** on the date set out at the beginning of this Deed.

## Schedule 1

## THE CHARGORS

Company name	CRN	Address for service
Carclo Plc	00196249	PO BOX 88 27 Dewsbury Road Ossett West Yorkshire WF5 9WS
Carclo Technical Plastics Limited	03088344	PO BOX 88 27 Dewsbury Road Ossett West Yorkshire WF5 9WS
Bruntons Aero Products Limited	00045894	PO BOX 88 27 Dewsbury Road Ossett West Yorkshire WF5 9WS
Carclo Overseas Holdings Limited	00452529	PO BOX 88 27 Dewsbury Road Ossett West Yorkshire WF5 9WS
Rumbold Securities Limited	01106185	PO BOX 88 27 Dewsbury Road Ossett West Yorkshire WF5 9WS

**Schedule 2**

**DETAILS OF LAND**

**REGISTERED LAND**

*Schedule left intentionally blank.*

**UNREGISTERED LAND**

*Schedule left intentionally blank.*

## Schedule 3

## DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder
Carclo Technical Plastics Limited	1,000,000 ordinary shares with a nominal value of £1.00 each	Carclo Plc
Carclo Overseas Holdings Limited	10,000 ordinary shares with a nominal value of £1.00 each	Carclo Plc
CIT Technology Limited	229,534 ordinary A shares with a nominal value of £1.00 each	Carclo Plc
CIT Technology Limited	8,411 ordinary B shares with a nominal value of £1.00 each	Carclo Plc
Bruntons Aero Products Limited	1,700,000 ordinary shares with a nominal value of £1.00 each	Carclo Plc
Carclo Technical Plastics Limited	1 ordinary share with a nominal value of £1.00	Rumbold Securities Limited

**Schedule 4**

**DETAILS OF ASSIGNED CONTRACTS**

*Schedule left intentionally blank.*

**Schedule 5**

**DETAILS OF ASSIGNED INSURANCES**

*Schedule left intentionally blank.*

**Schedule 6**

**DETAILS OF ASSIGNED ACCOUNTS**

*Schedule left intentionally blank.*



## Schedule 7

## DEED OF ACCESSION

THIS DEED is made on [ ]

## BETWEEN:-

- (1) [ ] (the "New Chargor"), a company incorporated in England or Wales whose registered office is at [ ];
- (2) Carclo plc (the "Company") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) ANDREW JAMES CASSELL of [ ]  
ERIC COOK of [ ] ANDREW MARTIN  
FAY of [ ] and PAN TRUSTEES UK LLP  
(registered number 02952373) of The Annex, Oathall House, Oathall Road, Haywards Heath, West Sussex, England, RH16 3EN AS TRUSTEES OF THE CARCLO GROUP PENSION SCHEME (the "Trustees").

## INTRODUCTION

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of the Company.
- (B) This Deed is supplemental to a deed dated [ ] 2020 (as supplemented and amended from time to time, the "Debenture") between, amongst others, the Company, each of the companies named in the Debenture as Chargors, and the Trustees.
- (C) The New Chargor, at the request of the Company has agreed to enter into this Deed and become a Chargor under the Debenture.

## IT IS AGREED as follows:-

## 1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

## 2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

## 3. SECURITY

The New Chargor mortgages, charges and assigns to the Trustees, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (Land);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (Shares);

- 3.3 the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);
- 3.4 the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*); and
- 3.5 the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*).

**4. CONSENT OF EXISTING CHARGORS**

The Company by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

**5. EFFECT ON DEBENTURE**

- 5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.
- 5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Trustees (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

**6. GOVERNING LAW**

This Deed of Accession and any non-contractual obligations arising out of or in connection with it are governed by English law.

**EXECUTED AS A DEED AND DELIVERED** on the date set out at the beginning of this Deed.

**SCHEDULE 1**

**LAND**

**SCHEDULE 2**

**SHARES**

**SCHEDULE 3**

**ASSIGNED INSURANCES**

**SCHEDULE 4**

**ASSIGNED CONTRACTS**

**SCHEDULE 5**

**ASSIGNED ACCOUNTS**

## SIGNATURE PAGES TO DEED OF ACCESSION

## The New Chargor

EXECUTED as a Deed )  
 by **CARCLO PLC** )  
 acting by two Directors or a Director and its )  
 Secretary:- )  
 )

Director

Director/Secretary

Address: [ ]

Facsimile number [ ]

OR

EXECUTED as a Deed by )  
**CARCLO PLC** )  
 acting by a Director, in the presence of:- )  
 )

Signature of witness: )  
 Director

Name of witness:

Address:

Occupation:

Address: [ ]

Facsimile number [ ]

**The Company**

EXECUTED (but not delivered  
until the date hereof) AS A DEED  
by [ ] LIMITED  
acting by:-

)  
)  
)  
)

Director

Director/Secretary

**The Trustees**

SIGNED as a deed by ANDREW JAMES  
CASSELL

.....

in the presence of:

Witness signature:

.....

Witness name:

.....

Witness address:

.....

.....

SIGNED as a deed by ERIC COOK

.....

in the presence of:

Witness signature:

.....

Witness name:

.....

Witness address:

.....

.....

**SIGNED** as a deed by **ANDREW MARTIN FAY**

in the presence of:

**Witness signature:**

**Witness name:**

**Witness address:**

Executed as a deed by  
**PAN TRUSTEES UK LLP**  
acting by two members

)  
)  
)

Signature of member

Signature of member

## Schedule 8

## FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant insurer]

Date: [ ]

Dear Sir/Madam,

**[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER]**  
**(THE "POLIC[Y][IES]")** [refer to an attached schedule if there are a number of policies]

1. We give you notice that we have entered into a debenture dated [ ] in favour of Andrew James Cassell, Eric Cook, Andrew Martin Fay and Pan Trustees UK LLP (registered number 02952373) as trustees of the Carclo Group Pension Scheme (the "Trustees") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Trustees by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:-
  - 3.1 name the Trustees as loss payee in respect of [each of] the Polic[y][ies];
  - 3.2 promptly inform the Trustees, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
  - 3.3 advise the Trustees promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
  - 3.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise the Trustees at least 30 days before the reduction or restriction is due to take effect; and
  - 3.5 disclose to the Trustees, without further approval from us, such information regarding the Polic[y][ies] as the Trustees may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
4. Following the Trustees' notification to you that the security created by the Debenture has become enforceable:-
  - 4.1.1 all payments and claims under or arising from the Polic[y][ies] are to be made to the Trustees to such account (or to its order) as it may specify in writing from time to time;

- 4.1.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by the Trustees; and
- 4.1.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by the Trustees.
- 5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by the Trustees.
- 6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Trustees.
- 7. By countersigning this letter, you confirm that:-
  - 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
  - 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given the Trustees 30 days written notice of it or, if it is not possible to comply with such notification to the Trustees in accordance with the provisions of the [relevant] Policy, the notice will be provided to the Trustees in relation to such termination as soon as possible; and
  - 7.3 you will not, without the Trustees' prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
- 8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Trustees at [address] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
**CARCLO PLC**

**Acknowledged:**

.....  
For and on behalf of

[Name of insurer]



## Schedule 9

## FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED ACCOUNTS

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant account bank]

Date: [ ]

Dear Sir/Madam,

1. We give you notice that we have entered into a debenture dated [ ] 2020 in favour of Andrew James Cassell, Eric Cook, Andrew Martin Fay and Pan Trustees UK LLP (registered number 02952373) as trustees of the Carclo Group Pension Scheme (the "Trustees") (the "Debenture").
2. We refer to the following bank account[s] which we hold with you (and any replacement account or subdivision or subaccount of [that][each] account) (the "Assigned Account[s]"):
 

Account holder	Account name	Account number	Sort code

3. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Trustees by way of security all of our rights, title and interest from time to time in the Assigned Account[s] including, without limitation all money at any time standing to the credit of the Assigned Account[s] (whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money.
4. With effect from the date of receipt of this notice:
  - 4.1 any existing payment instructions affecting the Assigned Account[s] are to be terminated and all payments and communications in respect of the Assigned Account[s] should be made to the Trustees or to their order (with a copy to us);
  - 4.2 all moneys standing to the credit of the Assigned Account[s] are to be held to the order of the Trustees; and
  - 4.3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Assigned Account[s] belong to the Trustees.
5. We are not permitted to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Assigned Account[s] without the prior written consent of the Trustees.

6. By countersigning this letter, you confirm that:-
- 6.1 no fees or periodic charges are payable in respect of the Assigned Account[s] and there are no restrictions on:
- 6.1.1 the payment of the credit balance on the Assigned Account[s]; or
- 6.1.2 the assignment of the Assigned Account[s] to the Trustees or any third party;
- 6.2 you have not received notice of any previous assignments of, charges over or trusts in respect of, the Assigned Account[s];
- 6.3 you will not, without the Trustees' consent:-
- 6.3.1 exercise any right of combination, consolidation or set-off which you may have in respect of the Assigned Account[s]; or
- 6.3.2 amend or vary any rights attaching to the Assigned Account[s];
- 6.4 save as specifically set out in this notice, you will act only in accordance with the instructions given by persons authorised by the Trustees;
- 6.5 save as specifically set out in this notice, you will not permit us to withdraw or otherwise transfer the whole or any part of the money standing to the credit of the Assigned Account[s] without the Trustees' prior written consent; and
- 6.6 you shall send all statements and other notices given by you relating to the Assigned Account[s] to the Trustees.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Trustees.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Trustees at [address] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
**COMPANY**

**Acknowledged:**

For and on behalf of

[Name of account bank]

## Schedule 10

## FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: [ ]

Dear Sir/Madam,

**[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")**

1. We give you notice that we have entered into a debenture dated [ ] in favour of Andrew James Cassell, Eric Cook, Andrew Martin Fay and Pan Trustees UK LLP (registered number 02952373) as trustees of the Carclo Group Pension Scheme (the "Trustees") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to the Trustees by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following the Trustees' notification to you that the security created by the Debenture has become enforceable:-
  - 3.1 all payments to be made to us under or arising from the Contract should be made to the Trustees or to their order as they may specify in writing from time to time;
  - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Trustees;
  - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of the Trustees from time to time (and to hold the money for any such payments to the Trustees' order pending receipt of written instructions from the Trustees); and
  - 3.4 subject to paragraph 5 below, you shall allow the Trustees to perform all the obligations assumed by us under the Contract.
4. You shall not be released from your obligations under the Contract without the prior written consent of the Trustees.
5. We shall remain liable to perform all our obligations under the Contract and the Trustees shall be under no obligation of any kind whatsoever in respect of the Contract.
6. You must not, without the Trustees' prior written consent:-
  - 6.1 amend, novate, supplement, restate or replace the Contract;

- 6.2 agree to any waiver or release of any of your obligations under the Contract; or
- 6.3 exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
- 7. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
  - 7.1 promptly disclose to the Trustees such information relating to the Contract as the Trustees may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable the Trustees to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and
  - 7.2 provide the Trustees with copies of all notices given or received under the Contract promptly after they are given or received.
- 8. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Trustees.
- 9. By countersigning this letter, you confirm that:-
  - 9.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
  - 9.2 no amendment, waiver or release of any of rights, interests and benefits referred to in this notice shall be effective without the prior written consent of the Trustees;
  - 9.3 no termination of any rights, interests or benefits referred to in this notice shall be effective unless we have given the Trustees thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination;
  - 9.4 no breach or default on the part of the *[insert name of relevant Chargors]* of any of the terms of the Contract shall be deemed to have occurred unless you have given notice of such breach to the Trustees specifying how to make good such breach; and
  - 9.5 you will not, without the Trustees' prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
- 10. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to the Trustees at [address] marked for the attention of [ ].

Yours faithfully,

for and on behalf of  
COMPANY

Acknowledged:

.....

For and on behalf of

*[Name of contract counterparty]*

## EXECUTION PAGES TO THE DEBENTURE

## The Chargers

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**CARCLO PLC**  
acting by

ANTONY COLLINS

Full Name (Director/Attorney)  
in the presence of:

KEVIN LAURE COLLINS

Full Name (Witness)

Signature of Director/Attorney

Address

Signature of Witness

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**CARCLO TECHNICAL PLASTICS LIMITED**  
acting by

ANTONY COLLINS

Full Name (Director/Attorney)  
in the presence of:

Full Name (Witness)

KEVIN LAURE COLLINS

Address

Signature of Director/Attorney

Signature of Witness

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**BRUNTONS AERO PRODUCTS LIMITED**  
acting by

ANTONY COLLINS

Full Name (Director/Attorney)  
in the presence of:

KEVIN LAURE COLLINS

Full Name (Witness)

Signature of Director/Attorney

Signature of Witness

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**CARCLO OVERSEAS HOLDINGS LIMITED**  
acting by

ANTONY COLLINS  
Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

Full Name (Witness)

KEVIN LAUDE COLLINS

Address

Signature of Witness

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**RUMBOLD SECURITIES LIMITED**  
acting by

Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

Full Name (Witness)

Address

Signature of Witness

#### The Trustees

SIGNED as a deed by **ANDREW JAMES CASSELL**

in the presence of:

Witness signature:

Witness name:

Witness address:

**EXECUTED** as a **DEED** (but not delivered until the date of this Deed) by  
**CARCLO OVERSEAS HOLDINGS LIMITED**  
acting by

Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

**Full Name (Witness)**

## Address

**Signature of Witness**

**EXECUTED** as a **DEED** (but not delivered until the date of this Deed) by  
**RUMBOLD SECURITIES LIMITED**  
acting by

LEE GEORGE WESGARTH

Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

SEMMA ILONA HERRINGTON

Full Name (Witness)

**Address**

**Signature of Witness**

## The Trustees

**SIGNED** as a deed by **ANDREW JAMES CASSELL**

in the presence of:

**Witness signature:**

**Witness name:**

**Witness address:**



EXECUTION VERSION

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**CARCLO OVERSEAS HOLDINGS LIMITED**  
acting by

Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

Full Name (Witness)

Address

Signature of Witness

EXECUTED as a DEED (but not delivered until  
the date of this Deed) by  
**RUMBOLD SECURITIES LIMITED**  
acting by

Full Name (Director/Attorney)  
in the presence of:

Signature of Director/Attorney

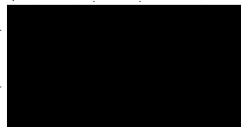
Full Name (Witness)

Address

Signature of Witness

**The Trustees**

SIGNED as a deed by **ANDREW JAMES CASSELL**



in the presence of:

Witness signature:



Witness name:

ALAN HOOK

Witness address:



SIGNED as a deed by ERIC COOK



in the presence of:

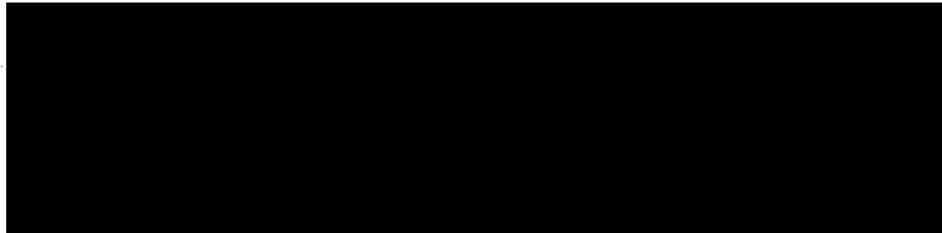
Witness signature:



Witness name:

GEMMA P. HANLEY

Witness address:



SIGNED as a deed by ANDREW MARTIN FAY

in the presence of:

Witness signature:

Witness name:

Witness address:

Executed as a deed by  
PAN TRUSTEES UK LLP  
acting by two members

)  
)  
)

Signature of member

Signature of member

EXECUTION VERSION

**SIGNED** as a deed by **ERIC COOK**

in the presence of:

**Witness signature:**

**Witness name:**

**Witness address:**

**SIGNED** as a deed by **ANDREW MARTIN FAY**

in the presence of:

**Witness signature:**

**Witness name:**

**Witness address:**

LISA JANE LONG

Executed as a deed by  
**PAN TRUSTEES UK LLP**  
acting by two members

Signature of member

Signature of member