

MG01

Particulars of a mortgage or charge

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LASERFORM

A fee is payable with this form.

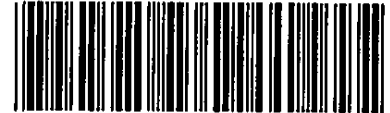
We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page

✓ **What this form is for**  
You may use this form to register  
particulars of a mortgage or charge  
in England and Wales or Northern  
Ireland

✗ **What this form is NOT for**  
You cannot use this form to re-  
gister particulars of a charge for a Sc  
company. To do this, please use  
form MG01s

WEDNESDAY



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23/02/2011

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COMPANIES HOUSE

FOR OFFICIAL USE

1

**Company details**

Company number 0 1 5 4 3 8 2 8

Company name in full Lymington Precision Engineers Co Limited  
(the "Company")

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

2

**Date of creation of charge**

Date of creation d0 d9 m0 m2 y2 y0 y1 y1

3

**Description**

Please give a description of the instrument (if any) creating or evidencing the  
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

A Trust Debenture dated 9 February 2011 (the "Debenture") and made  
between inter alia, the Company and Anthony Chalk

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**Amount secured**

Please give us details of the amount secured by the mortgage or charge

Amount secured

All moneys and liabilities (whether actual or  
contingent) which are now or may at any time after  
the date of the Debenture be due, owing or payable,  
or expressed to be due, owing or payable, to the  
Stockholders, in each case from or by any Obligor  
under the terms of any Finance Document and the  
Investment Agreement (the "Secured Obligations")

**Note:** Capitalised terms not defined on this page  
are defined in the continuation sheet

**Continuation page**

Please use a continuation page if  
you need to enter more details

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## Particulars of a mortgage or charge

### 5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

**Continuation page**  
Please use a continuation page if you need to enter more details

Name	Anthony Chalk (the "Security Trustee")
Address	27 South Street, Pennington, Lymington, Hampshire
Postcode	S O 4 1 8 E B
Name	
Address	
Postcode	

### 6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

**Continuation page**  
Please use a continuation page if you need to enter more details

Short particulars Please see the continuation sheet

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## Particulars of a mortgage or charge

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### Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

N11

8

### Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

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### Signature

Please sign the form here

Signature

Signature

X *Beavin Leighton Paine LLP* X

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

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## Particulars of a mortgage or charge



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record

Contact name **Marc Gilston**

Company name  
**Berwin Leighton Paisner LLP**

Address **Adelaide House**

**London Bridge**

Post town **London**

County/Region

Postcode 

E	C	4	R		9	H	A
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Country

DX **92 London/Chancery Lane**

Telephone **+44 (0)20 3400 1000**



### Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following**

- ☐ The company name and number match the information held on the public Register
- ☐ You have included the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee



### Important information

**Please note that all information on this form will appear on the public record.**



### How to pay

**A fee of £13 is payable to Companies House in respect of each mortgage or charge.**

Make cheques or postal orders payable to 'Companies House'



### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:**

#### For companies registered in England and Wales

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

#### For companies registered in Scotland

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

#### For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**

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## Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
Please give the short particulars of the property mortgaged or charged		
Short particulars	<p>Under Clause 2 of the Debenture:</p> <p><b>1 SECURITY</b></p> <p><b>1 1</b> The Company has charged with full title guarantee to the Security Trustee as security for the payment and discharge of all the Secured Obligations:</p> <p>FIRST - The property vested in it and described in Schedule 1 of the Debenture (and replicated here, below) together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein,</p> <p>SECOND - All other freehold and leasehold property vested in it both present and future together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein,</p> <p>THIRD - All plant, machinery, vehicles and other equipment now or after the date of the Debenture owned by the Company together with the benefit of any obligations and warranties given by the manufacturer or supplier of such plant, machinery or other equipment and the benefit of all maintenance agreements entered into between the Company and any other person in respect of such plant, machinery and other equipment,</p> <p>FOURTH - All Investments now or after the date of the Debenture beneficially owned by the Company, and all dividends, interest and other distributions paid or payable in respect thereof,</p> <p>FIFTH - All Negotiable Instruments of the Company,</p> <p>SIXTH - The benefit of all present and future licences (statutory or otherwise) held in connection with the business of the Company or the user of any property the subject of the security created by or pursuant to the Debenture and the right to recover and receive all compensation which may at any time become payable to the Company in respect thereof,</p> <p>SEVENTH - All licences and patents (including applications and the rights to apply therefore), copyrights, rights in trademarks whether registered or not, trade names, rights in service marks whether registered or not, registered designs, know-how and rights in confidential information now or at any time belonging to the Company;</p> <p>EIGHTH - The goodwill and the uncalled capital of the Company both present and future;</p> <p>NINTH - The debts due or owing to the Company both present and future (whether or not the sum is such as would in the ordinary course of business be entered in the books relating to such business),</p> <p>TENTH - All benefits in respect of all contracts and policies of insurance (including, for the avoidance of any doubt, all cover notes) which are from time to time taken out by or (to the extent of such interest) in which the Company has an interest including, without limitation, keyman policies (if any) in respect of the lives of directors, officers or employees of the Company,</p>	

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## Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>ELEVENTH - The stock-in-trade and work-in-progress, prepayments, investments quoted on a recognised stock exchange and cash of the Company both present and future, and</p> <p>TWELFTH - The undertaking and all other property and assets of the Company both present and future not otherwise charged under the Debenture,</p> <p>all and any of the property and assets FIRST through TWELFTH described above being the "<b>Charged Property</b>".</p> <p>1.2 The charges on the property and assets FIRST, SECOND, THIRD, FOURTH, FIFTH, SIXTH, SEVENTH, EIGHTH, NINTH and TENTH described were created as fixed charges and constitute charges by way of legal mortgage on the property FIRST, SECOND and FOURTH described which is now vested in the Company</p> <p>The charges on the property and assets ELEVENTH and TWELFTH described were created as floating charges unless and until the provisions of Clause 4.2 and/or Clause 4.3 of the Debenture become operative when the floating charges shall crystallise and become fixed charges Such floating charges being qualifying floating charges for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act, the provisions of such paragraph applying to such floating charges.</p> <p>1.3 The security created by the Debenture is continuing security for the Secured Obligations and will not be considered as satisfied or discharged by any intermediate payment or settlement of any part of the Secured Obligations.</p> <p>2 <b>NEGATIVE PLEDGE</b></p> <p>2.1 Under Clause 2.4 of the Debenture, the Company has undertaken with the Security Trustee that at no time during the subsistence of the security constituted by or pursuant to the Debenture will the Company:</p> <p>(a) otherwise than in respect of any Permitted Security, create, grant, extend or permit to subsist any mortgage, charge or other fixed security or any floating charge or any pledge, hypothecation or lien or other security interest of any kind on or over the Charged Property or any part thereof or dispose of the equity of redemption in any such property interest The foregoing prohibition applies not only to mortgages, other fixed securities and floating charges which rank or purport to rank in point of security in priority to the security constituted by the Debenture but also to any mortgages, securities or charges which rank or purport to rank pari passu therewith or thereafter;</p> <p>(b) otherwise than pursuant to a Permitted Disposal</p> <p>(i) part with, sell or transfer or otherwise dispose of or agree to dispose of all or any part of the Charged Property,</p> <p>(ii) allow any person any licence or other right to use or share possession of all or any part of the Charged Property, and</p>	

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## Particulars of a mortgage or charge

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### Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

- (c) none of the foregoing prohibitions shall be construed as limiting any powers exercisable by any receiver appointed by the Security Trustee hereunder and being an agent of the Company

2 2 Under Clause 2.5 of the Debenture, the Company has undertaken that until the Debenture is discharged the Company shall unless otherwise agreed in writing by the Security Trustee:

- (a) get in and realise all its debts in the ordinary course of its business (which shall not extend to the selling or assigning or in any other way factoring or discounting the same) and hold the proceeds of such getting in and realisation (until payment to the special account as hereinafter provided) upon trust for the Security Trustee;
- (b) pay all monies which it may receive in respect of the property charged by way of fixed charge into such separate and denominated account (the "**special account**") as the Security Trustee may specify,
- (c) not except with the prior written consent of the Security Trustee, withdraw from the special account all or any monies standing to the credit of the special account; and
- (d) if called upon so to do by the Security Trustee execute a legal assignment of its debts or its indebtedness to the Security Trustee in such terms as the Security Trustee may require and give such notice thereof to the debtors from whom its debts are or its indebtedness is due owing or incurred and take such other steps as the Security Trustee may require to perfect such legal assignment

#### 3. SCHEDULE 1 (PROPERTY)

None

#### 4. SCHEDULE 2 (SHARES)

None

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## Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p><b>DEFINITIONS</b></p> <p><b>"Bank"</b> means Barclays Bank PLC</p> <p><b>"Bank Documents"</b> means any facility agreement and security document executed by the Obligors in favour of the Bank from time to time.</p> <p><b>"Finance Documents"</b> means the Loan Stock Deed, the Debenture and the Intercreditor Deed</p> <p><b>"Insolvency Act"</b> means the Insolvency Act 1986.</p> <p><b>"Intercreditor Deed"</b> means the intercreditor deed referred to at Clause 20 of the Debenture</p> <p><b>"Investment Agreement"</b> means the agreement dated on or around the date of the Debenture and made between, amongst others, (1) Lymington Precision Engineering (LPE) Limited, (2) Vine Street Capital LLP and others and (3) Anthony Chalk and others in relation to Lymington Precision Engineering (LPE) Limited</p> <p><b>"Investments"</b> means shares, stocks, warrants, options (including the Original Shares) and all rights or other property of a capital nature which accrue or are offered issued or paid at any time in respect of such shares, stock, warrants and options.</p> <p><b>"Loan Stock Deed"</b> means the deed dated 9 February 2011 constituting the Stock of Lymington Precision Engineering (LPE) Limited</p> <p><b>"Negotiable Instruments"</b> means all bills of exchange, promissory notes and other negotiable instruments of any description beneficially owned now or hereafter by the Company</p> <p><b>"Obligor"</b> means LPE (Lymington) Limited (company number: 5997592) , LPE Holdings Limited (company number: 05631943) and Lymington Precision Engineering (LPE) Limited (company number 7513335) each of whose registered office is at Gosport Street, Lymington, Hampshire SO41 9EE (together with the Company collectively referred to as the <b>"Obligors"</b>)</p> <p><b>"Original Shares"</b> means the shares listed in Schedule 2 (<i>The Original Shares</i>) of the Debenture (as set out above).</p> <p><b>"Original Stockholders"</b> means Anthony Chalk and Martin Palmer.</p> <p><b>"Permitted Disposal"</b> means any sale, lease, licence, transfer or other disposal which, except in the case of paragraph (b), is on arm's length terms</p> <ul style="list-style-type: none"> <li>(a) of trading stock or cash made by the Company in the ordinary course of trading of the disposing entity;</li> <li>(b) of any asset by the Company to another Obligor,</li> <li>(c) of assets (other than any shares, business, real property or intellectual property and other assets which are subject to a fixed charge in favour of the Security Trustee) in exchange (within 30 days or such longer period as the Security Trustee may agree) for other assets comparable or superior as to type, value or quality;</li> </ul>	

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## Particulars of a mortgage or charge

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### Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

- (d) of obsolete or redundant vehicles, plant and equipment for cash;
- (e) constituted by a licence of intellectual property rights;
- (f) arising as a result of any Permitted Security,
- (g) of cash by way of a Permitted Loan,
- (h) of assets (other than shares, businesses, real property or intellectual property and other assets which are subject to a fixed charge in favour of the Security Trustee) for cash where the higher of the book value or the net consideration receivable in respect of such asset when aggregated with the higher of the book value or the net consideration receivable for any other sale, lease, licence, transfer or other disposal of an asset not allowed under the preceding paragraphs) does not exceed £50,000 (or its equivalent) in aggregate and does not exceed £50,000 (or its equivalent) in any financial year; or
- (i) permitted by the Security Trustee in writing.

#### "Permitted Loan" means

- (a) any trade credit of up to 120 days extended by the Company to its customers on normal commercial terms and in the ordinary course of its trading activities,
- (b) any loan made under the terms of any Structural Intra-Group Loan Document for the purposes of enabling the Company to meet its payment obligations under the Bank Documents and/or the Finance Documents if such payments are permitted by the Intercreditor Deed;
- (c) a loan made by the Company to another Obligor; or
- (d) a loan made by the Company to an employee or director of the Company if the amount of that loan when aggregated with the amount of all loans to employees and directors by the Obligors does not exceed £50,000 (or its equivalent) at any time

#### "Permitted Security" means

- (a) any security arising under or permitted by the Finance Documents and/or the VSC Loan Stock Security Documents and/or the Bank Documents,
- (b) any lien arising by operation of law and in the ordinary course of trading,
- (c) any netting or set-off arrangement entered into by the Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Company;
- (d) any security arising from the Company providing cash cover,

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### Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

- (e) any security arising under any retention of title, hire purchase or conditional sale arrangements or arrangements having similar effect in respect of goods supplied to the Company in the ordinary course of trading,
- (f) any security arising as a consequence of any finance or capital lease; or
- (g) any security permitted by the Security Trustee in writing

**"Register"** means the register of holders of the Stock kept in accordance with Clause 3.2 of the Loan Stock Deed by the Company at its registered address.

**"Stock"** means the £4,000,000 Guaranteed Secured Subordinated Loan Stock 2011 to 2012 constituted by the Loan Stock Deed.

**"Stockholders"** means the Original Stockholders and/or the person or the several persons for the time being entered in the Register as the holder or holders of the Stock.

**"Structural Intra-Group Loan Document"** has the same meaning as given in the Intercreditor Deed

**"VSC Loan Stock Security Documents"** means the debenture created by the Company in favour of Project Forest L.P. acting by its general partner Project Forest (GP) LLP.



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

**Pursuant to section 869(5) & (6) of the Companies Act 2006**

**COMPANY NO. 1543828  
CHARGE NO. 16**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES  
HEREBY CERTIFIES THAT A TRUST DEBENTURE DATED 9  
FEBRUARY 2011 AND CREATED BY LYMINGTON PRECISION  
ENGINEERS CO. LIMITED FOR SECURING ALL MONIES DUE OR  
TO BECOME FROM ANY OBLIGOR TO THE STOCKHOLDER ON  
ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE  
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING  
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1  
PART 25 OF THE COMPANIES ACT 2006 ON THE 23 FEBRUARY  
2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 25 FEBRUARY  
2011

DP



*Companies House*  
— for the record —



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES