



**Registration of a Charge**

Company name: **CENTRAL HEATING SERVICES LIMITED**

Company number: **01978534**



X7YOK26X

Received for Electronic Filing: **05/02/2019**

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**Details of Charge**

Date of creation: **29/01/2019**

Charge code: **0197 8534 0010**

Persons entitled: **EXWORKS CAPITAL FUND I, L.P.**

Brief description: **THE LEASEHOLD OF LAND KNOWN AS 25 INVINCIBLE ROAD INDUSTRIAL ESTATE, FARNBOROUGH, HAMPSHIRE, GU14 7QU AND REGISTERED WITH A TITLE NUMBER OF HP662210.**

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GUNNERCOOKE LLP**



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

Company number: 1978534

Charge code: 0197 8534 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th January 2019 and created by CENTRAL HEATING SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th February 2019 .

Given at Companies House, Cardiff on 6th February 2019

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 29 January 2019

CHARGORS LISTED IN SCHEDULE 6

and

EXWORKS CAPITAL FUND I, L.P.

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## DEBENTURE

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London  
EC3V 3ND

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Manchester  
M2 4LQ

Tel: 03330 143 401  
[www.gunnercooke.com](http://www.gunnercooke.com)

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This deed is dated 29 January 2019.

## PARTIES

- (1) The companies whose respective names and registered offices are set out in Schedule 6 (each, the **Chargor**, together, the **Chargors**); and
- (2) EXWORKS CAPITAL FUND I, L.P. a limited partnership incorporated and registered in Delaware, United States of America whose principal place of business is 333 West Wacker Drive, 16th Floor, Chicago, Illinois 60606, United States of America (the **Lender**).

## BACKGROUND

- (A) Under this Deed, each Chargor provides security to the Lender for all the Borrower's present and future obligations and liabilities to the Lender.

## AGREED TERMS

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 DEFINITIONS

The following definitions apply in this Deed:

**Administrator;** an administrator appointed to manage the affairs, business and property of the Chargor pursuant to clause 13.8.

**Borrowed Money;** any indebtedness of a Chargor for or in respect of:

(a) borrowing or raising money, including any premium and any capitalised interest on that money;

(b) any bond, note, loan stock, debenture, commercial paper or similar instrument;

(c) any acceptances under any acceptance credit facility or dematerialised equivalent

or bill discounting, note purchase or documentary credit facilities;

(d) monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to any Chargor if those receivables or financial assets are not paid when due;

(e) any deferred payments for assets or services acquired, other than trade credit that is given in the ordinary course of trade and which does not involve any deferred payment of any amount for more than 60 days;

(f) any rental or hire charges under any finance lease (whether for land, machinery, equipment or otherwise);

(g) any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with any Chargor's performance of a contract;

(h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities that are not shown as borrowed money on the Borrower's balance sheet because they are contingent, conditional or otherwise);

(i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any

	<p>derivative transaction, only the marked to market value shall be taken into account); and</p> <p>(j) any guarantee, counter-indemnity or other assurance against financial loss that given by any Chargor for any Indebtedness of the type referred to in any other paragraph of this definition incurred by any person.</p> <p>When calculating Borrowed Money, no liability shall be taken into account more than once.</p>		
<b>Borrower;</b>	Greenview Gas Ltd, incorporated and registered in Northern Ireland with company number NI640228, whose registered office is at Unit 1 Greenview Business Park, Edgar Road, Carryduff, Northern Ireland, BT8 8NB.		
<b>Book Debts;</b>	all present and future book and other debts, and monetary claims due or owing to each Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by each Chargor in relation to any of them.		
<b>Charged Property;</b>	any freehold, leasehold or commonhold property the subject of the security constituted by this Deed and references to <b>Charged Property</b> shall include references to the whole or any part or part of it.		
<b>Customer Contract;</b>	any contract for the provision of goods or services by any Chargor between that Chargor and its counterparts.		
<b>Default Rate;</b>	5% per annum.		
		<b>Delegate;</b>	any person appointed by the Lender or any Receiver pursuant to clause 18 and any person appointed as attorney of the Lender, Receiver or Delegate.
		<b>Designated Account;</b>	any account of a Chargor nominated by the Lender as a designated account for the purposes of this Deed.
		<b>Environment;</b>	the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.
		<b>Environmental Law;</b>	all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.
		<b>Environmental Licence;</b>	any authorisation, permit or licence necessary under Environmental Law in respect of any of the Secured Assets.
		<b>Equipment;</b>	all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property owned by any Chargor or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions, and the benefit of all related

authorisations, agreements and warranties.

**Event of Default;** any of the following events:

(a) any Chargor fails to pay any of the Secured Liabilities when due;

(b) any Chargor fails (other than a failure to pay referred to in paragraph (a) of this definition) to comply with any provision of this Deed;

(c) any representation, warranty or statement made, repeated or deemed made by any Chargor to the Lender is (or proves to have been) incomplete, untrue, incorrect or misleading in any material respect when made, repeated or deemed made;

(d) any Chargor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business;

(e) any Borrowed Money is not paid when due or within any originally applicable grace period;

(f) any Borrowed Money becomes due, or capable of being declared due and payable, before its stated maturity by reason of an event of default (however described);

(g) any commitment for any Borrowed Money is cancelled or suspended by a creditor of the Chargor by reason of an event of default (however described);

(h) any creditor of a Chargor becomes entitled to declare

any Borrowed Money due and payable before its stated maturity by reason of an event of default (however described);

(i) any Chargor stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due;

(j) the Chargor commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors (excluding the Lender) with a view to rescheduling any of its Indebtedness (because of actual or anticipated financial difficulties);

(k) a moratorium is declared in respect of any Indebtedness of a Chargor;

(l) any action, proceedings, procedure or step is taken in relation to the suspension of payments, a moratorium of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of a Chargor;

(m) any action, proceedings, procedure or step is taken in relation to a composition, compromise, assignment or arrangement with any creditor of a Chargor;

(n) any action, proceedings, procedure or step is taken in relation to the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar



officer in respect of a Chargor or any of its assets;

(o) the value of any Chargor's assets is less than its liabilities (taking into account contingent and prospective liabilities);

(p) any event occurs in relation to the Chargor similar to those set out in paragraphs (i) to (o) (inclusive) under the laws of any applicable jurisdiction;

(q) control of any Chargor's goods is taken or a distress, attachment, execution, expropriation, sequestration or other analogous legal process in any jurisdiction is levied, enforced or sued out on, or against, any Chargor's assets;

(r) any Security on or over the assets of any Chargor becomes enforceable;

(s) all or any part of this Deed or any document under which a Chargor owes obligations to the Lender is or becomes invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect or it becomes unlawful for any party to this Deed or any document under which a Chargor owes obligations to the Lender (other than the Lender) to perform any obligation under this Deed or that document;

(t) any Chargor repudiates or rescinds or shows an intention to repudiate or rescind this Deed or any document under which any Chargor owes obligations to

the Lender; or

(u) any event occurs (or circumstances exist) that, in the reasonable opinion of the Lender, has or is reasonably likely to have a Material Adverse Effect.

**Excluded Property;**

each property listed in Part 3 of Schedule 1.

**Financial Collateral;**

has the meaning given to that expression in the Financial Collateral Regulations.

**Financial Collateral Regulations;**

the Financial Collateral Arrangements (No 2) Regulations 2003 (S/2003/3226).

**Indebtedness;**

any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations.

**Insurance Policy;**

each contract and policy of insurance effected or maintained by the Chargor from time to time in respect of its assets or business (including any contract or policy of insurance relating to the Charged Properties or the Equipment).

**Intellectual Property;**

any Chargor's present and future patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the

	confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.		
<b>Investments;</b>	all certificated shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of a Chargor.	<b>Rights;</b>	any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.
<b>LPA 1925;</b>	the Law of Property Act 1925.	<b>Secured Assets;</b>	all the assets, property and undertaking of each Chargor which are, or are expressed to be, subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them).
<b>Material Adverse Effect;</b>	has the meaning given to that expression in the Revolving Loan Facility Agreement.	<b>Secured Liabilities;</b>	all present and future obligations and liabilities of the Borrower or any Chargor to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with any present or future credit facilities provided by the Lender to the Borrower together with all interest (including default interest) accruing in respect of those obligations or liabilities.
<b>Permitted Security;</b>	has the meaning given to that expression in the Revolving Loan Facility Agreement.	<b>Security Financial Collateral Arrangement;</b>	has the meaning given to that expression in the Financial Collateral Regulations.
<b>Receiver;</b>	a receiver, receiver and manager or administrative receiver appointed by the Lender under clause 16 or pursuant to any applicable law.	<b>Security;</b>	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.
<b>Relevant Agreement;</b>	each agreement specified in Schedule 2.		
<b>Revolving Loan Facility Agreement;</b>	the revolving loan facility agreement dated on or about the date of this Deed between the Borrower and		

<b>Security Period;</b>	the period starting on the date of this Deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.	1.2.7	a reference to a <b>statute</b> or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
<b>VAT;</b>	value added tax or any equivalent tax chargeable in the UK or elsewhere.	1.2.8	a reference to <b>writing</b> or <b>written</b> includes fax but not email;
<b>1.2 INTERPRETATION</b>		1.2.9	an obligation on a party not to do something includes an obligation not to allow that thing to be done;
In this Deed:		1.2.10	a reference to <b>this Deed</b> (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended from time to time;
1.2.1	clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;	1.2.11	unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
1.2.2	a reference to a <b>person</b> shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);	1.2.12	any words following the terms <b>including</b> , <b>include</b> , <b>in particular</b> , <b>for example</b> or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
1.2.3	unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;	1.2.13	a reference to an <b>amendment</b> includes a novation, re-enactment, supplement or variation (and <b>amend</b> and <b>amended</b> shall be construed accordingly);
1.2.4	unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;	1.2.14	a reference to <b>assets</b> includes present and future properties, undertakings, revenues, rights and benefits of every description;
1.2.5	a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;	1.2.15	a reference to an <b>authorisation</b> includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
1.2.6	a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;	1.2.16	a reference to <b>determines</b> or <b>determined</b> means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

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

### **1.3 CLAWBACK**

If the Lender considers that an amount paid by the Borrower or any Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or any Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

### **1.4 NATURE OF SECURITY OVER REAL PROPERTY**

A reference in this Deed to a charge or mortgage of or over any Charged Property includes:

1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Charged Property at any time;

1.4.2 the proceeds of the sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property;

1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of any Chargor in respect of that Charged Property, and any monies paid or payable in respect of those covenants; and

1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

### **1.5 NATURE OF SECURITY OVER INVESTMENTS**

A reference in this Deed to any share, stock, debenture or other security or investment includes:

1.5.1 any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment; and

1.5.2 any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

### **1.6 LAW OF PROPERTY (MISCELLANEOUS PROVISIONS) ACT 1989**

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

### **1.7 PERPETUITY PERIOD**

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

### **1.8 SCHEDULES**

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

### **1.9 EFFECT AS A DEED**

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

<b>2.</b>	<b>COVENANT TO PAY</b>	3.2.2	the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which that Chargor is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
<b>2.1</b>	<b>COVENANT TO PAY</b>		
	Each Chargor shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due and guarantees to the Lender that it will on demand pay to the Lender and discharge the Secured Liabilities when they become due.		
<b>2.2</b>	<b>INTEREST</b>		
	Each Chargor covenants with the Lender to pay interest on any amounts due under Clause 2.1 from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of a Chargor) at the Default Rate, provided that, in the case of any cost or expense, such interest shall accrue and be payable as from the date on which the relevant cost or expense arose without the necessity for any demand being made for payment.	3.2.3	all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;
<b>3.</b>	<b>GRANT OF SECURITY</b>	3.2.4	all its present and future goodwill;
<b>3.1</b>	<b>LEGAL MORTGAGE</b>	3.2.5	all its uncalled capital;
	As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Lender, by way of a first legal mortgage, all estates or interests in any freehold, leasehold or commonhold property now owned by it, including the real property (if any) specified in Schedule 1.	3.2.6	all the Equipment;
		3.2.7	all the Intellectual Property;
		3.2.8	all the Book Debts;
		3.2.9	all the Investments;
<b>3.2</b>	<b>FIXED CHARGES</b>	3.2.10	all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
	As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Lender by way of a first fixed charge:		
3.2.1	all present and future estates or interests of that Chargor in, or over, any freehold, leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.1);	3.2.11	all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and

- 3.2.12 all its rights in respect of each Relevant Agreement, each Customer Contract and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

### **3.3 ASSIGNMENT**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 3.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- 3.3.2 the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets; and
- 3.3.3 the benefit of each Customer Contract.

### **3.4 FLOATING CHARGE**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Lender, by way of first floating charge, all its undertaking, property, assets and rights not otherwise effectively mortgaged, charged or assigned under clause 3.1 to clause 3.3 inclusive. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this clause 3.4.

### **3.5 TRUST**

If or to the extent that the assignment or charging of any Secured Asset is ineffective because of the prohibition on that assignment or charging, the relevant Chargor holds it on trust for the Lender

### **3.6 AUTOMATIC CRYSTALLISATION OF FLOATING CHARGE**

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- 3.6.1 any Chargor:
- 3.6.1.1 creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this Deed); or
- 3.6.1.2 disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- 3.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- 3.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor.

### **3.7 CRYSTALLISATION OF FLOATING CHARGE BY NOTICE**

The Lender may, in its sole discretion, at any time and by written notice to the Chargors, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice.

### **3.8 ASSETS ACQUIRED AFTER ANY FLOATING CHARGE HAS CRYSTALLISED**

Any asset acquired by any Chargor after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall

	(unless the Lender confirms otherwise to that Chargor in writing) be charged to the Lender by way of first fixed charge.	4.1.8	any claim or enforcement of payment from the Borrower, any Chargor or any other person; or
<b>4.</b>	<b>LIABILITY OF THE CHARGOR</b>	4.1.9	any other act or omission which would not have discharged or affected the liability of any Chargor had it been a principal debtor or anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge any Chargor or otherwise reduce or extinguish its liability under this Deed.
<b>4.1</b>	<b>LIABILITY NOT DISCHARGED</b>		
	The Chargors' liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:		
4.1.1	any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;	<b>4.2</b>	<b>IMMEDIATE RECOURSE</b>
4.1.2	any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may now or after the date of this Deed have from or against the Borrower, any Chargor or any other person in connection with the Secured Liabilities;		Each Chargor waives any right it may have to require the Lender:
4.1.3	any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Borrower, any Chargor or any other person;	4.2.1	to take any action or obtain judgment in any court against the Borrower or any other person;
4.1.4	any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities;	4.2.2	to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or
4.1.5	any grant of time, indulgence, waiver or concession to the Borrower, any Chargor or any other person;	4.2.3	to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,
4.1.6	any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, any Chargor or any other person;		before taking steps to enforce any of its rights or remedies under this Deed.
4.1.7	any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower, any Chargor or any other person in connection with the Secured Liabilities;	<b>4.3</b>	<b>IMMEDIATE RECOURSE</b>
			Each Chargor warrants to the Lender that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, any Chargor under this Deed but:
		4.3.1	if any of the Rights is taken, exercised or received by any Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by that Chargor on trust for the Lender for application in or towards the

	discharge of the Secured Liabilities under this Deed; and		contemplated by, this Deed do not and will not contravene or conflict with:
4.3.2	on demand by the Lender, that Chargor shall promptly transfer, assign or pay to the Lender all other Rights and all monies from time to time held on trust by that Chargor under this Clause 4.3.	5.4.1	its constitutional documents;
		5.4.2	any agreement or instrument binding on each Chargor or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
<b>5.</b>	<b>REPRESENTATIONS AND WARRANTIES</b>	5.4.3	any law or regulation or judicial or official order applicable to it.
<b>5.1</b>	<b>TIMES FOR MAKING REPRESENTATIONS AND WARRANTIES</b>	<b>5.5</b>	<b>AUTHORISATIONS</b>
	The Chargor makes the representations and warranties set out in this clause 5 to the Lender on the date of this Deed and the representations and warranties contained in this clause 5 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.		Each Chargor has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this Deed. Any such authorisations are in full force and effect.
<b>5.2</b>	<b>DUE INCORPORATION</b>	<b>5.6</b>	<b>BINDING OBLIGATIONS</b>
	The Chargor:	5.6.1	The Chargor's obligations under this Deed are legal, valid, binding and enforceable.
5.2.1	is a duly incorporated limited liability company validly existing under the law of England and Wales; and	5.6.2	This deed creates (or, once entered into, will create):
5.2.2	has the power to own its assets and carry on its business as it is being conducted.	5.6.2.1	valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
<b>5.3</b>	<b>POWERS</b>	5.6.2.2	subject to registration in accordance with the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets expressed to be subject to Security in it,
5.3.1	The Chargor has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this Deed and the transactions contemplated by it.		in favour of the Lender, having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.
5.3.2	No limit on its powers will be exceeded as a result of its entry into this Deed.	<b>5.7</b>	<b>NO FILING OR STAMP TAXES</b>
<b>5.4</b>	<b>NON-CONTRAVENTION</b>		It is not necessary to file, record or enrol this Deed (other than as provided in Clause 5.5) with any court or other
	The entry into and performance by each Chargor of, and the transactions		



	authority or pay any stamp, registration or similar taxes in relation to this Deed or any transaction contemplated by it (other than in connection with registrations at Companies House and the Land Registry).		to terms entitling any person to terminate or curtail its use.
<b>5.8</b>	<b>LITIGATION</b>	<b>5.15</b>	<b>NO OVERRIDING INTERESTS</b>
	No litigation, arbitration, administrative proceedings or investigations are taking place, pending or, to the Chargors' knowledge, threatened against it, any of its directors or any of its assets.		Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Charged Property.
<b>5.9</b>	<b>OWNERSHIP OF SECURED ASSETS</b>	<b>5.16</b>	<b>AVOIDANCE OF SECURITY</b>
	Each Chargor is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.		No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of any Chargor or otherwise.
<b>5.10</b>	<b>NO SECURITY</b>	<b>5.17</b>	<b>NO PROHIBITIONS OR BREACHES</b>
	The Secured Assets are free from any Security other than Permitted Security and the Security created by this Deed.		There is no prohibition on assignment in any Insurance Policy, Relevant Agreement or Customer Contract and the entry into this Deed by each Chargor does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement, Customer Contract or any other policy, agreement, document, instrument or obligation binding on that Chargor or its assets.
<b>5.11</b>	<b>NO ADVERSE CLAIMS</b>	<b>5.18</b>	<b>COMPLIANCE</b>
	Each Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.	<b>5.18.1</b>	Each Chargor has procured all authorisations, permits and licences necessary from time to time for that Chargor to conduct its business and perform its obligations under the Customer Contracts. All such authorisations, permits and licences are in full force and effect. Each Chargor has, at all times, complied in all material respects with all such authorisations, permits and licences.
<b>5.12</b>	<b>NO ADVERSE COVENANTS</b>	<b>5.18.2</b>	Each Chargor has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.
	There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.	<b>5.19</b>	<b>ENFORCEABLE SECURITY</b>
<b>5.13</b>	<b>NO BREACH OF LAWS</b>		This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of each Chargor, and is, and
	There is no breach of any law or regulation that materially and adversely affects the Secured Assets.		
<b>5.14</b>	<b>NO INTERFERENCE IN ENJOYMENT</b>		
	No facility necessary for the enjoyment and use of the Secured Assets is subject		

will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

## **5.20 INVESTMENTS**

5.20.1 The Investments are fully paid and are not subject to any option to purchase or similar rights.

5.20.2 No constitutional document of an issuer of an Investment, nor any other agreement:

5.20.2.1 restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or

5.20.2.2 contains any rights of pre-emption in relation to the Investments.

5.20.3 Each Chargor has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

5.20.4 No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

## **6. GENERAL COVENANTS**

### **6.1 AUTHORISATIONS**

Each Chargor shall promptly obtain all consents and authorisations necessary under any law or regulation (and do all that is needed to maintain them in full force and effect) to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability and admissibility in evidence of this Deed in its jurisdiction of incorporation.

### **6.2 COMPLIANCE WITH LAW**

Each Chargor shall comply in all respects with all relevant laws to which it may be

subject if failure to do so would materially impair its ability to perform its obligations under this Deed.

## **6.3 CHANGE OF BUSINESS**

No Chargor shall make any substantial change to the general nature or scope of its business as carried on at the date of this Deed.

## **6.4 NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS**

No Chargor shall at any time, except with the prior written consent of the Lender:

6.4.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this Deed or any Permitted Security;

6.4.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or

6.4.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

## **6.5 PRESERVATION OF SECURED ASSETS**

No Chargor shall do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets, the rights of that Chargor under any Customer Contract or the effectiveness of the security created by this Deed.

## **6.6 COMPLIANCE WITH LAWS AND REGULATIONS**

6.6.1 No Chargor shall, without the Lender's prior written consent, use or permit the

	Secured Assets to be used in any way contrary to law.	6.8.1	any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
6.6.2	Each Chargor shall:	6.8.2	any breach of any covenant set out in this Deed.
6.6.2.1	comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;	<b>6.9</b>	<b>TITLE DOCUMENTS</b>
6.6.2.2	obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and		Each Chargor shall, as so required by the Lender, deposit with the Lender and the Lender shall, for the duration of this Deed be entitled to hold:
6.6.2.3	promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.	6.9.1	all deeds and documents of title relating to the Secured Assets that are in the possession or control of that Chargor (and if these are not within the possession or control of that Chargor, that Chargor undertakes to obtain possession of all these deeds and documents of title);
<b>6.7</b>	<b>ENFORCEMENT OF RIGHTS</b>	6.9.2	all Insurance Policies and any other insurance policies relating to any of the Secured Assets that that Chargor is entitled to possess;
	Each Chargor shall use its best endeavours to:	6.9.3	all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time;
6.7.1	procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with that Chargor and forming part of the Secured Assets of the covenants and other obligations imposed on such counterparty (including each counterparty in respect of a Relevant Agreement, each counterparty in respect of a Customer Contract and each insurer in respect of an Insurance Policy); and	6.9.4	a copy of each Relevant Agreement, certified to be a true copy by either a director of that Chargor or by that Chargor's solicitors; and
6.7.2	enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Lender may require from time to time.	6.9.5	a copy of each Customer Contract, certified to be a true copy by either a director of that Chargor or by that Chargor's solicitors.
<b>6.8</b>	<b>NOTICE OF MISREPRESENTATION AND BREACHES</b>	<b>6.10</b>	<b>INSURANCE</b>
	Each Chargor shall, promptly on becoming aware of any of the same, notify the Lender in writing of:	6.10.1	Each Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:

- 6.10.1.1 loss or damage by fire or terrorist acts, including any third party liability arising from such acts;
- 6.10.1.2 other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as that Chargor; and
- 6.10.1.3 any other risk, perils and contingencies as the Lender may reasonably require.
- 6.10.2 Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender, and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises on any Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and, in the case of any Charged Property, loss of rents payable by the tenants or other occupiers of any Charged Property for a period of at least three years, including provision for increases in rent during the period of insurance.
- 6.10.3 Each Chargor shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to any insurance as is required by clause 6.10.1 (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as that Chargor is entitled to obtain from the landlord under the terms of the relevant lease).
- 6.10.4 Each Chargor shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed on each insurance policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 6.10.1 but without the Lender having any liability for any premium in relation to those insurance policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.
- 6.10.5 Each Chargor shall ensure that each insurance policy effected or maintained by it or any person on its behalf in accordance with clause 6.10.1 contains:
- 6.10.5.1 a loss payee clause under which the Lender is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances);
- 6.10.5.2 terms ensuring that it cannot be avoided or vitiated as against the Lender by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party;
- 6.10.5.3 a waiver of each insurer's rights of subrogation against that Chargor, the Lender and the tenants of any Charged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Charged Property or any insurance policy; and
- 6.10.5.4 terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Lender.
- 6.11 INSURANCE PREMIUMS**
- Each Chargor shall:
- 6.11.1 promptly pay all premiums in respect of each insurance policy as is required by clause 6.10.1 and do all other things necessary to keep that policy in full force and effect; and

- 6.11.2 (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy as is required by clause 6.10.1 (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as that Chargor is entitled to obtain from the landlord under the terms of the relevant lease).
- 6.12 NO INVALIDATION OF INSURANCE**
- No Chargor shall do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy as is required by clause 6.10.1.
- 6.13 PROCEEDS FROM INSURANCE POLICIES**
- All monies payable under any insurance policy maintained by each Chargor in accordance with clause 6.10.1 at any time (whether or not the security constituted by this Deed has become enforceable) shall:
- 6.13.1 be paid immediately to the Lender;
- 6.13.2 if they are not paid directly to the Lender by the insurers, be held, pending such payment, by that Chargor as trustee of the same for the benefit of the Lender; and
- 6.13.3 at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.
- 6.14 NOTICES TO BE GIVEN BY THE CHARGOR**
- Each Chargor shall:
- 6.14.1 on the execution of this Deed and as soon as practically possible upon requested to do so by the Lender from time to time:
- 6.14.1.1 give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3; and
- 6.14.1.2 procure that each counterparty provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;
- 6.14.2 as soon as practically possible upon requested to do so by the Lender:
- 6.14.2.1 give notice to each counterparty to a Customer Contract in the form set out in Part 1 of Schedule 3; and
- 6.14.2.2 use reasonable endeavours to procure that each counterparty provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;
- 6.14.3 as soon as practically possible upon requested to do so by the Lender:
- 6.14.3.1 give notice to each insurer under an Insurance Policy in the form set out in Part 1 of Schedule 4; and
- 6.14.3.2 use reasonable endeavours to procure that each insurer provides to the Lender promptly an acknowledgement of the notice in the form set out in Part 2 of Schedule 4;
- 6.14.4 on the execution of this Deed and as soon as practically possible upon requested to do so by the Lender from time to time:
- 6.14.4.1 give notice to each bank, financial institution or other person (other than the Lender) with whom that Chargor holds each Designated Account in the form set out in Part 1 of Schedule 5; and
- 6.14.4.2 use reasonable endeavours to procure that each such bank, financial institution or other person provides to the Lender promptly an acknowledgement of the notice in the form of Part 2 of Schedule 5; and

6.14.5 as soon as practically possible upon requested to do so by the Lender:

6.14.5.1 give notice to each bank, financial institution or other person (other than the Lender) with whom that Chargor holds an account in the form set out in Part 1 of Schedule 5; and

6.14.5.2 use reasonable endeavours to procure that each such bank, financial institution or other person provides to the Lender promptly an acknowledgement of the notice in the form of Part 2 of Schedule 5.

## **6.15 INFORMATION**

Each Chargor shall:

6.15.1 give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may require;

6.15.2 permit any persons designated by the Lender and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and

6.15.3 promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, that Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

## **6.16 PAYMENT OF OUTGOINGS**

Each Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured

Assets and, on demand, produce evidence of payment to the Lender.

## **6.17 APPOINTMENT OF ACCOUNTANTS**

6.17.1 Each Chargor shall:

6.17.1.1 at its own cost, if at any time so required by the Lender, appoint an accountant or firm of accountants nominated by the Lender to investigate the financial affairs of that Chargor and those of its subsidiaries and report to the Lender; and

6.17.1.2 co-operate fully with any accountants so appointed and immediately provide those accountants with all information requested.

6.17.2 Each Chargor authorises the Lender to make an appointment as it shall think fit at any time, without further authority from that Chargor. In every case, the relevant Chargor shall pay, or reimburse the Lender for, the fees and expenses of those accountants.

## **6.18 NOTIFICATION OF DEFAULT**

6.18.1 Each Chargor shall notify the Lender of any Event of Default or any event or circumstance which would, on the giving of notice, expiry of any grace period, making of any determination under this Deed or any document under which that Chargor owes obligations to the Lender or satisfaction of any other condition (or any combination thereof), become an Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

6.18.2 Each Chargor shall, promptly on request by the Lender, supply a certificate signed by two of its directors or senior officers on its behalf certifying that no Event of Default is continuing (or, if an Event of Default is continuing, specifying the Event of Default and the steps, if any, being taken to remedy it).

	management from time to time current in that trade or business.		(and shall not agree to) waive, release or vary any of the same.
<b>7.4</b>	<b>NOTICES OR CLAIMS RELATING TO THE PROPERTY</b>	<b>7.6</b>	<b>PAYMENT OF RENT AND OUTGOINGS</b>
7.4.1	Each Chargor shall:		Each Chargor shall:
7.4.1.1	give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a <b>Notice</b> ) that specifically applies to any Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and	7.6.1	where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
7.4.1.2	(if the Lender so requires) immediately, and at the cost of that Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.	7.6.2	pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Charged Property or on its occupier.
7.4.2	Each Chargor shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to any Charged Property.	<b>7.7</b>	<b>LEASES AND LICENCES AFFECTING THE CHARGED PROPERTIES</b>
<b>7.5</b>	<b>COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS</b>		No Chargor shall, without the prior written consent of the Lender:
	Each Chargor shall:	7.7.1	grant any licence or tenancy affecting the whole or any part of any Charged Property, or exercise the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
7.5.1	observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subject, and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and	7.7.2	in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Charged Property);
7.5.2	diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not	7.7.3	let any person into occupation of or share occupation of the whole or any part of any Charged Property; or
		7.7.4	grant any consent or licence under any lease or licence affecting any Charged Property.

**7.8 REGISTRATION RESTRICTIONS AND CAUTIONS AGAINST FIRST REGISTRATION AND NOTICES**

7.8.1 If the title to any Charged Property is not registered at the Land Registry, the relevant Chargor shall procure that no person (other than itself) shall be registered under the Land Registration Act 2002 as proprietor of all or any part of any Charged Property, without the prior written consent of the Lender.

7.8.2 Whether or not title to any Charged Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against any Chargor's title to any Charged Property, that Chargor shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, that Chargor shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

7.8.3 Each Chargor shall be liable for the costs and expenses of the Lender in lodging cautions against the registration of the title to the whole or any part of any Charged Property from time to time.

**7.9 DEVELOPMENT RESTRICTIONS**

No Chargor shall, without the prior written consent of the Lender:

7.9.1 make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of any Charged Property; or

7.9.2 carry out or permit or suffer to be carried out on any Charged Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or

permit or suffer to be changed the use of any Charged Property.

**7.10 ENVIRONMENT**

Each Chargor shall in respect of each Charged Property:

7.10.1 comply in all material respects with all the requirements of Environmental Law; and

7.10.2 obtain and comply in all material respects with all Environmental Licences.

**7.11 NO RESTRICTIVE OBLIGATIONS**

No Chargor shall, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

**7.12 PROPRIETARY RIGHTS**

Each Chargor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Charged Property without the prior written consent of the Lender.

**7.13 INSPECTION**

Each Chargor shall permit the Lender, any Receiver and any person appointed by either of them to enter on and inspect any Charged Property on reasonable prior notice.

**7.14 PROPERTY INFORMATION**

Each Chargor shall inform the Lender promptly of any acquisition by that Chargor of, or contract made by that Chargor to acquire, any freehold, leasehold or other interest in any property.



## **7.15 VAT OPTION TO TAX**

No Chargor shall, without the prior written consent of the Lender:

7.15.1 exercise any VAT option to tax in relation to any Charged Property; or

7.15.2 revoke any VAT option to tax exercised, and disclosed to the Lender, before the date of this Deed.

## **7.16 REGISTRATION OF LEGAL MORTGAGE AT THE LAND REGISTRY**

Each Chargor consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Charged Property over which the Lender has a legal mortgage:

"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 [DATE] in favour of EXWORKS CAPITAL FUND I, L.P. referred to in the charges register."

## **8. INVESTMENTS COVENANTS**

### **8.1 DEPOSIT OF TITLE DOCUMENTS**

8.1.1 Each Chargor shall:

8.1.1.1 on the execution of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by any Chargor at that time; and

8.1.1.2 on the purchase or acquisition by it of Investments after the date of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

8.1.2 At the same time as depositing documents with the Lender, or as the Lender may direct, in accordance with clause 8.1.1, each Chargor shall also deposit with the Lender, or as the Lender may direct:

8.1.2.1 all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of that Chargor, but with the name of the transferee, the consideration and the date left blank; and

8.1.2.2 any other documents (in each case duly completed and executed by or on behalf of that Chargor) that the Lender may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Lender may, at any time and without notice to that Chargor, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

### **8.2 NOMINATIONS**

8.2.1 Each Chargor shall terminate with immediate effect all nominations it may have made (including any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:

8.2.1.1 does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and

8.2.1.2 immediately on receipt by it, forward to the Lender all communications or other information received by it in respect of any Investments for which it has been so nominated.

8.2.2 No Chargor shall, during the Security Period, exercise any rights (including any rights under sections 145 and 146 of the Companies Act 2006) to nominate any

	person in respect of any of the Investments.		of those voting and other rights and powers provided that:
<b>8.3</b>	<b>PRE-EMPTION RIGHTS AND RESTRICTIONS ON TRANSFER</b>		
	Each Chargor shall:		
8.3.1	obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an issuer of any Investments, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and	8.4.2.1	it shall not do so in any way that would breach any provision of this Deed or for any purpose inconsistent with this Deed; and
		8.4.2.2	the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Lender's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Lender's security under this Deed.
8.3.2	procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Lender may require in order to permit the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.	8.4.3	Each Chargor shall indemnify the Lender against any loss or liability incurred by the Lender (or its nominee) as a consequence of the Lender (or its nominee) acting in respect of the Investments at the direction of that Chargor.
		8.4.4	The Lender shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Lender considers prejudicial to, or impairing the value of, the security created by this Deed.
<b>8.4</b>	<b>DIVIDENDS AND VOTING RIGHTS BEFORE ENFORCEMENT</b>		
8.4.1	Before the security constituted by this Deed becomes enforceable, each Chargor may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Lender or any of its nominees, the Lender will hold all those dividends, interest and other monies received by it for the relevant Chargor and will pay them to the relevant Chargor promptly on request.	<b>8.5</b>	<b>DIVIDENDS AND VOTING RIGHTS AFTER ENFORCEMENT</b>
			After the security constituted by this Deed has become enforceable:
8.4.2	Before the security constituted by this Deed becomes enforceable, each Chargor may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Lender or any of its nominees, to direct in writing the exercise	8.5.1	all dividends and other distributions paid in respect of the Investments and received by any Chargor shall be held by that Chargor on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, may be applied by the Lender in accordance with clause 19.1; and
		8.5.2	all voting and other rights and powers attaching to the Investments may be exercised by, or at the direction of, the Lender and any Chargor shall, and shall procure that its nominees shall, comply

with any directions the Lender may give, in its absolute discretion, concerning the exercise of those rights and powers.

#### **8.6 CALLS ON INVESTMENTS**

Notwithstanding the security created by this Deed, each Chargor shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. Each Chargor acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other payments.

#### **8.7 NO ALTERATION OF CONSTITUTIONAL DOCUMENTS OR RIGHTS ATTACHING TO INVESTMENTS**

No Chargor shall, without the prior written consent of the Lender, amend, or agree to the amendment of:

8.7.1 the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or

8.7.2 the rights or liabilities attaching to, or conferred by, all or any of the Investments.

#### **8.8 PRESERVATION OF INVESTMENTS**

Each Chargor shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of any of the Investments (that is not a public company) shall not:

8.8.1 consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in any way;

8.8.2 issue any new shares or stock; or

8.8.3 refuse to register any transfer of any of the Investments that may be lodged with

it for registration by, or on behalf of, the Lender or any Chargor in accordance with this Deed.

#### **8.9 INVESTMENTS INFORMATION**

Each Chargor shall, promptly following receipt, send to the Lender copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

#### **8.10 COMPLIANCE WITH REQUESTS FOR INFORMATION**

Each Chargor shall promptly send a copy to the Lender of, and comply with, all requests for information which is within its knowledge and which are made under any law or regulation or any similar provision in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Investments. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of any Chargor.

### **9. EQUIPMENT COVENANTS**

#### **9.1 MAINTENANCE OF EQUIPMENT**

Each Chargor shall:

9.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;

9.1.2 at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and

9.1.3 not permit any Equipment to be:

9.1.3.1 used or handled other than by properly qualified and trained persons; or

- 9.1.3.2 overloaded or used for any purpose for which it is not designed or reasonably suitable.

## **9.2 PAYMENT OF EQUIPMENT TAXES**

Each Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Lender.

## **9.3 NOTICE OF CHARGE**

- 9.3.1 Each Chargor shall, if so requested by the Lender, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIBE ITEM] and all additions to it and ancillary equipment are subject to a fixed charge dated [DATE] in favour of EXWORKS CAPITAL FUND I, L.P."

- 9.3.2 Each Chargor shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 9.3.1.

## **10. BOOK DEBTS AND DESIGNATED ACCOUNTS COVENANTS**

### **10.1 REALISING BOOK DEBTS**

- 10.1.1 Each Chargor shall as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender.

- 10.1.2 Each Chargor shall not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any Designated Account.

- 10.1.3 Each Chargor shall, if called on to do so by the Lender, execute a legal assignment of the Book Debts to the Lender on such terms as the Lender may

require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred in the form and substance acceptable to the Lender.

## **10.2 PRESERVATION OF BOOK DEBTS**

No Chargor shall (except as provided by clause 10.1 or with the prior written consent of the Lender) release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

## **11. RELEVANT AGREEMENTS AND CUSTOMER AGREEMENTS COVENANTS**

### **11.1 COMPLIANCE WITH TERMS**

Unless the Lender agrees otherwise in writing, each Chargor shall comply with the terms of each Relevant Agreement, each Customer Contract and any other document, agreement or arrangement comprising the Secured Assets.

### **11.2 PAYMENT OF PROCEEDS**

Unless the Lender agrees otherwise in writing, each Chargor shall ensure that all the proceeds from each Customer Contract are paid into a Designated Account.

### **11.3 NEGATIVE COVENANTS**

Unless the Lender agrees otherwise in writing, no Chargor shall:

- 11.3.1 amend or vary or agree to any change in, or waive any requirement of or its rights under;
- 11.3.2 settle, compromise, terminate, rescind or discharge (except by performance); or
- 11.3.3 abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or a Customer

	Contract or other person in connection with,	13.1.3	Any monies expended by the Lender in remedying a breach by any Chargor of its obligations contained in this Deed shall be reimbursed by that Chargor to the Lender on a full indemnity basis and shall carry interest in accordance with clause 20.1.
	any Relevant Agreement, any Customer Contract or any other document, agreement or arrangement comprising the Secured Assets.		
<b>12.</b>	<b>INTELLECTUAL PROPERTY COVENANTS</b>	<b>13.2</b>	<b>EXERCISE OF RIGHTS</b>
<b>12.1</b>	<b>PRESERVATION OF RIGHTS</b>	13.2.1	The rights of the Lender under clause 13.1 are without prejudice to any other rights of the Lender under this Deed.
	Each Chargor shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.	13.2.2	The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.
<b>12.2</b>	<b>REGISTRATION OF INTELLECTUAL PROPERTY</b>	<b>13.3</b>	<b>POWER TO DISPOSE OF CHATTELS</b>
	Each Chargor shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.	13.3.1	At any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver may, as agent for a Chargor, dispose of any chattels or produce found on any Charged Property.
<b>12.3</b>	<b>MAINTENANCE OF INTELLECTUAL PROPERTY</b>	13.3.2	Without prejudice to any obligation to account for the proceeds of any disposal made under clause 13.3.1, each Chargor shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 13.3.1.
	No Chargor shall permit any Intellectual Property to be abandoned, cancelled or to lapse.	<b>13.4</b>	<b>LENDER HAS RECEIVER'S POWERS</b>
<b>13.</b>	<b>POWERS OF THE LENDER</b>		To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.
<b>13.1</b>	<b>POWER TO REMEDY</b>	<b>13.5</b>	<b>CONVERSION OF CURRENCY</b>
13.1.1	The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by any Chargor of any of its obligations contained in this Deed.	13.5.1	For the purpose of, or pending the discharge of, any of the Secured
13.1.2	Each Chargor irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.		

	Liabilities, the Lender may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 13.5) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.		with any person not being a party to this Deed (whether or not any such person is jointly liable with any Chargor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of any Chargor for the Secured Liabilities.
13.5.2	Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such other currency against the existing currency.	<b>13.8</b>	<b>APPOINTMENT OF AN ADMINISTRATOR</b>
13.5.3	Each reference in this clause 13.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.	13.8.1	The Lender may, without notice to the Chargors, appoint any one or more persons to be an Administrator of any Chargor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
<b>13.6</b>	<b>NEW ACCOUNTS</b>	13.8.2	Any appointment under this clause 13.8 shall:
13.6.1	If the Lender receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Lender may open a new account for any Chargor in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of a Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.	13.8.2.1	be in writing signed by a duly authorised signatory of the Lender; and
13.6.2	If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 13.6.1, then, unless the Lender gives express written notice to the contrary to a Chargor, all payments made by that Chargor to the Lender shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.	13.8.2.2	take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
<b>13.7</b>	<b>INDULGENCE</b>	13.8.3	The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 13.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.
	The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release	<b>13.9</b>	<b>FURTHER ADVANCES</b>
			The Lender covenants with the Chargors that it shall perform its obligations to make advances to the Borrower under any document to which the Lender and the Borrower are party.
		<b>14.</b>	<b>WHEN SECURITY BECOMES ENFORCEABLE</b>
		<b>14.1</b>	<b>SECURITY BECOMES ENFORCEABLE</b>
			The security constituted by this Deed shall become immediately enforceable if

any Secured Liabilities become repayable.

#### **14.2 DISCRETION**

After the security constituted by this Deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

### **15. ENFORCEMENT OF SECURITY**

#### **15.1 ENFORCEMENT POWERS**

15.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

15.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 14.1.

15.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

#### **15.2 EXTENSION OF STATUTORY POWERS OF LEASING**

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of a Chargor, to:

15.2.1 grant a lease or agreement for lease;

15.2.2 accept surrenders of leases; or

15.2.3 grant any option in respect of the whole or any part of the Secured Assets with

whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of a Chargor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

#### **15.3 ACCESS ON ENFORCEMENT**

15.3.1 At any time after the Lender has demanded payment of the Secured Liabilities or if any Chargor defaults in the performance of its obligations under this Deed or an Event of Default is continuing, that Chargor will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Lender or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to that Chargor for, or by any reason of, that entry.

15.3.2 At all times, each Chargor must use its best endeavours to allow the Lender or its Receiver access to any premises for the purpose of clause 15.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

#### **15.4 REDEMPTION OF PRIOR SECURITY**

15.4.1 At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Lender may:

15.4.1.1 redeem any prior Security over any Secured Asset;

- 15.4.1.2 procure the transfer of that Security to itself; and
- 15.4.1.3 settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on each Chargor).

15.4.2 Each Chargor shall pay to the Lender immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Liabilities.

#### **15.5 PROTECTION OF THIRD PARTIES**

No purchaser, mortgagee or other person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire:

- 15.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 15.5.2 whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- 15.5.3 how any money paid to the Lender, any Receiver or any Delegate is to be applied.

#### **15.6 PRIVILEGES**

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

#### **15.7 NO LIABILITY AS MORTGAGEE IN POSSESSION**

Neither the Lender nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor

shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

#### **15.8 CONCLUSIVE DISCHARGE TO PURCHASERS**

The receipt of the Lender, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Lender, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

#### **15.9 RIGHT OF APPROPRIATION**

15.9.1 To the extent that:

15.9.1.1 the Secured Assets constitute Financial Collateral; and

15.9.1.2 this Deed and the obligations of the Chargors under it constitute a Security Financial Collateral Arrangement,

the Lender shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Lender may, in its absolute discretion, determine.

15.9.2 The value of any Secured Assets appropriated in accordance with this clause shall be:

15.9.2.1 in the case of cash, the amount standing to the credit of each of the Chargors' accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and

15.9.2.2 in the case of Investments, the market price of those Investments at the time the right of appropriation is exercised



	determined by the Lender by reference to a recognised market index or by any other method that the Lender may select (including independent valuation).		of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.
15.9.3	Each Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.	16.5	<b>POWER OF APPOINTMENT EXERCISABLE DESPITE PRIOR APPOINTMENTS</b>
16.	<b>RECEIVER</b>		The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.
16.1	<b>APPOINTMENT</b>	16.6	<b>AGENT OF THE CHARGOR</b>
	At any time after the security constituted by this Deed has become enforceable, or at the request of any Chargor, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.		Any Receiver appointed by the Lender under this Deed shall be the agent of the relevant Chargor, and that Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until that Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.
16.2	<b>REMOVAL</b>	17.	<b>POWERS OF RECEIVER</b>
	The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.	17.1	<b>GENERAL</b>
16.3	<b>REMUNERATION</b>	17.1.1	Any Receiver appointed by the Lender under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 17.2 to clause 17.23.
	The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.	17.1.2	A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
16.4	<b>POWER OF APPOINTMENT ADDITIONAL TO STATUTORY POWERS</b>	17.1.3	If there is more than one Receiver holding office at the same time, each
	The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers		

	Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.	<b>17.6</b>	<b>REMUNERATION</b>	A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Lender may prescribe or agree with it.
17.1.4	Any exercise by a Receiver of any of the powers given by clause 17 may be on behalf of a Chargor, the directors of that Chargor (in the case of the power contained in clause 17.16) or itself.	<b>17.7</b>	<b>POSSESSION</b>	A Receiver may take immediate possession of, get in and realise any Secured Asset.
<b>17.2</b>	<b>REPAIR AND DEVELOP CHARGED PROPERTIES</b>	<b>17.8</b>	<b>MANAGE OR RECONSTRUCT THE CHARGOR'S BUSINESS</b>	A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of a Chargor.
	A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.	<b>17.9</b>	<b>DISPOSE OF SECURED ASSETS</b>	A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.
<b>17.3</b>	<b>GRANT OR ACCEPT SURRENDERS OF LEASES</b>	<b>17.10</b>	<b>SEVER FIXTURES AND FITTINGS</b>	A Receiver may sever and sell separately any fixtures or fittings from any Charged Property without the consent of a Chargor.
	A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.	<b>17.11</b>	<b>SELL BOOK DEBTS</b>	A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.
<b>17.4</b>	<b>EMPLOY PERSONNEL AND ADVISERS</b>			
17.4.1	A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.			
17.4.2	A Receiver may discharge any such person or any such person appointed by a Chargor.			
<b>17.5</b>	<b>MAKE AND REVOKE VAT OPTIONS TO TAX</b>			
	A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.			

**17.12 VALID RECEIPTS**

A Receiver may give a valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

**17.13 MAKE SETTLEMENTS**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of a Chargor or relating in any way to any Secured Asset.

**17.14 LEGAL ACTION**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

**17.15 IMPROVE THE EQUIPMENT**

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

**17.16 MAKE CALLS ON CHARGOR MEMBERS**

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

**17.17 INSURE**

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 20, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by a Chargor under this Deed.

**17.18 SUBSIDIARIES**

A Receiver may form a subsidiary of a Chargor and transfer to that subsidiary any Secured Asset

**17.19 BORROW**

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this Deed).

**17.20 REDEEM PRIOR SECURITY**

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

**17.21 DELEGATION**

A Receiver may delegate its powers in accordance with this Deed.

**17.22 ABSOLUTE BENEFICIAL OWNER**

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

**17.23 INCIDENTAL POWERS**

A Receiver may do any other acts and things that it:

- 17.23.1 may consider desirable or necessary for realising any of the Secured Assets;

17.23.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or

17.23.3 lawfully may or can do as agent for a Chargor.

## **18. DELEGATION**

### **18.1 DELEGATION**

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 22.1).

### **18.2 TERMS**

The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

### **18.3 LIABILITY**

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Chargors for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

## **19. APPLICATION OF PROCEEDS**

### **19.1 ORDER OF APPLICATION OF PROCEEDS**

All monies received or recovered by the Lender, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Chargors):

19.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;

19.1.2 in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and

19.1.3 in payment of the surplus (if any) to the Chargors or other person entitled to it.

### **19.2 APPROPRIATION**

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

### **19.3 SUSPENSE ACCOUNT**

All monies received by the Lender, a Receiver or a Delegate under this Deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

19.3.1 may, at the discretion of the Lender, Receiver or Delegate, be credited to a suspense account;

19.3.2 shall bear interest, if any, at the rate agreed in writing between the Lender and the Chargors; and

19.3.3 may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

<b>20.</b>	<b>COSTS AND INDEMNITY</b>	Deed or by law in respect of the Secured Assets;
<b>20.1</b>	<b>COSTS</b>	
	Each Chargor shall, promptly on demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:	20.2.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
20.1.1	this Deed or the Secured Assets;	20.2.1.3 any default or delay by any Chargor in performing any of its obligations under this Deed.
20.1.2	taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed; or	20.2.2 Any past or present employee or agent may enforce the terms of this clause 20.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.
20.1.3	taking proceedings for, or recovering, any of the Secured Liabilities,	
	together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of a Chargor) at the Default Rate.	
<b>20.2</b>	<b>INDEMNITY</b>	<b>21. FURTHER ASSURANCE</b>
20.2.1	Each Chargor shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:	Each Chargor shall promptly, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:
20.2.1.1	the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this	(i) creating, perfecting or protecting the security created or intended to be created by this Deed;
		(ii) facilitating the realisation of any Secured Asset; or
		(iii) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset,
		including the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.

**22. POWER OF ATTORNEY**

**22.1 APPOINTMENT OF ATTORNEYS**

By way of security, each Chargor irrevocably appoints the Lender, every Receiver and every Delegate jointly and severally to be the attorney of that Chargor and, in its name, on its behalf and as its attorney to execute any documents and do any acts and things in such matter as the attorney in his absolute discretion thinks fit that:

22.1.1 that Chargor is required to execute and do under this Deed; or

22.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

**22.2 RATIFICATION OF ACTS OF ATTORNEYS**

Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 22.1.

**23. RELEASE**

Subject to clause 30.3, at the end of the Security Period, the Lender shall, at the request and cost of the Chargors, take whatever action is necessary to:

23.1.1 release the Secured Assets from the security constituted by this Deed; and

23.1.2 reassign the Secured Assets to the Chargors.

**24. ASSIGNMENT AND TRANSFER**

**24.1 ASSIGNMENT BY LENDER**

24.1.1 At any time, without the consent of the Chargors, the Lender may assign or

transfer any or all of its rights and obligations under this Deed.

24.1.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Chargors, the Secured Assets and this Deed that the Lender considers appropriate.

**24.2 ASSIGNMENT BY CHARGOR**

No Chargor may assign any of its rights, or transfer any of its rights or obligations, under this Deed.

**25. SET-OFF**

**25.1 LENDER'S RIGHT OF SET-OFF**

The Lender may at any time set off any liability of a Chargor to the Lender against any liability of the Lender to that Chargor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 25 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

**25.2 NO OBLIGATION TO SET OFF**

The Lender is not obliged to exercise its rights under clause 25.1.

**25.3 EXCLUSION OF CHARGOR'S RIGHT OF SET-OFF**

All payments made by the Chargors to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

<b>26.</b>	<b>AMENDMENTS, WAIVERS AND CONSENTS</b>		
<b>26.1</b>	<b>AMENDMENTS</b>		
	No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).		possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.
<b>26.2</b>	<b>WAIVERS AND CONSENTS</b>	<b>28.</b>	<b>COUNTERPARTS</b>
<b>26.2.1</b>	A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.	<b>28.1</b>	<b>COUNTERPARTS</b>
<b>26.2.2</b>	A failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Lender shall be effective unless it is in writing.	<b>28.1.1</b>	This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
		<b>28.1.2</b>	Transmission of the executed signature page of a counterpart of this Deed by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
<b>26.3</b>	<b>RIGHTS AND REMEDIES</b>	<b>28.1.3</b>	No counterpart shall be effective until each party has executed and delivered at least one counterpart.
	The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.	<b>29.</b>	<b>THIRD PARTY RIGHTS</b>
<b>27.</b>	<b>SEVERANCE</b>	<b>29.1</b>	<b>THIRD PARTY RIGHTS</b>
	If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not	<b>29.1.1</b>	Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
		<b>29.1.2</b>	The rights of the parties to rescind or agree any amendment or waiver under this Deed are not subject to the consent of any other person.

**30. FURTHER PROVISIONS**

**30.1 INDEPENDENT SECURITY**

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

**30.2 CONTINUING SECURITY**

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Deed in writing.

**30.3 DISCHARGE CONDITIONAL**

Any release, discharge or settlement between any Chargor and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

30.3.1 the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

30.3.2 the Lender may recover the value or amount of such security or payment from that Chargor subsequently as if the release, discharge or settlement had not occurred.

**30.4 CERTIFICATES**

A certificate or determination by the Lender as to any amount for the time being due to it from each Chargor under this Deed shall be, in the absence of any manifest error, conclusive evidence of the amount due.

**30.5 CONSOLIDATION**

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

**30.6 SMALL COMPANY MORATORIUM**

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

30.6.1 an event under this Deed which causes any floating charge created by this Deed to crystallise;

30.6.2 an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by a Chargor; or

30.6.3 a ground under this Deed for the appointment of a Receiver.

**31. NOTICES**

**31.1 DELIVERY**

Any notice or other communication given to a party under or in connection with this Deed shall be:

31.1.1 in writing;

31.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and



31.1.3 sent to:

31.1.3.1 the Chargors at:

25 Invincible Road Industrial Estate,  
Farnborough, Hampshire, GU14 7QU

Fax: 028 95680365

Attention: Michael Burke/ Colin Caldwell

31.1.3.2 the Lender at:

333 W. Wacker Drive, Suite 1620,  
Chicago, Illinois 60606, USA

Attention: Chief Credit Officer

or to any other address or fax number as  
is notified in writing by one party to the  
other from time to time.

#### **31.2 RECEIPT BY CHARGOR**

Any notice or other communication that  
the Lender gives to the Chargors shall be  
deemed to have been received:

31.2.1 if delivered by hand, at the time it is left  
at the relevant address;

31.2.2 if posted by pre-paid first-class post or  
other next working day delivery service,  
on the second Business Day after  
posting; and

31.2.3 if sent by fax, when received in legible  
form.

A notice or other communication given as  
described in clause 31.2.1 or  
clause 31.2.3 on a day that is not a  
Business Day, or after normal business  
hours, in the place it is received, shall be  
deemed to have been received on the  
next Business Day.

#### **31.3 RECEIPT BY LENDER**

Any notice or other communication given  
to the Lender shall be deemed to have  
been received only on actual receipt.

#### **31.4 SERVICE OF PROCEEDINGS**

This clause 31 does not apply to the  
service of any proceedings or other  
documents in any legal action or, where  
applicable, any arbitration or other  
method of dispute resolution.

#### **31.5 NO NOTICE BY EMAIL**

A notice or other communication given  
under or in connection with this Deed is  
not valid if sent by email.

### **32. GOVERNING LAW AND JURISDICTION**

#### **32.1 GOVERNING LAW**

This Deed and any dispute or claim  
(including non-contractual disputes or  
claims) arising out of or in connection  
with it or its subject matter or formation  
shall be governed by and construed in  
accordance with the law of England and  
Wales.

#### **32.2 JURISDICTION**

32.2.1 Each party irrevocably agrees that,  
subject as provided below, the courts of  
England and Wales shall have exclusive  
jurisdiction over any dispute or claim  
(including non-contractual disputes or  
claims) arising out of or in connection  
with this Deed or its subject matter or  
formation.

32.2.2 Nothing in this clause shall limit the right  
of the Lender to take proceedings  
against any Chargor in any other court of  
competent jurisdiction, nor shall the  
taking of proceedings in any one or more  
jurisdictions preclude the taking of  
proceedings in any other jurisdictions,  
whether concurrently or not, to the extent  
permitted by the law of such other  
jurisdiction.

#### **32.3 ADDRESS FOR SERVICE**

32.3.1 Subject to clause 32.3.3, the address for  
service of the Chargors in England and  
Wales in respect of this Deed is 25

Invincible Road Industrial Estate,  
Farnborough, Hampshire, GU14 7QU,  
attention Michael Burke/ Colin Caldwell.

32.3.2 Without prejudice to any other mode of service allowed under relevant law, any claim form, judgement, order or other notice of legal process in respect of this Deed relating to proceedings before English courts may be served on any Chargor at this address. The service may be made by any method allowed by law.

32.3.3 Each Chargor may change its address for service to a different address in England and Wales by giving the Lender at least 20 Business Days' written notice of its new address for service.

#### **32.4 OTHER SERVICE**

Each Chargor irrevocably consents to any process in any legal action or proceedings under clause 32.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

**EXECUTED AS A DEED AND DELIVERED ON  
THE DATE STATED AT THE BEGINNING OF  
THIS DEED.**

**Schedule 1**  
**Real Property**

**Part 1**  
**Registered Property**

Leasehold land being 25 Invincible Road,  
Farnborough, Hampshire GU14 7QU

Title number HP662210

**Part 2**  
**Unregistered Property**

Not applicable

**Part 3**  
**Excluded Property**

Not applicable

**Schedule 2**  
**Relevant Agreements**

Not applicable

**Schedule 3**  
**Notice and acknowledgement - Relevant**  
**Agreements and Customer Contracts**

**Part 1**

**Form of notice**

[On the letterhead of the Chargor]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and other Chargors listed therein and EXWORKS CAPITAL FUND I, L.P.**

We refer to the [DESCRIBE RELEVANT AGREEMENT] [DESCRIBE CUSTOMER AGREEMENT] (the **Contract**).

This letter constitutes notice to you that under the Debenture we have assigned to EXWORKS CAPITAL FUND I, L.P. (the **Lender**) all our rights in respect of the Contract.

We confirm that:

- We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.
- Neither the Lender nor any receiver or delegate appointed by the Lender will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the terms of this notice, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you may

continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Lender. Thereafter, all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Lender or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

[Please pay all amounts payable to us under the Contract to the following account [DESCRIBE THE RELEVANT DESIGNATED ACCOUNT].]

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please acknowledge the terms of this notice, and confirm that you agree to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at 333 W. Wacker Drive, 16th Floor, Chicago, Illinois 60606, USA, with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....  
[NAME OF CHARGOR]

**Part 2**

**Form of acknowledgement**

[On the letterhead of the counterparty]

EXWORKS CAPITAL FUND I, L.P.  
333 W. Wacker Drive, 16th Floor  
Chicago,  
Illinois 60606  
USA

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and other Chargors listed therein and EXWORKS CAPITAL FUND I, L.P.**

We confirm receipt from [CHARGOR] (**Chargor**) of a notice (the **Notice**) dated [DATE] of a charge of all the Chargor's rights under [DESCRIBE RELEVANT AGREEMENT] [DESCRIBE CUSTOMER AGREEMENT] (the **Contract**).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.
- There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.
- We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Chargor has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.
- The Lender will not in any circumstances have any liability in relation to the Contract.
- The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

[We confirm that unless instructed otherwise in writing by the Lender, we will pay all amounts payable to the Chargor under the Contract to the account specified in the Notice.]

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[COUNTERPARTY]

**Schedule 4**  
**Notice and acknowledgement - Insurance Policy**

**Part 1**  
**Form of notice**

*[On the letterhead of the Chargor]*

[NAME OF INSURANCE COMPANY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and EXWORKS CAPITAL FUND I, L.P.**

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (**Policy**).

This letter constitutes notice to you that under the Debenture we have charged to EXWORKS CAPITAL FUND I, L.P. (**Lender**) all our rights in respect of the Policy (including all claims and all returns of premium in connection with the Policy).

We irrevocably instruct and authorise you to:

- Note the Lender's interest on the Policy as first loss payee.
- Comply with the terms of any written instructions received by you from the Lender relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.
- Hold all sums from time to time due and payable by you to us under the Policy to the order of the Lender.
- Pay, or release, all monies to which we are entitled under the Policy to the

Lender, or to such persons as the Lender may direct.

- Disclose information in relation to the Policy to the Lender on request by the Lender.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Lender. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at 333 W. Wacker Drive, 16th Floor, Chicago, Illinois 60606, USA, with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....  
[NAME OF CHARGOR]

**Part 2**  
**Form of acknowledgement**

*[On the letterhead of the insurance company]*

EXWORKS CAPITAL FUND I, L.P.  
333 W. Wacker Drive, 16th Floor  
Chicago,  
Illinois 60606  
USA

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and other Chargors listed therein and EXWORKS CAPITAL FUND I, L.P.**

We confirm receipt from [CHARGOR] (**Chargor**) of a notice (**Notice**) dated [DATE] of a charge of all the Chargor's rights under [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (**Policy**).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.
- We have noted the Lender's interest on the Policy as first loss payee.
- There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.
- We will not cancel, avoid, release or otherwise allow the Policy to lapse without giving the Lender at least 30 days' prior written notice.
- We have not, as at the date of this acknowledgement, received notice that the Chargor has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.
- The Lender will not in any circumstances be liable for the premiums in relation to the Policy.
- The Policy shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in

connection with it or its subject matter or formation), shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[INSURER]



## Schedule 5

### Notice and acknowledgement - bank account

#### Part 1

##### Form of notice

*[On the letterhead of the Chargor]*

[BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and other Chargors listed therein and EXWORKS CAPITAL FUND I, L.P.**

This letter constitutes notice to you that under the Debenture we have charged, by way of first fixed charge, in favour of EXWORKS CAPITAL FUND I, L.P. (the **Lender**) all monies from time to time standing to the credit of the account held with you and detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

**Name of Account:** [NAME OF ACCOUNT]

**Sort code:** [SORT CODE]

**Account number:** [ACCOUNT NUMBER]

We irrevocably instruct and authorise you to:

Disclose to the Lender any information relating to the Account requested from you by the Lender.

Comply with the terms of any written notice or instructions relating to the Account received by you from the Lender.

Hold all sums from time to time standing to the credit of the Account to the order of the Lender.

Pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of the Lender.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

We are not permitted to withdraw any amount from the Account without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Please acknowledge receipt of this notice by sending the attached acknowledgement to the Lender at 333 W. Wacker Drive, 16<sup>th</sup> Floor, Chicago, Illinois 60606, USA, with a copy to us.

Yours sincerely,

Signed.....

[NAME OF CHARGOR]

#### Part 2

##### Form of acknowledgement

*[On the letterhead of the bank, financial institution or other person]*

EXWORKS CAPITAL FUND I, L.P.  
333 W. Wacker Drive, 16th Floor  
Chicago,  
Illinois 60606  
USA

[DATE]

Dear [NAME OF ADDRESSEE],

**Debenture (Debenture) dated [DATE] between [CHARGOR] and other Chargors listed therein and EXWORKS CAPITAL FUND I, L.P.**

We confirm receipt from [CHARGOR] (the **Chargor**) of a notice (the **Notice**) dated [DATE] of a charge

(on the terms of the Debenture) over all monies from time to time standing to the credit of the account detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest).

We confirm that we:

Accept the instructions contained in the Notice and agree to comply with the Notice.

[Will not permit any amount to be withdrawn from the Account without your prior written consent.]

Have not received notice of the interest of any third party in the Account.

Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counterclaim or other right in respect of the Account.

The Account is:

**Name of Account:** [NAME OF ACCOUNT]

**Sort code:** [SORT CODE]

**Account number:** [ACCOUNT NUMBER]

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

Signed.....

[NAME OF BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

**Schedule 6**  
**Chargors**

1. Central Heating Services Limited, incorporated and registered in England and Wales with company number 01978534, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU;
2. Electrical Services Southern Limited, incorporated and registered in England and Wales with company number 07222978, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU;
3. North Hampshire Training Limited, incorporated and registered in England and Wales with company number 07034503, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU;
4. Central Heating Installations Limited, incorporated and registered in England and Wales with company number 07592491, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU;
5. CHS Renewables Limited, incorporated and registered in England and Wales with company number 07592492, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU;
6. CHS Maintenance Limited, incorporated and registered in England and Wales with company number 07593687, whose registered office is at 25 Invincible Road Industrial Estate, Farnborough, Hampshire, GU14 7QU.

**CHARGORS**

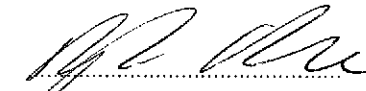
Executed as a deed by CENTRAL HEATING  
SERVICES LIMITED acting by  
NAME: MICHAEL BURKE  
a director, in the presence of:

  
Director

NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

  
Malborough House  
30 Victoria Street  
Belfast  
Solicitor

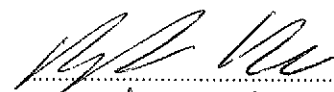
Executed as a deed by ELECTRICAL SERVICES  
SOUTHERN LIMITED acting by  
NAME: MICHAEL BURKE  
a director, in the presence of:

  
Director

NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

  
Malborough House  
30 Victoria Street  
Belfast  
Solicitor

Executed as a deed by NORTH HAMPSHIRE  
TRAINING LIMITED acting by  
NAME: MICHAEL BURKE  
a director, in the presence of:

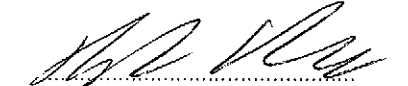
Director



NAME OF WITNESS:

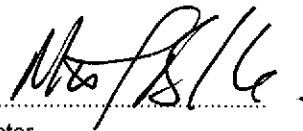
ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

  
Marlborough House  
30 Victoria Street  
Belfast  
Solicitor

Executed as a deed by CENTRAL HEATING  
INSTALLATIONS LIMITED acting by  
NAME: MICHAEL BURKE  
a director, in the presence of:

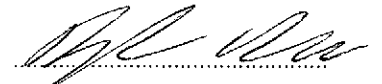
Director



NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

  
Marlborough House  
30 Victoria Street  
Belfast  
Solicitor

Executed as a deed by CHS RENEWABLES

LIMITED acting by

NAME: MICHAEL BURICE

a director, in the presence of:

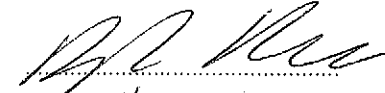
Director



NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

  
Marlborough House  
30 Victoria Street  
Belfast  
Solicitor

Executed as a deed by CHS MAINTENANCE

LIMITED acting by

NAME: MICHAEL BURICE

a director, in the presence of:

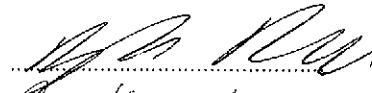
Director



NAME OF WITNESS:

ADDRESS OF WITNESS:

OCCUPATION OF WITNESS:

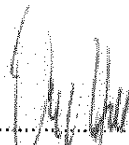
  
Marlborough House  
30 Victoria Street  
Belfast  
Solicitor

**LENDER**

Executed as a deed by EXWORKS CAPITAL FUND  
I, L.P. acting by:

NAME:

who is permitted to execute for EXWORKS CAPITAL  
FUND I, L.P. under the laws of Delaware, USA

  
.....  
Authorized Signatory