



Registration of a Charge

Company name: **NITEC (UK) LIMITED**

Company number: **02036655**



X6CAXVFC

Received for Electronic Filing: **07/08/2017**

Details of Charge

Date of creation: **02/08/2017**

Charge code: **0203 6655 0008**

Persons entitled: **MGC ASSOCIATES LIMITED**

Brief description: **ALL THE LAND. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **MADELEINE HODGSON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2036655

Charge code: 0203 6655 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd August 2017 and created by NITEC (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th August 2017 .

Given at Companies House, Cardiff on 9th August 2017

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

PRIVATE AND CONFIDENTIAL

**lupton
fawcett**
putting you ahead.

DATED

2 August

2017

Debenture

relating to

NITEC (UK) LIMITED

made between

(1) NITEC (UK) LIMITED

and

(2) MGC ASSOCIATES LIMITED

This Debenture is subject to the terms of the Intercreditor Agreement referred to herein

Lupton Fawcett LLP
Belgrave House
47 Bank Street
Sheffield
South Yorkshire
S1 2DR
www.luptonfawcett.law

We hereby certify this to be a true copy of the original document.	
Print Name	MADEIRA HODGSON
Signed	Ms. Hodgson
Dated	7/8/17
Lupton Fawcett LLP Registered address: Yorkshire House, East Parade, Leeds, LS1 5BD Tel: 0113 200 2000	

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THIS DEBENTURE is made as a deed on

2 August

2017

BETWEEN:

- (1) **NITEC (UK) LIMITED** a company incorporated in England and Wales under number 02036655 whose registered office is at Hardwick House Hardwick View Road, Holmewood, Chesterfield, Derbyshire, S42 5SA (the "**Company**"); and
- (2) **MGC ASSOCIATES LIMITED** a company incorporated in England and Wales under number 10501262 whose registered office is at 93 Scholes View, Ecclesfield, Sheffield, United Kingdom, S35 9YQ (the "**Chargee**").

(each of the Company and the Chargee being a "**Party**" and together the Company and the Chargee are the "**Parties**").

BACKGROUND:

- (A) The Company has agreed to give the Chargee security for monies due to the Chargee under the Guarantee.
- (B) The Company has agreed to create the security required by entering into this Deed.

THE PARTIES AGREE:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Deed, unless otherwise provided:

"Charged Assets"	means all the Land, assets, goodwill and undertakings of the Company present or future for the time being subject to the security interests created by this Deed (including those listed in Schedules 1 and 2);
"Encumbrance"	means any mortgage, charge, pledge, lien or other security interest of any kind, and any right of set off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having similar effect to the provision of security, other than liens arising by operation of law in the ordinary course of the Company's business;
"Guarantee"	means the guarantee dated on or about the date hereof between, amongst others, the Company and the Chargee;
"Insurance"	means each contract or policy of insurance to which the Company is a party or in which it has an interest;
"Intellectual Property"	means copyright, patents, know-how, trade secrets, trade marks, trade names, the right to sue in passing off, design right, get-up, database right, customer lists, chip topography rights, mask works, utility models,

domain names and all similar rights and, in each case: (i) whether registered or not, (ii) including any applications to protect or register such rights, (iii) including all renewals and extensions of such rights or applications, (iv) whether vested, contingent or future, (v) to which the Company is or may be entitled and (vi) wherever existing and the benefit of any agreement or any licence for the use of any such right;

"Intercreditor Agreement"

means the intercreditor agreement entered into on or about the date hereof between by (1) HSBC Bank PLC and HSBC Invoice Finance (UK) Limited as original senior creditors; (2) David William Brown, Marcus John Hill and William Belfit Hill as vendors; (3) Marie Cooper, Christopher David Brown, David William Brown and Marcus John Hill as original equity investors; (4) MGC Associates Limited as junior creditor; (5) 2400 Limited as parent; and (6) 2400 Limited, the Company, Hill and Hill Ltd and Spire Laboratories Ltd as original obligors;

"Land"

means any right or interest in or over land wherever situated, including without limitation any buildings and fixtures on land, and the benefit of any covenants or rights owed to any person or enforceable by such person by virtue of the ownership, possession or occupation of land and/or all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Company or in which the Company holds an interest (including (but not limited to) the properties briefly described in Schedule 1);

"Receiver"

means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if the Chargee is permitted to appoint such administrative receiver);

"Secured Liabilities"

means all money, liabilities and obligations now or in the future owed or incurred by the Company to the Chargee (including those under the Guarantee or this Deed) whether actual or contingent, sole or joint, as principal or as surety, including (without limitation) any liability of the Company to a third party which subsequently becomes payable to the Chargee by assignment or otherwise and any interest, commission, costs, charges and expenses of the Chargee;

"Securities"

means all right, title and interest of the Company, now or in the future, in any:

- (1) stocks,
- (2) shares,
- (3) instruments creating, or
- (4) acknowledging any debt or other securities issued by any person, and

"Security Period"

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

1.2 Unless the context otherwise requires:

- 1.2.1 each gender includes the others;
- 1.2.2 the singular and the plural are interchangeable;
- 1.2.3 references to clauses or Schedules mean to clauses or Schedules of this Deed;
- 1.2.4 references to this Deed include its Schedules, as amended;
- 1.2.5 references to persons include individuals, unincorporated bodies, government entities, companies and corporations;
- 1.2.6 including means including without limitation and general words are not limited by example;
- 1.2.7 clause headings do not affect their interpretation; and
- 1.2.8 references to legislation exclude any re-enactment or modification after the date of this Deed to the extent they make any party's obligations more onerous.

1.3 Writing includes manuscript, facsimiles and emails.

2. INCONSISTENCY BETWEEN THIS DEED AND THE INTERCREDITOR AGREEMENT

This Deed is subject to the provisions of the Intercreditor Agreement in all respects, and to the extent there is any conflict or inconsistency between any provision of this Deed and any provision of the Intercreditor Agreement, the provision of the Intercreditor Agreement shall prevail.

3. COMPANY'S OBLIGATION TO PAY

- 3.1 The Company covenants with the Chargee that it will pay and discharge to the Chargee the Secured Liabilities on written demand when due.
- 3.2 The making of one demand under this Deed will not stop the Chargee making any further demands.
- 3.3 The Chargee will not make any demand unless he is entitled to do so.

4. CREATION OF SECURITY

- 4.1 As continuing security for the payment and discharge of the Secured Liabilities, the Company charges to the Chargee with full title guarantee:
 - 4.1.1 by way of legal mortgage all Land now owned by the Company;
 - 4.1.2 by way of fixed charge:
 - 4.1.2.1 any right, title or interest which the Company has now or acquires in the future to any Land; and
 - 4.1.2.2 the assets set out in Schedule 2; and
 - 4.1.3 by way of floating charge, the Company's bank accounts and other assets not otherwise effectively charged by clauses 4.1.1 and 4.1.3.
- 4.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 4.1.3.

5. CRYSTALLISATION

- 5.1 The floating charge created by clause 4.1.3 will crystallise into a fixed charge:
 - 5.1.1 by notice in writing given by the Chargee to the Company at any time after the security constituted by this Deed becomes enforceable, specifying the Charged Assets over which the crystallisation will take effect and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Company; or
 - 5.1.2 automatically and instantly without notice if the Company resolves, without the prior written consent of the Chargee to take or takes any step to:
 - 5.1.2.1 create an Encumbrance over any or all of the Charged Assets;
 - 5.1.2.2 create a trust over any or all of the Charged Assets;
 - 5.1.2.3 dispose of any or all of the Charged Assets, except if such disposal is in the ordinary course of the Company's business;

- 5.1.3 automatically and instantly without notice if any person resolves, without the prior written consent of the Chargee, to take or takes any step to levy any distress, execution, sequestration or other process against any or all of the Charged Assets; or
- 5.1.4 automatically and instantly without notice if an Event of Default occurs.
- 5.2 Any asset acquired by the Company after crystallisation has occurred under clause 5.1 which would be subject to a floating charge if crystallisation had not occurred will be charged by way of a fixed charge, unless the Chargee confirms otherwise in writing.
- 5.3 Any charge by the Company that has crystallised under clause 5.1 may, by notice in writing given at any time by the Chargee to the Company, be reconverted into a floating charge in relation to the Charged Assets specified in the notice and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Company.

6. COMPANY'S REPRESENTATION AND WARRANTIES

- 6.1 The Company represents and warrants to the Chargee as follows:
 - 6.1.1 the Company is the legal and beneficial owner of the Charged Assets free from any Encumbrance other than the Encumbrances created by this Deed;
 - 6.1.2 the Company has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets and there are no covenants, agreements, conditions, interests rights or other matters which may adversely affect the Charged Assets;
 - 6.1.3 the Company has at all times complied in all material respects with all applicable laws and regulations and has not breached any law or regulation which would materially adversely affect the Charged Assets;
 - 6.1.4 the Charged Assets are not subject to terms entitling a third party to terminate or limit the use of any facility necessary for the enjoyment and use of the Charged Assets;
 - 6.1.5 nothing has arisen, has been created or is subsisting, which would be an overriding interest in any Land; and
 - 6.1.6 no Encumbrance expressed to be created by this Deed is liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise.
- 6.2 The Company repeats the representations and warranties in clause 6.1 above on each day during the Security Period.

7. COMPANY'S UNDERTAKINGS AND COVENANTS

- 7.1 The Company covenants not, without the prior written consent of the Chargee, to:

- 7.1.1 (except in the case of assets charged by way of floating charge only which the Company may deal with in the ordinary course of its business) part with possession of, or transfer, sell, lease, assign or otherwise dispose of all or any of the Charged Assets, or attempt or agree to do so;
- 7.1.2 create, attempt to create, allow to subsist any mortgage, debenture, charge or pledge, increase the amount secured by the Deed, permit any lien (except a lien arising by operation of law in the ordinary course of trading) or other encumbrance to arise on or affect all or any of the Charged Assets;
- 7.1.3 permit any person to be registered as proprietor of any of the Charged Assets under the Land Registration Act 2002 or create or permit to arise any unregistered interest which overrides first registration affecting such property within Schedule 1 to that Act, to become entitled to any proprietary right or interest which might affect the value of any land fixtures or fixed plant and machinery charged by this Deed;
- 7.1.4 redeem or purchase its own shares or pay dividends of an unusual amount;
- 7.1.5 cancel, assign or allow to lapse its interest under any credit sale, hire purchase, leasing, rental, licence or similar agreement and to produce proof of payments due under such agreements on request from the Chargee;
- 7.1.6 do or allow any act or omission which may prejudice the value to the Chargee of the Charged Assets; or
- 7.1.7 create any subsidiaries.
- 7.2 The Company covenants that it will, unless, in any case, the Chargee has given its prior written consent otherwise:
 - 7.2.1 carry on its business properly and efficiently and not materially change how it conducts its business;
 - 7.2.2 supply to the Chargee within the stated periods:
 - 7.2.2.1 a copy of its accounts for the last financial period within one week of approval and signature by the board of directors of the Company;
 - 7.2.2.2 a copy of its management accounts within two weeks of the end of each month of the Company's financial year;
 - 7.2.2.3 such other information relating to the Company's business, assets and liabilities as the Chargee may reasonably require;

- 7.2.3 notify the Chargee in writing of any breach of this Deed or the Guarantee, immediately on it becoming aware of such breach;
- 7.2.4 within one week, give notice to:
- 7.2.4.1 any contracting party to an agreement to be assigned to the Chargee of the Chargee's interest in such agreement; and
 - 7.2.4.2 any bank or financial institution with whom the Company holds an account of the interest of the Chargee in such account.
- 7.2.5 get in and realise, in the ordinary course of business, all book and other debts and other assets charged under clause 4.1, on receipt pay all monies received in respect of such assets into the account as the Chargee may specify prior to which the Company will hold such moneys on trust for the Chargee and execute such assignment of any such asset as the Chargee may require;
- 7.2.6 in relation to the Land part of the Charged Assets observe all covenants, not enter into any onerous or restrictive obligation, effect or allow any development within the Town and Country Planning Acts, do, allow or omit anything infringing any statute or regulation and maintain and keep them in good and substantial repair;
- 7.2.7 maintain all plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment part of the Charged Assets in good working order and condition;
- 7.2.8 in relation to the Intellectual Property part of the Charged Assets observe all covenants and obligations and maintain and renew all relevant registrations, permits and licences;
- 7.2.9 institute, pursue and defend proceedings relating to the Charged Assets as required to protect their value and apply moneys from such proceedings in discharge of sums due to the Chargee;
- 7.2.10 at its own expense, keep insured any of the Charged Assets to their full replacement value including professional fees and other expenses with reputable insurers against risks normally insured for assets of that type in the name of the Company or, at the request of the Chargee, the joint names of the Company and the Chargee;
- 7.2.11 punctually pay all insurance premiums, have the interest of the Chargee noted on the policy and produce the insurance documents including any receipt on request of the Chargee. If the Company does not maintain insurance, the Chargee may do so at the Company's expense;
- 7.2.12 punctually pay, and indemnify the Chargee against, all moneys due in respect of the Charged Assets;

- 7.2.13 comply with all statutory, regulatory and other requirements applying to the Charged Assets except where actually or potentially adverse to the interest of the Chargee, when the Company will immediately consult the Chargee and make or join the Chargee in making such representations as the Chargee may request;
- 7.2.14 deposit with the Chargee all deeds and documents of title relating to all land, buildings and other real property belonging to the Company and insurance policies relating thereto, all certificates and documents of title relating to the Securities and such blank documents, signed by the registered holder, as the Chargee may request to perfect or vest in themselves their title to the Securities and all other documents relating to the Charged Assets as the Chargee may request; or
- 7.2.15 if requested by the Chargee, ensure that each subsidiary of the Company guarantees to the Chargee payment of all monies covenanted to be paid under this Deed and charge its undertaking, property and assets to secure such payment in such manner as the Chargee may request.

8. LIABILITY OF COMPANY

- 8.1 The Company's liability in respect of the Secured Liabilities shall not be discharged or prejudiced by:
 - 8.1.1 the acceptance or variation of any compromise, arrangement or settlement or the omission to claim or enforcement of payment from any other person by the Chargee; or
 - 8.1.2 any security, guarantee, indemnity, remedy or other right held by or available to the Chargee being or becoming wholly or partially illegal, void or unenforceable on any ground; or
 - 8.1.3 any other act or omission which but for this provision might have discharged or otherwise prejudiced the liability of the Company.
- 8.2 The Company may not require the Chargee to:
 - 8.2.1 enforce any security or other right; or
 - 8.2.2 claim any payment from; or
 - 8.2.3 otherwise proceed,

against any other person before enforcing this Deed against the Company.

9. ENFORCEMENT

The Chargee may enforce this Deed at any time after:

- 9.1 the occurrence of the non-payment of the Guaranteed Obligations (or any part thereof) by the Company;
- 9.2 the floating charge has crystallised under clause 5;
- 9.3 there has occurred any event which in the opinion of the Chargee is actually or potentially adverse to the Company; or
- 9.4 there has occurred any other event which in the opinion of the Chargee actually or potentially jeopardises the security created by this Deed.

10. APPOINTMENT, POWERS AND REMOVAL OF RECEIVERS

- 10.1 At any time after the security created by this Deed becomes enforceable, the Chargee may without further notice appoint in writing any one or more persons to be a receiver or a receiver and manager. Where more than one Receiver is appointed they will have the power to act separately (unless the appointment specifies otherwise).
- 10.2 The Chargee may determine the remuneration of the Receiver.
- 10.3 The appointment of a Receiver will not preclude the Chargee from appointing a subsequent Receiver over all or any of the Charged Assets whether the previously appointed receiver continues to act or not.
- 10.4 The Receiver will be the agent of the Company and the Company will be solely liable for the acts, defaults, and remuneration of the Receiver unless and until the Company goes into liquidation after which the receiver shall act as principal. In no event will the Receiver become the agent of the Chargee.
- 10.5 The Receiver will have and be entitled to exercise all the powers set out in Schedule 1 and Schedule 2 to the Insolvency Act 1986 and the Law of Property Act 1925 and will also have the power, either in his name or in the name of the Company:
 - 10.5.1 in connection with any sale or other disposition of the Charged Assets, to receive the consideration in a lump sum or in instalments and to receive shares and loan notes by way of consideration;
 - 10.5.2 to grant options, licences or any other rights whatsoever in the Charged Assets;
 - 10.5.3 to sever fixtures from and to repair, improve and make any alterations to, the Charged Assets;
 - 10.5.4 to exercise any voting rights appertaining to the Company;
 - 10.5.5 to do all other acts and things which the Receiver may consider desirable or necessary for realising any Charged Assets or incidental or conducive to any of the rights, powers or discretion conferred on a Receiver under or by virtue of the Deed; and

- 10.5.6 to exercise in relation to any Charged Assets all the powers, authorities and things which he would be capable of exercising if he was absolute beneficial owner of the same;
- 10.6 Neither the Chargee nor the Receiver will be liable to account as mortgagee in possession or otherwise for any money not actually received by the Chargee or the Receiver.
- 10.7 Section 109 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.

11. POWERS OF SALE, LEASING ETC

- 11.1 Section 103 of the Law of Property Act 1925 shall not apply to this Deed but the statutory power of sale will as between the Chargee and a purchaser arise on and be exercisable at any time after the execution of this Deed but the Chargee will not exercise such power unless the security created by this Deed has become enforceable or after the appointment of a Receiver under clause 10.
- 11.2 The statutory powers of sale, leasing and accepting surrenders exercisable by the Chargee are extended to allow the Chargee to grant or surrender leases of any land vested in the Company or in which they have an interest on such terms and conditions as the Chargee may think fit provided that the security constituted by this Deed has become enforceable.
- 11.3 The statutory power of sale exercisable by the Chargee is extended to allow the Chargee to sever any fixtures from the land and sell them separately.
- 11.4 No person dealing with the Chargee or a Receiver, their agents or delegates will be concerned with whether this Deed has become enforceable, whether any power exercised or purported to be exercised has become exercisable, whether any of the Secured Liabilities remain due upon this Deed, as to the necessity or expediency of any stipulations and conditions subject to which the sale of any Charged Asset is made, as to the propriety or regularity of the sale of any Charged Asset or to see to the application of any money paid to the Chargee or the Receiver, or its agents or delegates and each dealing shall be deemed to be within the powers conferred by this Deed and to be valid and effectual accordingly.
- 11.5 Section 93 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.

12. NEW ACCOUNTS

- 12.1 On receiving notice that the Company has encumbered or disposed of any of the Charged Assets, the Chargee may rule off the Company's account and open a new account in the name of the Company.
- 12.2 If the Chargee does not open a new account on receipt of a notice as from that time all payments made to the Chargee will be treated as if they had been credited to a new account and will not reduce the amount owing from the Company at the time when the notice was received.

13. ATTORNEY

- 13.1 By way of security the Company irrevocably appoints the Chargee, whether or not a Receiver has been appointed, and any Receiver separately as the Company's attorney with full power to appoint substitutes and to delegate in its name and on its own behalf and as its act and deed or otherwise at any time after this security has become enforceable to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document, or perform any act that may be required of the Company under this Deed, or may be deemed by such attorney necessary or desirable for any purpose of this Deed or to enhance or perfect the security intended to be constituted by such attorney or to convey or transfer legal ownership of any Charged Assets.
- 13.2 The Company will ratify and confirm all transactions entered into by the Chargee or the Receiver in the proper exercise of their powers in accordance with this Deed and all transactions entered into by the Chargee or the Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, deed, assurance, document or act as aforesaid.

14. APPLICATION OF MONEYS RECEIVED

- 14.1 Any money received under this Deed will, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:
- 14.1.1 in satisfaction of all costs, charges and expenses incurred and payments made by the Chargee and/or the Receiver and of the remuneration of the Receiver;
 - 14.1.2 in or towards satisfaction of the Secured Liabilities; and
 - 14.1.3 as to the surplus, if any, to the person or persons entitled to it.
- 14.2 The Chargee may, in their absolute discretion on or at any time or times after demand and pending the payment to the Chargee of the whole of the Secured Liabilities, place and keep to the credit of a separate or suspense account any money received, recovered or realised by the Chargee by virtue of this Deed for so long and in such manner as the Chargee may determine without any intermediate obligation to apply it in or towards the discharge of any of the Secured Liabilities.

15. INDEMNITY

- 15.1 The Company will indemnify the Chargee against all and any costs, charges and expenses arising:
- 15.1.1 out of any of the assets charged or assigned pursuant to clause 4 resulting in the Company or the Chargee or the Receiver infringing or allegedly infringing any third party rights; and
 - 15.1.2 in relation to any proceedings referable to the Company brought against the Chargee and/or the Receiver or to which the Chargee and/or the Receiver may be joined whether as the plaintiff or defendant that relate to any of the Charged Assets.

- 15.2 The Company agrees that if it fails to pay any moneys in respect of the Charged Assets or to take (or not take) any action which might diminish the value of the Charged Assets to the Chargee, the Chargee may pay such monies or take such action and recover the cost from the Company.
- 15.3 The Company indemnifies the Chargee and their employees and agents fully at all times against any claim, liability, loss or expense incurred by the Chargee, directly or indirectly as a result of any delay or failure of the Company in complying with clause 7 or with any law, regulation, directive or code of practice applicable to the Company or to its business or the Charged Assets or relating to the protection of the environment or to health and safety matters.
- 15.4 Without prejudice to the generality of this clause the costs recoverable by the Chargee and/or any Receiver under this Deed shall include:
- 15.4.1 all costs incurred by the Chargee and the beneficiaries in preparing and administering this Deed or perfecting the security created by it;
 - 15.4.2 all costs, whether or not allowable on a taxation by the courts, of all proceedings for the enforcement of this Deed or for the recovery or attempted recovery of the Secured Liabilities;
 - 15.4.3 all money expended and all costs arising out of the exercise of any power, right or discretion conferred by this Deed;
 - 15.4.4 all costs and losses arising from any default by the Company in the payment when due of any of the Secured Liabilities or the performance of its obligations under this Deed; and
 - 15.4.5 all administrative charges of the Chargee based on time spent by their employees and agents in connection with the affairs of the Company.
- 15.5 Money received or held by the Chargee pursuant to this debenture may, from time to time after demand of all or any part of the Secured Liabilities has been made, be converted into such currency as the Chargee considers necessary or desirable to discharge the Secured Liabilities in that currency at such rate of exchange, as conclusively determined by the Chargee for purchasing the currency to be acquired with the existing currency.

16. **RELEASE**

- 16.1 Subject to clause 16.2 below, the Chargee will, at the request and cost of the Company, execute all documents as the Company may reasonably require to release the Charged Assets from the security constituted by this Deed.
- 16.2 Any release, discharge or settlement between the Chargee and the Company will be conditional upon no payment or security received by the Chargee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise and, notwithstanding any such release, discharge or settlement:

- 16.2.1 the Chargee will be at liberty to retain this Deed and the security created by or pursuant to this Deed, including all certificates and documents relating to the whole or any part of the Charged Assets, for such period as the Chargee may deem necessary to provide the Chargee with security against any such avoidance, reduction or order for refund; and
- 16.2.2 the Chargee will be entitled to recover the value or amount of such security or payment from the Company subsequently as if such release, discharge or settlement had not occurred.

17. CONTINUING SECURITY

This Deed will remain as continuing security in favour of the Chargee regardless of the settlement of any account or any other matter whatever and will be without prejudice and in addition to any and all other rights, remedies or security which is or are in place now or in the future in respect of any Charged Assets in favour of the Chargee for the payment of any Indebtedness.

18. FURTHER SECURITY

The Company will on the demand of the Chargee execute and deliver to the Chargee at the cost of the Company any document that the Chargee reasonably requires to secure the payment of the Secured Liabilities, or to create, enhance or perfect any fixed security over any of the Charged Assets or to give full effect to this debenture or to vest title to any of the Charged Assets in the Chargee or the nominee of the Chargee or any purchaser.

19. MISCELLANEOUS

19.1 Survival

Notwithstanding termination of this Deed, any provisions which have not been fully implemented or performed remain in full force and effect and will continue to bind, and to be enforceable against the relevant party and will not be extinguished or affected by any other event or matter except a specific and duly authorised written waiver or release of the other party to this Deed.

19.2 Variation

Variations to this Deed will only have effect when agreed in writing.

19.3 Severability

The unenforceability of any part of this Deed will not affect the enforceability of any other part.

19.4 Waiver

Unless otherwise agreed, no delay, act or omission by either party in exercising any right or remedy will be deemed a waiver of that, or any other, right or remedy.

19.5 Consent

Consent by a party, where required, will not prejudice its future right to withhold similar consent.

19.6 Further assurance

Each party will, at the cost of the Company, do all further acts and execute all further documents necessary to give effect to this Deed.

19.7 Rights of third parties

This Deed is not enforceable by any third party under the Contracts (Rights of Third Parties) Act 1999.

19.8 Assignment

19.8.1 The Company may not assign any of its rights or transfer any rights or obligations under this Deed without the prior consent of the other Party.

19.8.2 The Chargee may assign any of its rights or transfer any rights or obligations under this Deed without the prior consent of the other Party.

19.9 Entire agreement

This Deed and documents referred to in it represent the entire agreement between the Parties and supersede all previous agreements, term sheets and understandings whether written or oral.

19.10 Succession

This Deed will bind and benefit each party's successors and assignees.

19.11 Counterparts

This Deed may be signed in any number of separate counterparts. Each, when executed and delivered by a party, will be an original; all counterparts will together constitute one instrument.

20. NOTICES

20.1 Notices under this Deed will be in writing and sent to the persons and addresses in clause 20.2. They may be given, and will be deemed received:

20.1.1 by first-class post: two Business Days after posting;

20.1.2 by airmail: seven Business Days after posting;

20.1.3 by hand: on delivery;

20.1.4 by facsimile: on receipt of a successful transmission report from the correct number; or

20.1.5 by email: on receipt of a read return mail from the correct address.

20.2 Notices will be sent:

20.2.1 to the Company at: Hardwick House Hardwick View Road, Holmewood,
Chesterfield, Derbyshire, S42 5SA

20.2.2 to the Chargee at: 93 Scholes View, Ecclesfield, Sheffield, United
Kingdom, S35 9YQ

21. **GOVERNING LAW AND JURISDICTION**

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

21.2 The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS WHERE OF the Parties have executed and delivered this Deed on the day and year first above written.

Schedule 1

Land charged by way of legal mortgage

Part 1

Registered Land

None

Part 2

Unregistered Land

None

Schedule 2

Assets charged by way of fixed charge

1. All shares held by the Company in any other company whether a subsidiary or not.
2. All or any stocks, shares (other than those described in paragraph 1 above), bonds and securities of any kind (marketable or otherwise), negotiable instruments, warrants, loan notes and any other financial instruments held by the Company.
3. All dividends, allotments, options, bonuses, rights issues, offers, benefits and advantages accruing, arising or offered in respect of the shares and investments described in paragraphs 1 and 2 above.
4. All fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment of the Company and the benefit of any agreements, licences and warranties in respect thereof.
5. All book debts of the Company arising in the ordinary course of its business and all benefits, security and rights held in or to secure the payment of the book debts.
6. All debts and moneys due or payable to the Company except those referred to in paragraph 5 above including all amounts standing credit of the Company's bank accounts.
7. All Intellectual Property belonging to the Company.
8. All present and future goodwill in the Company.
9. All uncalled capital in the Company.
10. All rights under any agreement to which the Company is a party which has not been assigned to the Chargee.

EXECUTED AS A DEED by **NITEC (UK)**)
LIMITED, acting by a director in the)
presence of:)
)



Director

Witness: *M. Hodgson*

Name: *MADELEINE HODGSON*

Address:

Lupton Fawcett LLP
Belgrave House
47 Bank Street
Sheffield S1 2DR

Occupation: *PARALEGAL*

EXECUTED AS A DEED by **MGC**)
ASSOCIATES LIMITED, acting by a)
director in the presence of:)
)



Director

Witness: *M. Hodgson*

Name: *MADELEINE HODGSON*

Address:

Lupton Fawcett LLP
Belgrave House
47 Bank Street
Sheffield S1 2DR

Occupation: *PARALEGAL*