

MR01

Particulars of a charge

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IRIS Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there
is an instrument. Use form MR08

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

☒ You **must** enclose a certified copy of the instrument with this form. This must be scanned and placed on the public record.



A06 *A3BPBMFE* 08/07/2014 #42
--- COMPANIES HOUSE
A05 *A3B7GWL* 01/07/2014 #65
COMPANIES HOUSE

1 Company details

Company number 0 2 1 5 9 0 6 4

Company name in full SM PLANT LIMITED

2 For official use

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

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 2 6 0 6 2 0 1 4

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name SIMON GEORGE MILLIGAN

Name SANDRA LINDA MILLIGAN

Name as Managing Trustees of GROUP SM RETIREMENT
BENEFIT SCHEME

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

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

Description

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ **Yes**

☐ **No**

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ **Yes** Continue

☒ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☐ **Yes**

☒ **No**

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Particulars of a charge

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

x *Simon Mitchell* x

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

MR01**Particulars of a charge****Presenter information**

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **MR D SINGH**

Company name
SYDNEY MITCHELL

Address **APSLEY HOUSE**

35 WATERLOO STREET

Post town **BIRMINGHAM**

County/Region

Postcode

B	2		5	T	J	
---	---	--	---	---	---	--

Country **WEST MIDLANDS**

DX

Telephone **0121 698 2200**

**Certificate**

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

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy

**Important information**

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

**How to pay**

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

Make cheques or postal orders payable to 'Companies House'

**Where to send**

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

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

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

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

**Further information**

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2159064

Charge code: 0215 9064 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th June 2014 and created by SM PLANT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th July 2014

post.

Given at Companies House, Cardiff on 16th July 2014



Companies House



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

DATED

26th June 2014

MORTGAGE OF CHATTELS

between

SM PLANT LIMITED

and

**SIMON GEORGE MILLIGAN AND SANDRA LINDA MILLIGAN AS MANAGING
TRUSTEES OF GROUP SM RETIREMENT BENEFIT SCHEME**

**CERTIFIED AS BEING A TRUE
COPY OF THE ORIGINAL**

.. *Sydney Mitchell*

SYDNEY MITCHELL SOLICITORS

DATED THIS . 30th DAY

OF . June . 2014

SYDNEY MITCHELL

APSLEY HOUSE

35 WATERLOO STREET

BIRMINGHAM

B2 5TJ

WP Ref DS JS SM 830648 MORTGAGEOFCHATELS[796034](797590)

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SCHEDULE

SCHEDULE 1	ASSETS	32
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THIS DEED is dated 26th June 2014

PARTIES

- (1) **SM PLANT LIMITED** incorporated and registered in England with company number 02159064 whose registered office is at Barclays Bank Chambers Bridge Street Stratford-upon-Avon CV37 6AH (**Borrower**)
- (2) **SIMON GEORGE MILLIGAN** and **SANDRA LINDA MILLIGAN** both of 1 Field Close Ufton Leamington Spa Warwickshire CV33 9PU the Managing Trustees of **GROUP SM RETIREMENT BENEFIT SCHEME** (**Lender**)

BACKGROUND

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with loan facilities on a secured basis
- (B) This legal mortgage provides security which the Borrower has agreed to give the Lender for the loan facilities under the Facility Agreement

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

The definitions and rules of interpretation in this clause apply in this legal mortgage

Assets: the EQUIPMENT, PLANT, MACHINERY described in Schedule 1 (including any component parts of those assets from time to time held by the Borrower (whether or not attached to those assets)), together with all additions, alterations, substitutions, replacements, renewals or modifications of or to those assets from time to time, and all accessories to those assets from time to time (including maintenance and other records, manuals, handbooks, data, drawings and schematics relating to those assets or documents relating to warranties and patent indemnities given by manufacturers or suppliers of those assets)

Business Day: a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with in the London Interbank Market

Charged Property: all the assets, property and undertaking for the time being subject to the security interests created by this legal mortgage (and references to the Charged Property shall include references to any part of it)

Delegate: any person appointed by the Lender or any Receiver pursuant to clause 12, and any person appointed as attorney of the Lender, Receiver or Delegate

Encumbrance: 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

Environment: 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

Environmental Law: 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 insofar as they relate to or apply to the Environment

Event of Default: has the meaning given to that expression in the Facility Agreement

Facility Agreement: the facility agreement dated 20th June 2011 between the Borrower and the Lender for the provision of the loan facilities secured by this legal mortgage

Insurance Policies: all the contracts and policies of insurance effected or maintained from time to time in respect of the Assets

LPA 1925: the Law of Property Act 1925

Receiver: a receiver and/or manager of any or all of the Charged Property appointed under clause 10.1

Relevant Agreement: means

- (a) each agreement for the maintenance, repair or upkeep of the Assets and any guarantee, warranty or security for the performance of any such agreement, and
- (b) all other contracts, guarantees, appointments, warranties, indemnities and other documents relating to the Assets to which the Borrower is a party, which are in its favour or of which it has the benefit,

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity, under or in connection with the Facility Agreement or this legal mortgage (including, without limitation, those arising under clause 19.3(b)) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities

Security Period: the period starting on the date of this legal mortgage 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 Interpretation

In this legal mortgage

- (a) reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment

or extension and includes any former state, statutory provision or subordinate legislation which it amends or re-enacts,

- (b) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders,
- (c) unless the context otherwise requires, words in the singular include the plural and in the plural include the singular,
- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage,
- (e) a reference to **continuing** in relation to an Event of Default means an Event of Default which has not been remedied or waived,
- (f) a reference to **this legal mortgage** (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties,
- (g) a reference to a **person** shall include a reference to an individual, firm, company, corporation, unincorporated body of persons, or any state or any agency of any person,
- (h) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly),
- (i) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description,
- (j) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution,
- (k) 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,
- (l) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it,
- (m) clause, schedule and paragraph headings shall not affect the interpretation of this legal mortgage, and

13 **Clawback**

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

14 **Third-party rights**

A person who is not a party to this legal mortgage cannot enforce, or enjoy the benefit of, any term of this legal mortgage under the Contracts (Rights of Third Parties) Act 1999

1 5 Perpetuity period

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

1 6 Schedule

The schedule forms part of this legal mortgage and shall have effect as if set out in full in the body of this legal mortgage. Any reference to this legal mortgage includes the schedule

2. COVENANT TO PAY

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due

3. GRANT OF SECURITY

3 1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of first legal mortgage, the Assets

3 2 Fixed charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of first fixed charge

- (a) all its rights in each Insurance Policy, including the proceeds of any claims under any Insurance Policy, to the extent not effectively assigned under clause 3 3,
- (b) the benefit of each Relevant Agreement, to the extent not effectively assigned under clause 3 3,
- (c) the benefit of all other contracts, guarantees, appointments, warranties relating to the Assets and other documents to which the Borrower is a party, which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever 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 whatsoever accruing to or for its benefit arising from any of them), to the extent not effectively assigned under clause 3 3, and

- (d) all authorisations (statutory or otherwise) held or required in connection with the use of any Charged Property, and all rights in connection with them

3 3 Assignment

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

- (a) all its rights in each Insurance Policy, including the proceeds of any claims under any Insurance Policy,
- (b) the benefit of each Relevant Agreement,
- (c) the benefit of all other contracts, guarantees, appointments, warranties relating to the Assets and other documents to which the Borrower is a party, which are in its favour or of which it has the benefit (including, in each case, but without limitation, the right to demand and receive all monies whatsoever 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 whatsoever accruing to or for its benefit arising from any of them), to the extent not effectively assigned under clause 3 3(a) or clause 3 3(b), and
- (d) all authorisations (statutory or otherwise) held or required in connection with the use of any Charged Property, and all rights in connection with them,

provided that nothing in this clause 3 3 shall constitute the Lender as mortgagee in possession

4. LIABILITY OF THE BORROWER

4 1 Liability not discharged

The Borrower's liability under this legal mortgage in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground,
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person, or
- (c) any other act or omission, which but for this clause 4 1 might have discharged, or otherwise prejudiced or affected, the liability of the Borrower

4 2 Immediate recourse

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this legal mortgage against the Borrower

5. REPRESENTATIONS AND WARRANTIES

5 1 Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to the Lender

5 2 Ownership of Charged Property

The Borrower is the legal and beneficial owner of the Charged Property

5 3 No Encumbrances

The Charged Property is free from any Encumbrance other than the Encumbrances created by this legal mortgage

5 4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Property or any interest in it

5 5 No fixing

None of the Assets (or any part of them) is or will be treated as being fixed to any land, premises or other property

5 6 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially and adversely affect the Charged Property

5 7 No breach of laws

There is no breach of any law or regulation, which materially and adversely affects the Charged Property

5 8 No interference in enjoyment

No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use

5 9 Avoidance of security

No Encumbrance expressed to be created under this legal mortgage is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise

5 10 No prohibitions

There is no prohibition on assignment in any Insurance Policy or Relevant Agreement, and the entry into this legal mortgage by the Borrower does not and will not constitute a breach of any Insurance Policy or Relevant Agreement or any other agreement, instrument or obligation binding on the Borrower or its assets

5 11 Environmental compliance

The Borrower has, at all times, complied in all material respects with all applicable Environmental Law

5 12 Enforceable security

This legal mortgage constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms

5 13 Times for making representations and warranties

The representations and warranties set out in clause 5 2 to clause 5 12 are made by the Borrower on the date of this legal mortgage 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

6 COVENANTS

6 1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender

- (a) create, purport to create or permit to subsist any Encumbrance on, or in relation to, any Charged Property other than any Encumbrance created by this legal mortgage,
- (b) 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 Charged Property, or

- (c) create or grant (or purport to create or grant) any interest in any Charged Property in favour of a third party

6.2 Preservation of Charged Property

The Borrower shall not 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 diminish the value of any of the Charged Property (except for expected fair wear and tear) or the effectiveness of the security created by this legal mortgage

6.3 Relevant Agreements

The Borrower shall not, without the prior written consent of the Lender

- (a) waive any of its rights under any Relevant Agreement, or
- (b) supplement, amend, novate, terminate or permit termination of any Relevant Agreement

6.4 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this legal mortgage)

6.5 Compliance with laws and regulations

The Borrower

- (a) shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law,
- (b) shall
 - (i) comply with the requirements of any law and regulation relating to or affecting the Charged Property or the use of it or any part of it,
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property, and
 - (iii) 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 Charged Property

6.6 Enforcement of rights

The Borrower shall use its best endeavours to

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties, and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property that the Lender may require from time to time

6 7 Notice of misrepresentations and breaches

The Borrower shall, promptly on becoming aware of any of the same, notify the Lender in writing of

- (a) any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated, and
- (b) any breach of any covenant set out in this legal mortgage

6 8 Notices to be given by Borrower

The Borrower shall

- (a) immediately on the execution of this legal mortgage
 - (i) give notice to the relevant insurers of the assignment of the Borrower's rights and interest in, and under, each Insurance Policy (including the proceeds of any claims under that Insurance Policy) pursuant to clause 3 3(a) and procure that each addressee of such notice promptly provides an acknowledgement of the Lender's interest to the Lender,
 - (ii) give notice to the other parties to each Relevant Agreement of the assignment of the Borrower's rights and interest in and under that Relevant Agreement pursuant to clause 3 3(b) and procure that each addressee of such notice will promptly provide an acknowledgement of the Lender's interest to the Lender, and
 - (iii) give notice to the other parties to each other contract, guarantee, appointment, warranty or authorisation relating to the Assets and any other document to which the Borrower is a party of the assignment of the Borrower's rights and interest in and under it pursuant to clause 3 3(c) or clause 3 3(d) and procure that each addressee of such notice will promptly provide an acknowledgement of the Lender's interest to the Lender
- (b) obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this clause 6 8

6 9 Notice of mortgage

The Borrower

- (a) shall, if so requested by the Lender, affix to and maintain on each Asset in a conspicuous place, a clearly legible identification plate containing the following wording

"NOTICE OF LEGAL MORTGAGE

This [DESCRIPTION OF ITEM] and all additions to it [and ancillary equipment] are subject to a legal mortgage dated [DATE] in favour of [LENDER] "

- (b) shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 6 9(a)

6 10 Appointment of accountants

- (a) The Borrower shall
 - (i) 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 the Borrower [and those of its subsidiaries] and report to the Lender, and
 - (ii) co-operate fully with any accountants so appointed and immediately provide such accountants with all information requested
- (b) The Borrower authorises the Lender to make an appointment as it shall think fit at any time, without further authority from the Borrower. In every case, the Borrower shall pay, or reimburse the Lender for, the fees and expenses of those accountants

6 11 Maintenance of Assets

The Borrower shall

- (a) at its own expense, maintain each Asset 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,
- (b) at its own expense, renew and replace any parts of the Assets when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value,
- (c) keep or procure to be kept accurate, complete and up to date records of all repairs, servicing and maintenance carried out on the Assets,
- (d) permit the Lender, or such persons as it may nominate, at all reasonable times and on reasonable notice to enter on any premises of the Borrower to effect such maintenance or repairs to the Assets as the Lender or its nominee considers necessary, and
- (e) not permit any Asset to be
 - (i) used or handled, other than by properly qualified and trained persons,

- (ii) modified, upgraded, supplemented or altered other than for the purpose of effecting maintenance or repairs permitted by this legal mortgage, or
- (iii) to be overloaded or used for any purpose for which it is not designed or reasonably suitable or in any manner which would invalidate or otherwise prejudice any of the Insurance Policies

6 12 Documents

The Borrower shall, if so required by the Lender, deposit with the Lender and the Lender shall, for the duration of this legal mortgage, be entitled to hold all

- (a) deeds and documents of title and log books relating to the Charged Property, which are in the possession or control of the Borrower and, if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all [invoices,] deeds and documents of title and log books,
- (b) Insurance Policies, and
- (c) Relevant Agreements

6 13 Information

The Borrower shall

- (a) give the Lender such information concerning the location, condition, use and operation of the Charged Property as the Lender may require,
- (b) permit any persons designated by the Lender and any Receiver to enter on its premises and inspect and examine any Charged Property, and the records relating to the Charged Property, at all reasonable times and on reasonable prior notice, and
- (c) promptly notify the Lender in writing of any action, claim or demand made by or against it in connection with all or any part of the Charged Property or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense

6 14 Insurance

The Borrower shall

- (a) insure, and keep insured, the Charged Property against
 - (i) loss or damage by fire or terrorist acts,

- (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower, and
- (iii) any other risk, perils and contingencies as the Lender may reasonably require

Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender, and must be for not less than the replacement value of or, if higher, the cost of reinstating the Charged Property

- (b) if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by clause 6 14(a), and
- (c) if requested by the Lender, procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with clause 6 14(a) and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender

6 15 Insurance premiums

The Borrower shall

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that Insurance Policy in full force and effect, and
- (b) (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

6 16 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, any thing that may invalidate or otherwise prejudice any Insurance Policy

6 17 Proceeds from Insurance Policies

All monies payable under any Insurance Policy at any time (whether or not the security constituted by this legal mortgage has become enforceable) shall

- (a) immediately be paid to the Lender, and
- (b) (if they are not paid directly to the Lender by the insurers) be held by the Borrower as trustee of the same for the benefit of the Lender (and the Borrower shall account for them to the Lender)

6 18 Payment of outgoings

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Charged Property and, on demand, produce evidence of payment to the Lender

6 19 Compliance with covenants

The Borrower shall observe and perform all covenants, stipulations and conditions to which any Charged Property, or the use of it, is or may be subjected 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

6 20 Maintenance of interests in Charged Property

The Borrower

- (a) shall not, without the prior written consent of the Lender
 - (i) grant, or agree to grant, any licence or lease affecting the whole or any part of any Charged Property, or
 - (ii) in any other way dispose of, or agree to dispose of, surrender or create any legal or equitable interest in the whole or any part of any Charged Property, and
- (b) shall keep the Charged Property (to the extent not otherwise in the possession of the Lender pursuant to clause 6 12) in its sole and exclusive possession at the location (if any) specified in Schedule 1 and shall not take the Charged Property, or allow it to be taken, out of England and Wales

6 21 Annexation

The Borrower shall not, without the Lender's prior written consent, annex, fix or otherwise secure or allow any such annexation, fixing or securing of any Asset to any premises, land or buildings if the result of such action or omission is that the Asset, or any part of it, would or might become a fixture or fitting

6 22 Registration restrictions

The Borrower shall procure that no person shall be registered as proprietor of any Asset without the prior written consent of the Lender

6 23 Environment

The Borrower shall, in respect of each Asset

- (a) comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or use of that Asset, and
- (b) obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law

7 POWERS OF THE LENDER

7.1 Power to remedy

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this legal mortgage
- (b) The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary or desirable for that purpose
- (c) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this legal mortgage, shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 14.1

7.2 Exercise of rights

The rights of the Lender under clause 7.1 are without prejudice to any other rights of the Lender under this legal mortgage. The exercise of any rights of the Lender under this legal mortgage shall not make the Lender liable to account as a mortgagee in possession.

7.3 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this legal mortgage on a Receiver may, after the security constituted by this legal mortgage has become enforceable, be exercised by the Lender in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

7.4 Conversion of currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this legal mortgage (including the proceeds of any previous conversion under this clause 7.4) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit.
- (b) Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.

- (c) Each reference in this clause 7 4 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

7 5 New accounts

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Encumbrance, or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 7 5(a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Lender.

7 6 Lender's set-off rights

If the Lender has more than one account for the Borrower in its books, the Lender may at any time after

- (a) the security constituted by this legal mortgage has become enforceable, or
- (b) the Lender has received, or is deemed to have received, notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit and the Lender shall notify the Borrower of the transfer once made.

7 7 Indulgence

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person not being a party to this legal mortgage (whether or not such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this legal mortgage or to the liability of the Borrower for the Secured Liabilities.

8 WHEN SECURITY BECOMES ENFORCEABLE

8 1 Event of Default

The security constituted by this legal mortgage shall be immediately enforceable if an Event of Default occurs

8.2 Discretion

After the security constituted by this legal mortgage 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 Charged Property

9. ENFORCEMENT OF SECURITY

9.1 Enforcement powers

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this legal mortgage) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this legal mortgage, but the Lender shall not exercise such power of sale or other powers until the security constituted by this legal mortgage has become enforceable under clause 8.1
- (b) Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this legal mortgage

9.2 Extension of statutory powers

The statutory powers of sale, leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and/or by any other statute shall be exercisable by the Lender under this legal mortgage and are extended so as to authorise the Lender and any Receiver, whether in its own name or in that of the Borrower, to

- (a) grant a lease or agreement to lease,
- (b) accept surrenders of leases, or
- (c) grant any option of the whole or any part of the Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, 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

9.3 Access on enforcement

- (a) At any time after the Lender has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this legal mortgage or the Facility Agreement, the Borrower will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies

in particular (and without limitation) to take possession of the Charged Property and for that purpose to enter on any premises where the Charged Property is situated (or where the Lender or a Receiver reasonably believes the Charged Property to be situated) without incurring any liability to the Borrower for, or by any reason of, such entry

- (b) At all times, the Borrower must use its best endeavours to allow the Lender or its Receiver access to any premises for the purpose of clause 9.3(a) (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same

9.4 Prior Encumbrances

At any time after the security constituted by this legal mortgage has become enforceable, or after any powers conferred by any Encumbrance having priority to this legal mortgage shall have become exercisable, the Lender may

- (a) redeem such or any other prior Encumbrance,
- (b) procure the transfer of that Encumbrance to it, and
- (c) settle any account of the holder of any prior Encumbrance

The settlement of any such account shall be conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall, as from its payment by the Lender, be due from the Borrower to the Lender on current account and shall bear interest [at the default rate of interest specified in the Facility Agreement] and be secured as part of the Secured Liabilities.

9.5 Protection of third parties

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged,
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable, or
- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied

9.6 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.

9.7 No liability as mortgagee in possession

Neither the Lender nor any Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such

10. RECEIVER

10.1 Appointment

At any time after the security constituted by this legal mortgage has become enforceable, or at the request of the Borrower, the Lender may, without further notice appoint by way of deed, or otherwise in writing, any one or more person or persons to be a receiver, or a receiver and manager, of all or any part of the Charged Property

10.2 Removal

The Lender may, without further notice, (subject to section 45 of the Insolvency Act 1986), 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

10.3 Remuneration

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 legal mortgage, which shall be due and payable immediately on its being paid by the Lender

10.4 Powers of appointment additional to statutory powers

The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers 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

10.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this legal mortgage or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property

10.6 Agent of the Borrower

Any Receiver appointed by the Lender under this legal mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of a Receiver and for liabilities incurred by a Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

11. POWERS OF RECEIVER

11.1 Further powers

- (a) Any Receiver appointed by the Lender under this legal mortgage shall, in addition to the powers conferred on him by statute, have the powers set out in clause 11.2 to clause 11.18 below.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this legal mortgage individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 11 may be on behalf of the Borrower, the directors of the Borrower or himself.

11.2 Repair and improve Charged Property

A Receiver may undertake or complete any works or repairs, alterations, additions, replacements or other acts for the protection or improvement of the Charged Property as he thinks fit.

11.3 Grant or surrender leases

A Receiver may grant, or accept surrenders of, any leases, lettings or hire affecting any of the Assets on such terms and subject to such conditions as he thinks fit.

11.4 Employ personnel and advisors

A Receiver may provide services and employ, or engage such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisors on such terms and subject to such conditions as he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

11.5 Remuneration

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Lender may prescribe or agree with him.

11 6 Realise Charged Property

A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed, and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights

11 7 Remove Charged Property

A Receiver may enter any premises where any Charged Property is located and sever, dismantle and remove any Charged Property from the premises without the Borrower's consent

11 8 Manage Charged Property

A Receiver may do all such things as may be necessary for the ownership, management or operation of the Charged Property

11 9 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Assets, sell, assign, lease and accept surrenders of leases of (or concur in selling, assigning, leasing or accepting surrenders of leases of), all or any of the Charged Property in respect of which he is appointed in such manner (including, without limitation, by public auction or private sale) and generally on such terms and conditions as he thinks fit Any such sale may be for such consideration as the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the property to be sold

11 10 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Property

11 11 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient

11 12 Insurance

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 14, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, such insurance

11 13 Powers under LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under that Act, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986

11 14 Borrow

A Receiver may, for any of the purposes authorised by this clause 11, raise money by borrowing from the Lender (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he shall think fit (including, if the Lender consents, terms under which such security ranks in priority to this legal mortgage)

11 15 Redeem prior Encumbrances

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates Any accounts so settled and passed shall be conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver

11 16 Delegation

A Receiver may delegate his powers in accordance with this legal mortgage

11 17 Absolute beneficial owner

A Receiver may, in relation to any of the Charged Property, exercise all powers, authorisations and rights he would be capable of exercising, and do all such acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Charged Property or any part of the Charged Property

11 18 Incidental powers

A Receiver may do all such other acts and things

- (a) as he may consider desirable or necessary for realising any of the Charged Property,
- (b) as he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this legal mortgage or law, and
- (c) which he lawfully may or can do as agent for the Borrower

12. DELEGATION

12.1 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 legal mortgage (including the power of attorney granted under clause 16.1)

12.2 Terms

Any delegation may be made on such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver may think fit

12.3 Liability

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

13. APPLICATION OF PROCEEDS

13.1 Order of application of proceeds

All monies received by the Lender, a Receiver or a Delegate pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable (other than sums received pursuant to 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

- (a) in or towards payment of or provision for all costs, 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 legal mortgage and of all remuneration due to any Receiver under or in connection with this legal mortgage,
- (b) in or towards payment of or provision for the Secured Liabilities in such order and manner as the Lender determines, and
- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it

13.2 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

13.3 Suspense account

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

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account,
- (b) shall bear interest at such rate, if any, as may be agreed in writing between the Lender and the Borrower, and
- (c) may be held in such account for so long as the Lender, Receiver or Delegate thinks fit

14. COSTS AND INDEMNITY

14.1 Costs

The Borrower shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, all costs and expenses (including legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or Delegate in connection with

- (a) this legal mortgage or the Charged Property,
- (b) the taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or Delegate's rights under this legal mortgage, and
- (c) 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) as from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement

14.2 Indemnity

The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents, on a full indemnity basis against any cost, expense, loss, liability or damage incurred by any of them as a result of

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this legal mortgage or by law in respect of the Charged Property,
- (b) taking, holding, protecting, perfecting, preserving or enforcing the security constituted by this legal mortgage, and
- (c) any default or delay by the Borrower in performing any of its obligations under this legal mortgage

Any past or present employee or agent may enforce the terms of this clause 14.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

15 FURTHER ASSURANCE

The Borrower shall, at its own expense, take whatever action the Lender or any Receiver may reasonably require for

- (a) creating, perfecting or protecting the security intended to be created by this legal mortgage,
- (b) facilitating the realisation of any of the Charged Property, or
- (c) facilitating the exercise of any right, power or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including, without limitation, if the Lender thinks it expedient, the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of, or intended to form part of, the Charged Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration

16. POWER OF ATTORNEY

16.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which

- (a) the Borrower is required to execute and do under this legal mortgage, and/or
- (b) any attorney deems proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Lender, any Receiver or any Delegate

16.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the powers, authorities and discretions referred to in clause 16.1

17. RELEASE

Subject to clause 19.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged Property from the security constituted by this legal mortgage

18. ASSIGNMENT AND TRANSFER

18.1 Assignment by Lender

- (a) At any time, without the consent of the Borrower, the Lender may assign or transfer the whole or any part of the Lender's rights and/or obligations under this legal mortgage to any person
- (b) The Lender may disclose to any actual or proposed assignee or transferee such information about the Borrower, the Charged Property and this legal mortgage as the Lender considers appropriate

18.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its obligations, under this legal mortgage or enter into any transaction that would result in any of those rights or obligations passing to another person

19. FURTHER PROVISIONS

19.1 Independent security

This legal mortgage shall be in addition to, and independent of, every other security or guarantee which 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 Charged Property shall merge in the security created by this legal mortgage

19.2 Continuing security

This legal mortgage 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 legal mortgage in writing

19.3 Discharge conditional

Any release, discharge or settlement between the Borrower 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 pursuant to any law relating to insolvency, bankruptcy, winding up, administration, receivership or otherwise. Despite any such release, discharge or settlement

- (a) the Lender or its nominee may retain this legal mortgage and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund, and
- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred

19.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due

19.5 Rights cumulative

The rights and powers of the Lender conferred by this legal mortgage are cumulative, may be exercised as often as the Lender considers appropriate, and are in addition to its rights and powers under the general law

19.6 Variations and waivers

Any waiver or variation of any right by the Lender (whether arising under this legal mortgage or under the general law) shall only be effective if it is in writing and signed by the Lender and applies only in the circumstances for which it was given, and shall not prevent the Lender from subsequently relying on the relevant provision

19.7 Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Lender shall, in any way, preclude the Lender from exercising any right or power under this legal mortgage or constitute a suspension or variation of any such right or power

19.8 Delay

No delay or failure to exercise any right or power under this legal mortgage shall operate as a waiver

19 9 Single or partial exercise

No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right

19 10 Consolidation

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

19 11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provisions shall apply with any modifications necessary to give effect to the commercial intention of the parties

19 12 Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document

20. NOTICES

Each notice or other communication required to be given under or in connection with this legal mortgage shall be

- (a) in writing, delivered personally or sent by pre-paid first-class letter or fax, and
- (b) sent

- (i) to the Borrower at
Barclays Bank Chambers, Stratford-upon-Avon, CV37 6AH
Fax 01789 414331
Attention Company Secretary
- (ii) to the Lender at
Barclays Bank Chambers, Stratford-upon-Avon, CV37 6AH
Fax 01789 414331
Attention Managing Trustees

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

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

- (c) if sent by fax, when received in legible form,
- (d) if given by hand, at the time of actual delivery, and
- (e) if posted, on the second Business Day after the day it was sent by pre-paid first-class post

A notice or other communication given as described in clause 20(c) or clause 20(d) on a day which 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

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

21. GOVERNING LAW AND JURISDICTION

21.1 Governing law

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

21.2 Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage or its subject matter or formation (including non-contractual disputes or claims) Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower 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

21.3 Other service

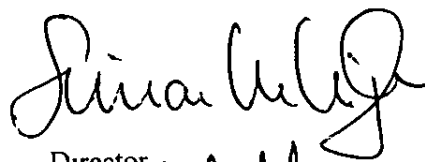

The Borrower irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this legal mortgage relating to service of notices Nothing contained in this legal mortgage shall affect the right to serve process in any other manner permitted by law

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it

Schedule 1 Assets

Your ref	Asset	Age	Serial	£ Value
04120/18	Terex 6 Ton Straight Tip Dumper	2004	E402EM014	4000
04120/19	Terex 6 Ton Straight Tip Dumper	2005	E511FJ038	4600
04120/20	Terex 6 Ton Straight Tip Dumper	2005	E511FJ073	4600
04180/05	Terex 9 Ton Straight Tip Dumper	2006	E611FM314	6500
0460/31	Terex 3 Ton Straight Tip Dumper	2004	E409AR299	3000
0460/33	Terex 3 Ton Straight Tip Dumper	2002	E206AR135	2250
04ED/02	Terex HD1000 1 Ton Hi Tip Dumper	2003	E301HM006	3250
04ED/09	Terex HD1000 1 Ton Hi Tip Dumper	2004	E403HM122	4000
04ED/11	Terex HD1000 1 Ton Hi Tip Dumper	2006	E610FT335	5000
04S120/01	Terex 6 Ton Swivel Skip Dumper	2005	E501EU007	5250
04S120/04	Terex 6 Ton Swivel Skip Dumper	2005	E509EU675	5250
04S120/05	Terex 6 Ton Swivel Skip Dumper	2005	E509EU655	5250
04S60/05	Terex 6 Ton Swivel Skip Dumper	2005	E509FD199	5250
04S60/12	Terex 3 Ton Swivel Skip Dumper	2005	E510FD209	5000
04S60/13	Terex 3 Ton Swivel Skip Dumper	2005	E510FD214	5000
04S60/14	Terex 3 Ton Swivel Skip Dumper	2005	E510FD224	5000
04S60/15	Terex 3 Ton Swivel Skip Dumper	2005	E510FD236	5000
06120/27	Terex 120cm Tandem Roller	2005	E509CC253	5750
06120/28	Terex 120cm Tandem Roller	2006	E602CD021	6250
06120/30	Terex 120cm Tandem Roller	2006	E602CD021	6250
06120/34	Bomag 120cm Tandem Roller	2006	101880021765	8250
06120/35	Bomag 120cm Tandem Roller	2006	101880022151	8250
06120/37	Terex 120cm Tandem Roller	2005	E501CC055	5750
06120/38	Terex 120cm Tandem Roller	2005	E501CC051	5750
0680/41	Terex 80cm Tandem Roller	2006	E603HU039	4500
0680/43	Terex 80cm Tandem Roller	2007	E702HU045	6000
0680/46	Terex 80cm Tandem Roller	2004	E404HU117	3750
0680/49	Terex 80cm Tandem Roller	2007	E703HU186	6000
0680/50	Terex 80cm Tandem Roller	2007	E708HU175	6000
0680/51	Terex 80cm Tandem Roller	2007	E707HU150	6000
1408/10	Kubota Micro Excavator	2003	11473	4500
1412/52	Volvo 1 5 Tonne Excavator	2007	7214278	6500
1412/54	Volvo EC15C 1 5 Tonne Excavator	2010	1584	9750
1412/55	Volvo EC15C 1 5 Tonne Excavator	2010	1582	9750
1412/56	Volvo EC15C 1 5 Tonne Excavator	2010	1587	9750
1425/31	Volvo 3 Tonne Excavator	2008	8122806	10750
1425/34	Volvo 3 Tonne Excavator	2007	8121432	1000
			TOTAL	208700

Executed as a deed by **SM PLANT
LIMITED** acting by two directors or a
director and its secretary


Director

Director ~~OR Secretary~~