



Registration of a Charge

Company name: **A.E.P. (MODULAR CONSTRUCTION) LIMITED**
Company number: **03445509**

Received for Electronic Filing: **10/03/2017**



Details of Charge

Date of creation: **08/03/2017**
Charge code: **0344 5509 0007**
Persons entitled: **SELECT INVOICE FINANCE LIMITED**
Brief description:

Contains fixed charge(s).

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

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: **MR JAMES R KING**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3445509

Charge code: 0344 5509 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th March 2017 and created by A.E.P. (MODULAR CONSTRUCTION) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th March 2017 .

Given at Companies House, Cardiff on 13th March 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

DATED

8th March 2017

between

A.E.P. (Modular Construction) Limited

- and -

SELECT INVOICE FINANCE LIMITED

DEBENTURE

TV Edwards LLP, Solicitors, 35 Mile End Road, London, E1 4TP

Ref: MSN/SEL57/1/Debenture V1 12.09.2016

CONTENTS

CLAUSE

1. Definitions and interpretation	1
2. Covenant to pay	2
3. Grant of security	2
4. Liability of the Company	3
5. Representations and warranties	3
6. General covenants	3
7. Property covenants	4
8. Book Debts covenants	5
9. Powers of SIF	5
10. When security becomes enforceable	5
11. Enforcement of security	5
12. Receiver	6
13. Powers of Receiver	6
14. Application of proceeds	7
15. Costs and indemnity	8
16. Further assurance	8
17. Power of attorney	8
18. Release	8
19. Assignment and transfer	8
20. Set-off	9
21. Amendments, waivers and consents	9
22. Severance	9
23. Counterparts	9
24. Third party rights	9
25. Further provisions	9
26. Notices	10
27. Governing law	10

SCHEDULE

SCHEDULE 1	PROPERTY	11
Part 1.	Registered Property	11
Part 2.	Unregistered Property	11
Part 3.	[Excluded Property]	11

THIS DEED is dated 8th March 2017

PARTIES

- (1) A.E.P. (Modular Construction) Limited incorporated and registered in England and Wales with company number 03445509 whose registered office is at Windover House, St. Ann Street, Salisbury SP4 4LN (**Company**).
- (2) SELECT INVOICE FINANCE LIMITED incorporated and registered in England and Wales with company number whose registered office is at 130 Old Street, London, EC1V 9BD (**SIF**).

BACKGROUND

- (A) SIF has agreed, pursuant to the Facility Agreement, to provide the Company with finance facilities on a secured basis.
- (B) Under this deed, the Company provides security to SIF for the finance facilities made available under the Facility Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

- 1.2 Terms defined in the General Conditions incorporated into the Facility Agreement (as defined below), shall unless otherwise defined in this deed have the same meaning in this deed. In addition, the following definitions apply in this Deed.

Administrator: an administrator appointed to manage the affairs, business and property of the Company pursuant to clause 9.1.

Book Debts: all present and future book and other debts, and monetary claims due or owing to the Company, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Company in relation to any of them.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Company, including any part of it and all spare parts, replacements, modifications and additions.

Facility Agreement: the invoice finance agreement dated 8th February 2017 and made between the Company and SIF for the provision of the finance facilities secured by this deed.

General Conditions: SIFs' General Conditions for Sale and Purchase of Selected Debts from time to time as incorporated by reference into the Facility Agreement.

Insurance Policy: each contract and policy of insurance effected or maintained by the Company from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Properties or the Equipment).

Intellectual Property: the Company's present and future patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

LPA 1925: the Law of Property Act 1925.

Permitted Security: has the meaning given to that expression in the Facility Agreement.

Properties: 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 specified in the Schedule), and **Property** means any of them.

Receiver: a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by SIF under clause 12.

Secured Assets: all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

Secured Liabilities: all present and future monies, obligations and liabilities of the Company to SIF, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Facility Agreement or this deed (including, without limitation, those arising under clause 25.3(b)), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities.

Security: 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.

Security Period: the period starting on the date of this deed and ending on the date on which SIF 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.

The provisions of clause 1 of the Facility Agreement apply to this deed as if they were set out in full in this deed, except that each reference in that clause to the Facility Agreement shall be read as a reference to this deed.

1.3 Clawback

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

1.4 Nature of security over real property

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

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;
- (b) the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Company in respect of that Property, and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Perpetuity period

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

1.7 Schedule

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

2. COVENANT TO PAY

The Company shall, on demand, pay to SIF 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 Company with full title guarantee charges to SIF, by way of a first legal mortgage, each Property (if any) specified in the Schedule.

3.2 Fixed charges

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

- (a) all Properties acquired by the Company in the future;
- (b) all present and future interests of the Company not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Company's business or the use of any Secured Asset, and all rights in connection with them;
- (e) all its present and future goodwill;
- (f) all its uncalled capital;
- (g) all the Equipment;
- (h) all the Intellectual Property;
- (i) all the Book Debts;
- (j) all the Receivables;
- (k) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- (l) all its rights in respect of each Insurance Policy PROVIDED ALWAYS but without limitation that this sub clause shall apply to all policies of life insurance or life assurance together with all rights relative thereto as the company may now or at any time in the future become entitled affecting the proceeds of such policies, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- (m) all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

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

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy;
- (b) the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets; and
- (c) To the extent not charged under clause 3.2 the Receivables

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee charges to SIF, by way of first floating charge, all the undertaking, property, assets and rights of the Company at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

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

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

3.7 Crystallisation of floating charge by notice

SIF may, in its sole discretion, by written notice to the Company, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by SIF in that notice if:

- (a) an Event of Default occurs and is continuing; or
- (b) SIF considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

4. LIABILITY OF THE COMPANY

4.1 Liability not discharged

The Company's liability under this deed 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 SIF that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) SIF 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 that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Company.

4.2 Immediate recourse

The Company waives any right it may have to require SIF to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Company.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and warranties

The Company makes the representations and warranties set out in this clause 5 to SIF.

5.2 Ownership of Secured Assets

The Company is the sole legal and beneficial owner of the Secured Assets.

5.3 No Security

The Secured Assets are free from any Security other than the Security created by this deed.

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

The Company shall not at any time, except with the prior written consent of SIF:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed;
- (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 Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.
- (d) deal with the Book Debts except by collection within the ordinary course of business and except as to its obligations under the Facility Agreement and will not enter into any other invoice discounting, block discounting, invoice financing, debt factoring or similar arrangement.

6.2 Preservation of Secured Assets

The Company 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 SIF, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

6.3 Notice of misrepresentation and breaches

The Company shall, promptly on becoming aware of any of the same, notify SIF 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 deed.

6.4 Title documents

The Company shall, as so required by SIF, deposit with SIF and SIF shall, for the duration of this deed be entitled to hold:

- (a) all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Company (and if these are not within the possession or control of the Company, the Company undertakes to obtain possession of all these deeds and documents of title);
- (b) all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Company is entitled to possess;
- (c) all deeds and documents of title (if any) relating to the Book Debts as SIF may specify from time to time; and
- (d) copies of all the Relevant Agreements, certified to be true copies by either a director of the Company or by the Company's solicitors.

6.5 Insurance

- (a) The Company shall insure and keep insured or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured the Secured Assets against:
 - (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 Company; and
 - (iii) any other risk, perils and contingencies as SIF may reasonably require.
- (b) Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to SIF, and must include property owners' public liability and third party liability insurance and be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises on any Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years, including provision for increases in rent during the period of insurance
- (c) The Company shall, if requested by SIF, produce to SIF each policy, certificate or cover note relating to the insurance required by clause 6.5(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Company is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) The Company shall, if requested by SIF, procure that a note of SIF's interest is endorsed upon each insurance policy (other than public liability and third party liability insurances) maintained by it or any person on its behalf in accordance with clause 6.5(a) but without SIF having any liability for any premium in relation to those Insurance Policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any Insurance Policy.

6.6 Insurance premiums

The Company shall:

- (a) promptly pay all premiums in respect of each insurance policy maintained by it in accordance with clause 6.5(a) and do all other things necessary to keep that policy in full force and effect; and
- (b) (if SIF so requires) produce to, or deposit with SIF the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy maintained by it in accordance with clause 6.5(a) (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Company is entitled to obtain from the landlord under the terms of the relevant lease).

6.7 Notices to be given by the Company

The Company shall:

- (a) on the execution of this deed and as so requested by SIF from time to time:
 - (i) give notice promptly to each insurer under an Insurance Policy full of the Company's obligations notice of this clause 6.7; and
 - (ii) procure that each insurer provides to SIF promptly an acknowledgement of the notice; and
- (b) on the execution of this deed and as so requested by SIF from time to time:
 - (i) give notice promptly to each bank, financial institution or other person (other than SIF) with whom the Company holds an account full of the Company's obligations notice of this clause 6.7; and
 - (ii) procure that each such bank, financial institution or other person promptly provides to SIF promptly an acknowledgement.

7. PROPERTY COVENANTS

7.1 Maintenance

The Company shall keep all premises and fixtures and fittings on each Property in good and substantial repair and condition.

7.2 Registration restrictions

If the title to any Property is not registered at the Land Registry, the Company shall procure that no person (other than itself) shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of all or any part of any Property without the prior written consent of SIF. The Company shall be liable for the costs and expenses of SIF in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

- 7.3 Proprietary rights**
The Company shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property without the prior written consent of SIF.
- 7.4 Inspection**
The Company shall permit SIF, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.
- 7.5 Registration at the Land Registry**
The Company consents to an application being made by SIF to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:
"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of [NAME OF PARTY] referred to in the charges register or their conveyancer."
Equipment covenants
- 7.6 Maintenance of Equipment**
The Company shall:
(a) maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- 8. BOOK DEBTS COVENANTS**
- 8.1 Preservation of Book Debts**
The Company shall not or without the prior written consent of SIF release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.
- 9. POWERS OF SIF**
- 9.1 Appointment of an Administrator**
(a) SIF may, without notice to the Company, appoint any one or more persons to be an Administrator of the Company pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
(b) Any appointment under this clause 9.1 shall:
(i) be in writing signed by a duly authorised signatory of SIF; and
(ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
(c) SIF may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 9.1 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.
- 10. WHEN SECURITY BECOMES ENFORCEABLE**
- 10.1 Security becomes enforceable on Event of Default**
The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.
- 10.2 Discretion**
After the security constituted by this deed has become enforceable, SIF may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.
- 11. ENFORCEMENT OF SECURITY**
- 11.1 Enforcement powers**
(a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
(b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 10.1.
(c) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.
- 11.2 Access on enforcement**
(a) At any time after SIF has demanded payment of the Secured Liabilities or if the Company defaults in the performance of its obligations under this deed or the Facility Agreement, the Company will allow SIF 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 any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where SIF or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Company for, or by any reason of, that entry.
(b) At all times, the Company must use its best endeavours to allow SIF or its Receiver access to any premises for the purpose of clause 11.2(a) (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.
- 11.3 Prior Security**
(a) At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, SIF may:
(i) redeem that or any other prior Security;
(ii) procure the transfer of that Security to it; and
(iii) settle and pass any account of the holder of any prior Security.

- (b) The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Company. All monies paid by SIF to an encumbrancer in settlement of any of those accounts shall, as from its payment by SIF, be due from the Company to SIF 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.
- 11.4 Protection of third parties**
No purchaser, mortgagee or other person dealing with SIF, any Receiver shall be concerned to enquire:
- whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
 - whether any power SIF, a Receiver is purporting to exercise has become exercisable or is properly exercisable; or
 - how any money paid to SIF, any Receiver is to be applied.
- 11.5 Privileges**
Each Receiver and SIF is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.
- 11.6 No liability as mortgagee in possession**
Neither SIF, any Receiver, nor any Administrator shall be liable, by reason of entering into possession of a Security Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.
- 11.7 Conclusive discharge to purchasers**
The receipt of SIF, or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, SIF, and every Receiver may do so for any consideration, in any manner and on any terms that it or he thinks fit.
- 12. RECEIVER**
- 12.1 Appointment**
At any time after the security constituted by this deed has become enforceable, or at the request of the Company, SIF may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.
- 12.2 Removal**
SIF may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.
- 12.3 Remuneration**
SIF may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.
- 12.4 Power of appointment additional to statutory powers**
The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of SIF 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.
- 12.5 Power of appointment exercisable despite prior appointments**
The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by SIF despite any prior appointment in respect of all or any part of the Secured Assets.
- 12.6 Agent of the Company**
Any Receiver appointed by SIF under this deed shall be the agent of the Company and the Company shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Company goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of SIF.
- 13. POWERS OF RECEIVER**
- 13.1 General**
- Any Receiver appointed by SIF under this deed shall, in addition to the powers conferred on it by statute, have the powers set out in clause 13.2 to clause 13.18.
 - If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
 - Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Company, the directors of the Company, or itself.
- 13.2 Repair and develop Properties**
A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.
- 13.3 Surrender leases**
A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that it thinks fit.
- 13.4 Employ personnel and advisers**

- A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit. A Receiver may discharge any such person or any such person appointed by the Company.
- 13.5 Make VAT elections**
A Receiver may make, exercise or revoke any value added tax option to tax as it thinks fit.
- 13.6 Remuneration**
A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that SIF may prescribe or agree with it.
- 13.7 Realise Secured Assets**
A Receiver may collect and get in the Secured Assets or any part of them in respect of which it is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.
- 13.8 Manage or reconstruct the Company's business**
A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Company.
- 13.9 Dispose of Secured Assets**
A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.
- 13.10 Sever fixtures and fittings**
A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Company.
- 13.11 Sell Book Debts**
A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.
- 13.12 Valid receipts**
A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.
- 13.13 Make settlements**
A Receiver may make any arrangement, settlement or compromise between the Company and any other person that it may think expedient.
- 13.14 Bring proceedings**
A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.
- 13.15 Insure**
A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 15, effect with any insurer any policy of insurance either in lieu of satisfaction of, or in addition to, the insurance required to be maintained by the Company under this deed.
- 13.16 Powers under the LPA 1925**
A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if it had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.
- 13.17 Absolute beneficial owner**
A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.
- 13.18 Incidental powers**
A Receiver may do any other acts and things that it:
 - (a) may consider desirable or necessary for realising any of the Secured Assets;
 - (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
 - (c) lawfully may or can do as agent for the Company.
- 14. APPLICATION OF PROCEEDS**
- 14.1 Order of application of proceeds**
All monies received by SIF, a Receiver pursuant to this deed, after the security constituted by this deed has become enforceable, 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 SIF (and any Receiver, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
 - (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that SIF determines; and
 - (c) in payment of the surplus (if any) to the Company or other person entitled to it.
- 14.2 Appropriation**

Neither SIF, any Receiver nor any shall be bound (whether by virtue of section 109(8) of the CPA 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.

14.3. **Suspense account**

All monies received by SIF, a Receiver or a under this deed:

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

15. **COSTS AND INDEMNITY**

15.1 **Costs**

The Company shall, within five Business Days of demand, pay to, or reimburse, SIF and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by SIF, any Receiver in connection with:

- (a) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of SIF's, a Receiver's rights under this deed; or
- (b) taking proceedings for, or recovering, any of the Secured Liabilities, together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Company) at the rate and in the manner specified in the Facility Agreement.

15.2 **Indemnity**

The Company shall indemnify SIF, each Receiver and its respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Company in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act, 1999.

16. **FURTHER ASSURANCE**

16.1 **Further assurance**

The Company shall, at its own expense, take whatever action SIF or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by SIF or any Receiver in respect of any Secured Asset,

including, without limitation (if SIF or Receiver 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 Secured Assets (whether to SIF or to its nominee) and the giving of any notice, order or direction and the making of any registration.

17. **POWER OF ATTORNEY**

17.1 **Appointment of attorneys**

By way of security, the Company irrevocably appoints SIF, every Receiver to be the attorney of the Company and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (a) the Company is required to execute and do under this deed; or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on SIF, any Receiver.

17.2 **Ratification of acts of attorneys**

The Company ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

18. **RELEASE**

Subject to clause 25.3, on the expiry of the Security Period (but not otherwise), SIF shall, at the request and cost of the Company, take whatever action is necessary to:

- (a) release the Secured Assets from the security constituted by this deed; and
- (b) reassign the Secured Assets to the Company.

19. **ASSIGNMENT AND TRANSFER**

19.1 **Assignment by SIF**

- (a) At any time, without the consent of the Company, SIF may assign or transfer any or all of its rights and obligations under this deed.
- (b) SIF may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Company, the Secured Assets and this deed that SIF considers appropriate.

19.2 **Assignment by Company**

The Company may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

- 20. SET-OFF**
- 20.1 SIF's right of set-off**
SIF may, but shall not be obliged at any time set off any liability of the Company to SIF against any liability of SIF to the Company, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, SIF may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by SIF of its rights under this clause 20 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.
- 20.2 Exclusion of Company's right of set-off**
All payments made by the Company to SIF under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).
- 21. AMENDMENTS, WAIVERS AND CONSENTS**
- 21.1 Amendments**
No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).
- 21.2 Waivers and consents**
- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
 - (b) A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by SIF shall be effective unless it is in writing.
- 21.3 Rights and remedies**
The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.
- 22. SEVERANCE**
- 22.1 Severance**
If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause 22 shall not affect the legality, validity and enforceability of the rest of this deed.
- 23. COUNTERPARTS**
- 23.1 Counterparts**
- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
 - (b) Transmission of the executed signature page of a counterpart of this deed by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- 24. THIRD PARTY RIGHTS**
- 24.1 Third party rights**
- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- 25. FURTHER PROVISIONS**
- 25.1 Independent security**
The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that SIF may hold for any of the Secured Liabilities at any time. No prior security held by SIF over the whole or any part of the Secured Assets shall merge in the security created by this deed.
- 25.2 Continuing security**
The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until SIF discharges this deed in writing.
- 25.3 Discharge conditional**
Any release, discharge or settlement between the Company and SIF shall be deemed conditional on no payment or security received by SIF 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) SIF or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that SIF deems necessary to provide SIF with security against any such avoidance, reduction or order for refund; and

- (b) SIF may recover the value or amount of such security or payment from the Company subsequently as if the release, discharge or settlement had not occurred.
- 25.4 Certificates**
A certificate or determination by SIF as to any amount for the time being due to it from the Company under this deed and the Facility Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.
- 25.5 Consolidation**
The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.
- 25.6 Small company moratorium**
Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by the Company under schedule A1 to the Insolvency Act 1986 nor the doing of anything by the Company with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:
- (a) an event under this deed which causes any floating charge created by this deed to crystallise;
 - (b) an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Company; or
 - (c) a ground under this deed for the appointment of a Receiver.
- 26. NOTICES**
- 26.1 Delivery**
Each notice or other communication required to be given to a party under or in connection with this deed shall be:
- (a) in writing;
 - (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and
 - (c) sent to:
 - (i) the Company at:
Windy Ridge, Salisbury Road, Houghton Down, Stockbridge, Hampshire SO20 6JR
Attention: Mark Lawrence
 - (ii) SIF at: 130 Old Street, London EC1V 9BD
Attention: Nicholas Blaxhall
 or to any other address as is notified in writing by one party to the other from time to time.
- 26.2 Receipt by Company**
Any notice or other communication that SIF gives to the Company shall be deemed to have been received:
- (a) if delivered by hand, at the time it is left at the relevant address; and
 - (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.
- A notice or other communication given as described in clause 26.2(a) or clause Error! Reference source not found. on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.
- 26.3 Receipt by SIF**
Any notice or other communication given to SIF shall be deemed to have been received only on actual receipt.
- 26.4 Service of proceedings**
This clause 25.4 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 26.5 No notice by email**
A notice or other communication given under or in connection with this deed is not valid if sent by email.
- 27. GOVERNING LAW**
This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

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

Schedule 1 Property
Part 1. Registered Property

[DETAILS OF REGISTERED PROPERTY, INCLUDING TITLE NUMBER]

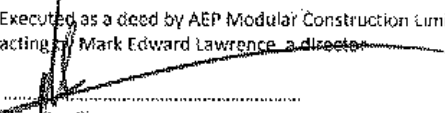
Part 2. Unregistered Property

[DETAILS OF UNREGISTERED PROPERTY]

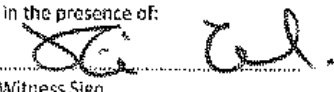
Part 3. [Excluded Property]

[DETAILS OF EXCLUDED PROPERTY, INCLUDING TITLE NUMBER IF REGISTERED]

Executed as a deed by AEP Modular Construction Limited
acting by Mark Edward Lawrence, a director


Director Sign

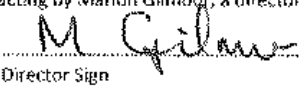
In the presence of:


Witness Sign

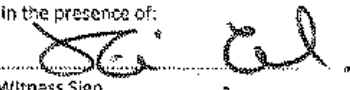
Fiona Gourd
Witness Print Name

Witness address:
19 Nepal Road
Tidworth
SP9 7EU
Occupation of Witness:
Secretary

Executed as a deed by AEP Modular Construction Limited
acting by Marion Gilmour, a director


Director Sign

In the presence of:


Witness Sign

Fiona Gourd
Witness Print Name

Witness address:
19 Nepal Road
Tidworth
SP9 7EU
Occupation of Witness:
Secretary

Executed as a deed by SELECT INVOICE FINANCE LIMITED;
acting by one director:

Nicholas Blaxhall
Nicholas Blaxhall, Director

In the presence of:

Fiona Gourd

Witness Sign

Fiona Gourd
Witness Print Name

Witness address:

19 Nepal Road
Tidworth
SP9 7EU

Occupation of Witness

Secretary