Companies House

MR01(ef)

Registration of a Charge

Company name: **TASK CONTRACT SERVICES LTD.**

Company number: **03987907**

Received for Electronic Filing: **26/01/2021**

X9WYRMZ7

Details of Charge

Date of creation: **25/01/2021**

Charge code: **0398 7907 0002**

Persons entitled: **TASK HOLDINGS UK LIMITED**

Brief description: **ALL ESTATES OR INTERESTS IN ANY FREEHOLD, LEASEHOLD OR COMMONHOLD PROPERTY NOW OWNED BY THE BORROWER, AS PER CLAUSE 3.1 OF THE INSTRUMENT.**

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 SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.

Certified by: **KNIGHTS PLC**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3987907

Charge code: 0398 7907 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th January 2021 and created by TASK CONTRACT SERVICES LTD. was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th January 2021 .

Given at Companies House, Cardiff on 27th January 2021

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

REGISTRAR OF COMPANIES FOR ENGLAND AND WALES

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Knights plc

DATED 25 JANUARY 2021

(1) TASK CONTRACT SERVICES LTD

and

(2) TASK HOLDINGS UK LIMITED

DEBENTURE

Knights plc
Embankment House
Electric Avenue
Nottingham
NG2 1AS

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CLAUSE

THIS DEED is dated 25 January 2021

PARTIES

(1) **TASK CONTRACT SERVICES LTD** incorporated and registered in England and Wales with company number 3987907 whose registered office is at Unit 1, Tuxford Business Park, Ashvale Road, Tuxford, Nottinghamshire NG22 0NH (**Borrower**); and

(2) **TASK HOLDINGS UK LIMITED** incorporated and registered in England and Wales with company number 6857470 whose registered office is at Unit 1, Tuxford Business Park, Ashvale Road, Tuxford, Nottinghamshire NG22 0NH (**Lender**).

BACKGROUND

(A) Under this deed the Borrower provides security to the Lender for all its present and future obligations to the Lender.

(B) The parties acknowledge and agree that the security provided by the Borrower under this deed is subject to the terms set out in the Deed of Priorities.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed the following words and expressions shall have the following meanings:

Administrator: an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 7.6.

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

Charged Property: any freehold, leasehold or commonhold property the subject of the security constituted by this deed and references to "**Charged Property**" shall include references to the whole or any part or part of it.

Deed of Priorities: the deed entered between (1) National Westminster Bank Plc, (2) the Borrower and (3) the Lender on or around the date of this deed acknowledging the priority of the Permitted Security as against the security constituted by this deed.

Default Rate: 4% above the base lending rate of the Bank of England from time to time.

Designated Account: any account of the Borrower nominated by the Lender as a designated account for the purposes of this deed.

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

Event of Default: any of the following events:

(a) the Borrower fails to pay any of the Secured Liabilities (or any part of the Secured Liabilities) when due;

(b) the Borrower fails (other than a failure to pay referred to in paragraph (a) above) to comply with any provisions of this deed or any other agreement between the Borrower and the Lender, and that breach (if capable of remedy) has not been remedied to the satisfaction of the Lender within 14 days of notice by the Lender to the Borrower to remedy the breach;

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

(d) any creditor of the Borrower becomes entitled to declare any money borrowed by the Borrower to be due and payable prior to its date of maturity by reason of an event of default, however described;

(e) the Borrower stops or suspends payment of its debts or is unable to, or admits its inability to, pay its debts as they fall due;

(f) any security (whether pursuant to the Permitted Security, this deed or otherwise) on or over the assets of the Borrower becomes enforceable whether by the Lender or any other person;

(g) a moratorium is declared in respect of any indebtedness of the Borrower;

(h) any action, proceedings, procedure or step is taken for the suspension of payments, a moratorium over any indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Borrower;

(i) any action, proceedings, procedure or step is taken for the composition, compromise, assignment or arrangement with any creditor of the Borrower;

(j) any action, proceedings, procedure or step is taken for the appointment of a liquidator, receiver, administrative receiver, administrator or similar officer in respect of the Borrower or any of its assets;

(k) the Borrower commences negotiations or enters into any composition, compromise, assignment or arrangement with one of more of its creditors with a view to rescheduling any of its debts;

(l) any provision of this deed or any document under which the Borrower owes obligations to the Lender is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect;

(m) the Borrower repudiates or shows an intention to repudiate this deed;

(n) the Borrower suspends or ceases to carry on all or a substantial part of its business; and/or

(o) any event occurs (or circumstances exist) which, in the reasonable opinion of the Lender has or is likely to materially and adversely affect the Borrower's ability to perform all or any of its obligations under or otherwise comply with the terms of this deed or any document under which the Borrower owes obligations to the Lender.

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

Intellectual Property: the Borrower's present and future patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how) 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.

Investments: all certificated shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of the Borrower

LPA 1925: the Law of Property Act 1925.

Permitted Security: the debenture dated 12 January 2004 granted by the Borrower in favour of National Westminster Bank Plc as referred to in the Deed of Priorities.

Receiver: a receiver, receiver and manager or administrative receiver appointed by the Lender under or pursuant to clause 10.

Secured Assets: all the assets, property and undertaking of the Borrower which are, or are expressed to be, subject to the Security created by, or pursuant to, this deed.

Secured Liabilities: all present and future obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not the Lender was an original party to the relevant transaction and in whatever name or style, together with all interest (including default interest) occurring in respect of those 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 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.

VAT: value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 **Interpretation**

In this deed:

(a) clause, Schedule and paragraph headings shall not affect the interpretation of this deed;

(b) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

(c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;

(d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

(e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;

(f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;

(g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;

(h) a reference to **writing** or **written** shall exclude fax and email;

(i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;

(j) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;

(k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;

(l) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;

(m) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;

(n) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;

(o) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and

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

1.3 Clawback

If the Lender considers that an amount paid by the Borrower 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 deed.

1.4 Nature of security over real property

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

(a) all buildings, fixtures and fittings and fixed plant and machinery that are situated on or form part of that Charged Property at any time;

(b) the proceeds of the sale of any part of that Charged Property;

(c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that Charged 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 Charged Property.

1.5 Schedules

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

2. COVENANT TO PAY

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

2.2 The Borrower covenants with the Lender to pay interest (on demand made by the Lender) on any amounts due under clause 2.1 from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the Default Rate, provided that, in the case of any cost or expense, such interest shall accrue and be payable as from the date on which the relevant cost or expense arose without the necessity for any demand being made for payment.

3. GRANT OF SECURITY

3.1 Legal mortgage

Subject to the terms of the Deed of Priorities, 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 a first legal mortgage, all estates or interests in any freehold, leasehold or commonhold property now owned by it, including the real property (if any) specified in Schedule 1

3.2 Fixed charges

Subject to the terms of the Deed of Priorities, 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 a first fixed charge:

(a) all present and future estates or interests of the Borrower in, or over, any freehold, leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.1);

(b) the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property;

(c) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Borrower's business or the use of any Secured Asset, and all rights in connection with them;

(d) all its present and future goodwill of the Borrower;

(e) all the Equipment;

(f) all the Intellectual Property;

(g) all the Book Debts;

(h) all the Investments;

(i) 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); and

(j) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

Subject to the terms of the Deed of Priorities, as a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy.

3.4 Floating charge

Subject to the terms of the Deed of Priorities, 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 floating charge, all its undertaking, property, assets and rights not otherwise effectively mortgaged, charged or assigned under clause 3.1 to clause 3.3 inclusive. Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.5 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 Borrower creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except for the Permitted Security or as expressly permitted by the terms of this deed); or

(b) the Borrower 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); or

(c) any person (whether pursuant to the Permitted Security or otherwise) levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

(d) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.

3.6 Crystallisation of floating charge by notice

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

(a) an Event of Default is continuing; or

(b) the Lender 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.

3.7 **Assets acquired after any floating charge has crystallised**

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Lender confirms otherwise to the Borrower in writing) be charged to the Lender by way of first fixed charge.

4. LIABILITY OF THE BORROWER

4.1 **Liability not discharged**

The Borrower'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, 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 that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower to the Lender.

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 deed against the Borrower.

5. REPRESENTATIONS AND WARRANTIES

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

5.2 The Borrower is a duly incorporated limited liability company and has the power to own its assets and carry on its business as it is being conducted at the date of this deed.

5.3 The Borrower has the power and authority to execute, deliver and perform its obligations under this deed. No limit on its powers will be exceeded as a result of the grant of the Security contemplated by this deed.

5.4 The execution, delivery and performance of the obligations in and transactions contemplated by this deed do not and will not contravene or conflict with:

(a) the constitutional documents of the Borrower;

(b) any document or instrument binding on it or constitute a default or termination event (however described) under any such agreement or instrument; or

(c) any law or regulation applicable to the Borrower.

5.5 The Borrower has taken all necessary action and obtained all required or desirable authorisations to enable it to execute, deliver and perform its obligations under this deed, including without limitation, entering into the Deed of Priorities in order to acknowledge the rights set out in the Permitted Security. Any such authorisations are in full force and effect.

5.6 No Event of Default or event or circumstances which would, on the expiry of any grace period, constitute an Event of Default has occurred and is continuing in relation to the Borrower.

5.7 The Borrower is the legal and beneficial owner of the Secured Assets.

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

5.9 The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.10 Subject to the terms of the Permitted Security, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

5.11 There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

5.12 No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail their use.

5.13 No Security expressed to be created under this deed is liable to be avoided or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

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

5.15 This deed constitutes and will constitute legal, valid, binding and enforceable obligations of the Borrower and (subject to the subordination arrangements described in the Deed of Priorities) is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms.

6. COVENANTS

The Borrower covenants with the Lender for the duration of the Security Period in the terms set out in Schedule 2.

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 deed. The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.

(b) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis.

7.2 Exercise of rights

(a) The rights of the Lender under clause 7.1 are without prejudice to any other rights of the Lender under this deed.

(b) The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

7.3 Power to dispose of chattels

(a) At any time after the security constituted by this deed has become enforceable, the Lender or any Receiver may, as agent for the Borrower, dispose of any chattels or produce found on any Charged Property.

(b) Without prejudice to any obligation to account for the proceeds of any disposal made under clause 7.3(a), the Borrower shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 7.3(a).

7.4 Lender has Receiver's powers

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

7.5 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 deed in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

7.6 **Appointment of an Administrator**

(a) The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower 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 7.6 shall:

(c) be in writing signed by a duly authorised signatory of the Lender; and

(d) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

(e) The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 7.6 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 **Security becomes enforceable on Event of Default**

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

8.2 **Discretion**

After the security constituted by this deed has become enforceable, the Lender may, in its absolute discretion and subject to the terms set out in the Deed of Priorities, 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.

9. ENFORCEMENT OF SECURITY

9.1 **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 8.1. Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

9.2 **Extension of statutory powers of leasing**

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

(a) grant a lease or agreement for lease;

(b) accept surrenders of leases; or

(c) grant any option in respect of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

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 deed, 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 any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated without incurring any liability to the Borrower for, or by any reason of, that 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 **Protection of third parties**

No purchaser, mortgagee or other person dealing with the Lender or any Receiver 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 or a Receiver is purporting to exercise has become exercisable or is being properly exercised; or

(c) how any money paid to the Lender or any Receiver is to be applied.

9.5 **No liability as mortgagee in possession**

Neither the Lender nor any Receiver shall be liable, by reason of entering into possession of a Secured Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, default or omission for which a mortgagee in possession might be liable.

9.6 **Conclusive discharge to purchasers**

The receipt of the Lender 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, the Lender and any Receiver may do so for any consideration, in any manner and on any terms that it thinks fit.

10. RECEIVER

10.1 Appointment

Subject always to the terms set out in the Deed of Priorities, at any time after the security constituted by this deed 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 persons to be a Receiver of all or any part of the Secured Assets.

10.2 Removal

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver) 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 deed, to the extent not otherwise discharged.

10.4 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 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 deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.

10.6 Agent of the Borrower

Any Receiver appointed by the Lender under this deed 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 that Receiver and for liabilities incurred by that 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 General

(a) Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in this clause 11.

(b) A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.

(c) 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.

(d) 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 itself.

11.2 Repair and develop Charged Properties

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

11.3 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.

11.4 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 Borrower.

11.5 Make and revoke VAT options to tax

A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.

11.6 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 the Lender may prescribe or agree with it.

11.7 Possession

A Receiver may take immediate possession of, get in and realise any Secured Asset.

11.8 **Manage or reconstruct the Borrower'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 Borrower.

11.9 **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.

11.10 **Sever fixtures and fittings**

A Receiver may sever and sell separately any fixtures or fittings from any Charged Property without the consent of the Borrower.

11.11 **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.

11.12 **Valid receipts**

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

11.13 **Make settlements**

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

11.14 **Legal action**

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

11.15 **Improve the Equipment**

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

11.16 **Make calls on Borrower members**

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital with the same powers as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

11.17 Insure

A Receiver may, if it 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, the insurance required to be maintained by the Borrower under this deed.

11.18 Subsidiaries

A Receiver may form a subsidiary of the Borrower and transfer to that subsidiary any Secured Asset.

11.19 Borrow

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

11.20 Delegation

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

11.21 Absolute beneficial owner

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

11.22 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 Borrower.

12. DELEGATION

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 16). The Lender and each

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

13. APPLICATION OF PROCEEDS

13.1 Order of application of proceeds

Subject always to the terms set out in the Deed of Priorities and the Permitted Security, all monies received or recovered by the Lender or a Receiver under this deed or in connection with the realisation or enforcement of all or part of the security constituted by this deed shall (subject to the claims of any person having prior rights) be applied in the following order of priority:

(a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (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 the Secured Liabilities in any order and manner that 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 nor any Receiver 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 or a Receiver under this deed:

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

(b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and

(c) may be held in that account for so long as the Lender or Receiver thinks fit.

14. COSTS AND INDEMNITY

14.1 Costs

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

(a) this deed or the Secured Assets;

(b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or a Receiver's rights under this deed; or

(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) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the Default Rate.

14.2 Indemnity

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

(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 Borrower in performing any of its obligations under this deed.

15. FURTHER ASSURANCE

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

(a) creating, perfecting or protecting the security created or 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 the Lender or any Receiver in respect of any Secured Asset,

including, without limitation the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets and the giving of any notice, order or direction and the making of any filing or registration.

16. POWER OF ATTORNEY

16.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender and any Receiver 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 that:

(a) the Borrower 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 the Lender or any Receiver.

17. ASSIGNMENT AND TRANSFER

17.1 Assignment by Lender

The Lender may assign or transfer any or all of its rights and obligations under this deed.

17.2 Assignment by Borrower

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

18. SET-OFF

18.1 Lender's right of set-off

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. Any exercise by the Lender of its rights under this clause 18 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

18.2 Exclusion of Borrower's right of set-off

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

19. AMENDMENTS, WAIVERS AND CONSENTS

19.1 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).

19.2 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 or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Lender shall be effective unless it is in writing.

19.3 **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.

20. 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 shall not affect the legality, validity and enforceability of the rest of this deed.

21. COUNTERPARTS

21.1 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.

21.2 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

22. THIRD PARTY RIGHTS

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. The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

23. FURTHER PROVISIONS

23.1 **Release**

Subject to clause 23.4, at the end of the Security Period, the Lender shall, at the request and cost of the Borrower, 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 Borrower.

23.2 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time.

23.3 Continuing security

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

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

(b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

23.5 Certificates

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

24. NOTICES

24.1 Any notice or other communication given under this deed shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first class post to the address of the relevant party as set out next to the relevant party's name at the start of this deed or such other address as may be notified in writing from time to time by the relevant party to the other.

24.2 Receipt of any notice given under clause 24.1 above shall be deemed to be received:

(a) if delivered personally, at the time of delivery; or

(b) in the case of a prepaid first class letter, 48 hours from the date of posting, but if deemed receipt occurs before 9am on a Business Day the notice shall be deemed to have been received at 9am on that day or after 5pm on a Business Day or on a day that is not a Business Day, the notice shall be deemed to have been received at 9am on the next Business Day thereafter.

24.3 In providing service of a notice it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out next to the relevant party's name at the start of this deed (or as otherwise notified by that party under clause 24.1, above) and by delivered either:

(a) to that address; or

(b) into the custody of the postal authorities as prepaid first class letter.

24.4 Notice given under this deed shall not be validly served if sent by fax or email.

25. GOVERNING LAW AND JURISDICTION

25.1 Governing law

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

25.2 Jurisdiction

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

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 - REAL PROPERTY

SCHEDULE 2 - COVENANTS

1. General Covenants

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

(a) relation to any Secured Asset other than the Security created by this deed or pursuant to the Permitted Security;

(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.

1.2 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 materially diminish the value of any Secured Asset or the effectiveness of the Security created by this deed.

1.3 The Borrower shall notify the Lender of any Event of Default or event or circumstance which would, on the expiry of any grace period, constitute an Event of Default promptly on becoming aware of its occurrence.

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

1.5 The Borrower shall comply in all respects with all laws to which it may be subject if failure to do so would materially impair its ability to perform its obligations under this deed.

1.6 No substantial change shall be made to the general nature of the business of the Borrower as carried out at the date of this deed without the prior written consent of the Lender.

1.7 The Borrower shall supply to the Lender:

(a) all documents dispatched by the Borrower to its shareholders (or any class of them) or its creditors generally at the same time that they are dispatched; and

(b) details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Borrower as soon as it becomes aware of them.

1.8 The Borrower shall use its best endeavours to enforce any rights relating to any of the Secured Assets which the Lender may reasonably require from time to time.

1.9 The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of any breach of any covenant set out in this deed.

1.10 The Borrower shall insure and keep insured the Secured Assets against:

(a) loss or damage by fire or terrorist acts;

(b) other risks, perils and contingencies that would be insured against by prudent persons carrying on the same type of a business as the Borrower; and

(c) any other risk, perils and contingencies as the Lender may reasonably require from time to time.

1.11 The Borrower shall, 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 paragraph 1.10 of this Schedule.

1.12 The Borrower shall promptly pay all premiums in respect of each insurance policy maintained by it in accordance with paragraph 1.10 of this Schedule and do all other things necessary to keep that policy in full force and effect.

1.13 The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy maintained by it in accordance with paragraph 1.10 of this Schedule.

1.14 The Borrower shall:

(a) give the Lender such information concerning the location, condition and use and operation of the Secured Assets as the Lender may from time to time require;

(b) permit any persons designated by the Lender and any Receiver to enter the Charged Properties and inspect and examine any Secured Asset, and the records relating to that Secured Asset at all reasonable times and on reasonable prior notice; and

(c) promptly notify the Lender in writing of any action, claim or demand made by or against it in connection with any Secured Asset or any fact, matter or circumstance which may, with a passage of time, give rise to such an action, claim or demand.

1.15 The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, procure evidence of payment to the Lender.

2. Property Covenants

2.1 The Borrower shall keep all buildings and all fixtures on each Charged Property in good and substantial repair and condition.

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

(a) part of any Charged Property or permit the same to occur;

(b) make or permit any material alterations to any Charged Property; or

(c) remove or make any material alteration to any of the Equipment belonging to or in use by the Borrower on any Charged Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

2.3 The Borrower shall:

(a) observe and perform all covenants, stipulations and conditions to which each Charged Property is or may be subjected;

(b) diligently enforce all covenants, stipulations and conditions benefiting each Charged Property (and shall not agree to) waive, release or vary any of the same; and

(c) (without prejudice to the generality of the foregoing) where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time and perform and observe all the tenant's covenants and conditions.

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

(a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of any Charged Property or exercise or agree to exercise the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the LPA 1925; or

(b) in any other way dispose of, surrender or create, or agree to dispose or surrender or create, any legal or equitable estate or interest in the whole or any part of any Charged Property.

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

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

(a) make any application for planning permission or development consent in respect of any Charged Property; or

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

2.7 enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

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

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

2.10 The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire any freehold, leasehold or other interest in any property.

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

(a) exercise any VAT option to tax in relation to any Charged Property; or

(b) revoke any VAT option to tax exercise and disclose to the Lender before the date of this deed.

2.12 The Borrower consents to an application being made by the Lender to the Land Registrar. The following restriction in Form P to be registered against its title to each Charged Property:

"No disposition of the registered estate by the proprietor of the registered asset is to be registered without a written consent assigned by the proprietor for the time being of the charge dated [DATE] in favour of [NAME OF PARTY] referred to in the charges register".

3. Investment Covenants

3.1 Before the Security constituted by this deed becomes enforceable, the Borrower may retain and apply for its own use or dividends, interests and other monies paid or payable in respect of the Investment.

3.2 Before the Security constituted by this deed becomes enforceable, the Borrower may exercise all voting and other rights and powers in respect of the Investments.

3.3 After the Security constituted by this deed has become enforceable:

(a) all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held by the Borrower on trust for the Lender; and

(b) all voting and other rights and powers attaching to the Investments shall be exercised by, or at the discretion of, the Lender and the Borrower who shall comply with any directions the Lender may give in its absolute discretion concerning the exercise of those rights and powers.

4. Equipment Covenants

4.1 The Borrower shall:

(a) maintain the Equipment in good and serviceable condition (except for expected fair wear and tear); and

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

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

5. Book Debt Covenant

The Borrower shall not (except with the prior written consent of the Lender) release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with all or any of the Book Debts.

6. Intellectual Property Covenants

6.1 The Borrower shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights and by paying all applicable renewal fees, licence fees and other outgoings.

6.2 The Borrower shall use all reasonable effort to register applications for the registration of any Intellectual Property.

EXECUTED and **DELIVERED** as a **DEED** by)
TASK CONTRACT SERVICES LTD)
acting by ADRIAN COWELL)
a director)
in the presence of:

Director

Witness:

Signature

Name KAREN WELBURN

Address 33 HIGH STREET,

WELBOURN, LN5 0NH

Occupation Finance Manager

EXECUTED and **DELIVERED** as a **DEED** by)
TASK HOLDINGS UK LIMITED)
acting by ADRIAN COWELL)
a director)
in the presence of:

Director

Witness:

Signature

Name KAREN WELBURN

Address 33 HIGH STREET,

WELBOURN, LN5 0NH

Occupation Finance Manager