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in black type or
bold block
lettering* Insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use Company number

☐ ☐ ☐

4159907

Name of company

*Quartix Limited whose registered office is at Chapel Offices, Park
Street, Newtown, Powys SY16 1EE (the **Company**)

Date of creation of the charge

29 January 2008

Description of the instrument (if any) creating or evidencing the charge (note 2)

Debenture (the **Charge**)

Amount secured by the mortgage or charge

All or any monies and liabilities which will for the time being (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Beneficiaries (or any of them) by the Company, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not the Security Beneficiaries (or any of them) shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which the Security Beneficiaries may in the course of their business charge or incur in respect of any of those matters, or for keeping the Company's accounts, and so that interest shall be computed and compounded according to the usual rates and practice of the Security Beneficiaries, as well after as before any demand made or decree obtained under the Charge (the **Secured Liabilities**)

Please see the attached continuation sheets 5, 6, 7 and 8 for definitions.

Names and addresses of the mortgagees or persons entitled to the charge

Bank of Scotland plc, (Company Number SC327000) and having its registered office at The Mound, Edinburgh (the **Security Trustee**)

Postcode EH1 1YZ

Presenter's name, address and
reference (if any)Dundas & Wilson LLP
Northwest Wing
Bush House
Aldwych
London WC2B 4EZ
MW/BOS001 3837

Time critical reference

For official use (02/2006)
Mortgage Section

Short particulars of all the property mortgaged or charged

Please see attached continuation sheets numbered 1, 2, 3, 4 and 5.

Please do not
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Please complete
legibly, preferably
in black type or
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lettering

A fee is
payable to
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in respect of each
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mortgage or
charge
(See Note 5)

† Delete as
appropriate

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Dundas + Wilson LLP

Date 6 February 2008

On behalf of ~~company~~ [mortgagee/chargee] †

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders are to be made payable to **Companies House**
- 6 The address of the Registrar of Companies is - Companies House, Crown Way, Cardiff CF4 3UZ

Short particulars of all the property mortgaged or charged

1 CHARGING PROVISIONS

1 1 Pursuant to the Charge, the Company charges as a continuing security, and with full title guarantee, for the payment and discharge of the Secured Liabilities

1 1 1 by way of legal mortgage all the freehold and leasehold property now vested in it whether or not the title to the property is registered at H M Land Registry, together with all present and future buildings, fixtures, (including trade and tenant's fixtures), plant and machinery which are at any time on the property,

1 1 2 by way of first fixed charge

1 1 2 1 all future freehold and leasehold property belonging to the Company, together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property,

1 1 2 2 all present and future interests of the Company in or over land or the proceeds of sale of it and all present and future licences of the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property charged under the Charge,

1 1 2 3 all the Company's goodwill and uncalled capital for the time being,

1 1 2 4 all present and future stocks, shares and other securities owned (at law or in equity) by the Company and all rights and interests accruing or offered at any time in relation to them, all rights and interests in, and claims under, all policies of insurance and assurance held, or to be held by, or insuring to the benefit of, the Company and the benefit of all rights and claims to which the Company is now, or may be, entitled under any contracts,

Short particulars of all the property mortgaged or charged

- 1 1 2 5 all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held, or to be held, by the Company, or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world,
- 1 1 2 6 all present and future book and other debts and monetary claims of the Company, whether payable now or in the future and the benefit of all present and future rights and claims of the Company against third parties relating to them and capable of being satisfied by the payment of money (save as charge under sub-clause 1 1 2 4),
- 1 1 2 7 all present and future plant and machinery not otherwise charged under this clause 1 and all other present and future chattels of the Company (excluding any of the same for the time being forming part of the Company's stock in trade or work in progress), and
- 1 1 2 8 all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest), and
- 1 1 3 by way of floating charge all the Assets not effectively otherwise charged by this clause 1, including (without limitation) any immovable property of the Company in Scotland and any Assets in Scotland falling within any of the types mentioned in sub-clause 1 1 1, but so that the Company is prohibited from creating any fixed security or mortgage, or any other floating charge over the Assets having priority over, or ranking par passu with, the floating charge created by this sub-clause (otherwise than in favour of the Security Trustee) and the Company will have no power, except with the prior written consent of the Security Trustee, to part with, or dispose of, any part of those Assets, except by way of sale in the ordinary course of its business,

Short particulars of all the property mortgaged or charged

1 2 The Security Trustee may, at any time by notice to the Company, immediately convert the floating charge created under sub-clause 1 1 3 into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from the Security Trustee, automatically be converted with immediate effect into a fixed charge

1 2 1 in respect of any Assets which become subject to (i) a fixed charge in favour of any other person or (ii) a disposition otherwise than by way of sale in the ordinary course of the Company's business immediately upon such charge or, as the case may be, disposition,

1 2 2 in respect of all the Assets charged under sub-clause 1 1 if and when the Company ceases to carry on business or to be a going concern,

1 2 3 in respect of all Assets on the making of an order for the compulsory winding-up of the Company, or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company, or on the presentation of a petition for the making of an administration order in relation to the Company, or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order

1 3 Sub-clause 1 2 will not apply to any Assets situated in Scotland

1 4 The Company will not without the previous written consent of the Security Trustee

1 4 1 create, or attempt to create, or permit to subsist, any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on any Asset charged under the Charge, or

1 4 2 dispose of, or part with, possession in any way (except on the determination of any lease, tenancy or licence) or share occupation of any Asset, or

1 4 3 in any way dispose of the equity of redemption of any such Asset, or any interest in any such Asset,

and the Company applies (and will apply), to the Chief Land Registrar for a restriction to be entered on the register of title of all present and future registered freehold and leasehold property of the Company in the following terms

Short particulars of all the property mortgaged or charged

"Except under an order of the Registrar no disposition by the proprietor of the land is to be registered without the consent of the proprietor for the time being of the charge hereby created"

1 5 The Company will, if required to do so by the Security Trustee, deposit with the Security Trustee, during the continuance of this security and the Security Trustee will be entitled to hold all deeds and documents of title relating to the Company's freehold, leasehold and heritable property and stocks, shares and other securities and all policies of insurance and assurance

1 6 The Company (at its own cost) will on demand in writing by the Security Trustee execute and deliver in such form as the Security Trustee may reasonably require

1 6 1 a legal mortgage of any freehold or leasehold property of the Company which is not effectively charged by sub-clause 1 1 1 and of any freehold or leasehold property acquired by the Company after the date of the Charge,

1 6 2 a standard security or other fixed security over the Company's heritable freehold, leasehold or other property,

1 6 3 a fixed charge, or assignment by way of security of any Asset subject to a floating charge under sub-clause 1 1 3, and

1 6 4 a chattel mortgage over such chattels, plant and machinery as the Security Trustee may specify,

and the Company will do and concur in all such other acts or things as the Security Trustee may deem necessary to vest in the Security Trustee title to all or any of the Assets

1 7 Any fixed mortgage, charge or other security hereafter created by the Company in favour of the Security Trustee shall have priority over the floating charge created by the Charge, except insofar as the Security Trustee shall declare otherwise whether at or after the time of creation of such fixed security

Short particulars of all the property mortgaged or charged

- 1 8 The Company will pay into its account with the Security Trustee (or as the Security Trustee may direct) all monies which it receives in respect of any policies of insurance or assurance, fees, royalties, income or book or other debts or any other of the rights and claims charged to the Security Trustee under sub-clause 1 1 2 and, until such payment, hold all monies so received upon trust for the Security Trustee and will not without the prior written consent of the Security Trustee charge, factor, discount, or assign any of those policies, fees, royalties, income, debts, rights or claims in favour of any other person or purport to do so

2 DEFINITIONS

- 2 1 In this Form 395, unless the context otherwise requires

Assets means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Company,

BoS means Bank of Scotland plc (Company Number SC327000), a company incorporated in Scotland and having its registered office at The Mound, Edinburgh EH1 1YZ

Hedging Bank means BoS acting through its treasury department

Investor Lenders means, at any time, the persons having participations at such time in the Investor Loan Facility and the Investor Loan (each an **Investor Lender**)

Investor Loan means, at any time, the principal amount outstanding under the Investor Loan Facility at such time

Investor Loan Agent means BoS in its capacity as agent for the Investor Lenders and its successors and assigns (whether immediate or derivative)

Investor Loan Agreement means the letter, in the agreed terms, of even date herewith and made between (1) the Company, (2) BoS as Investor Loan Agent, and (3) BoS as Investor Lender

Investor Loan Facility means the investment loan facility, in the aggregate principal amount of £1,275,000, made available to the Company by the Investor Lenders pursuant to the terms of the Investor Loan Agreement

Particulars of a mortgage or charge

Company Number 4159907

Name of Company: Quartix Limited

Short particulars of all the property mortgaged or charged

Mezzanine Agent means BoS in its capacity as agent for Mezzanine Lenders and its successors and assigns (whether immediate or derivative)

Mezzanine Facility means the mezzanine loan facility, in the aggregate principal amount of £2,275,000 made available to the Company by the Mezzanine Lenders pursuant to the terms of the Mezzanine Loan Agreement

Mezzanine Lenders means, at any time, the persons having participations at such time in the Mezzanine Facility and the Mezzanine Loan (each a **Mezzanine Lender**)

Mezzanine Loan means, at any time, the principal amount outstanding under the Mezzanine Facility at such time

Mezzanine Loan Agreement means the letter, in the agreed terms, of even date herewith and made between (1) the Company, (2) BoS as Mezzanine Agent, and (3) BoS as Mezzanine Lender

Receiver shall have the meaning ascribed thereto in clause 7 of the Charge

Senior Agent means BoS in its capacity as agent for the Senior Lenders and its successors and assigns (whether immediate or derivative)

Security Beneficiaries means the Senior Agent, the Senior Lenders, the Security Trustee, the Hedging Bank, the Mezzanine Agent and the Mezzanine Lenders (each a **Security Beneficiary**)

Senior Facility means the senior loan facility, in the aggregate principal amount of £9,750,000, made available to the Company by the Senior Lenders pursuant to the terms of the Senior Facility Agreement

Senior Facility Agreement means the letter, in the agreed terms, of even date herewith and made between (1) the Company, (2) BoS as Senior Agent and (3) BoS as Senior Lender

Senior Lenders means, at any time, the persons having participations at such time in the Senior Facility and the Term Loan (each a **Senior Lender**)

Short particulars of all the property mortgaged or charged

Term Loan means, at any time, the principal amount outstanding at such time under the Senior Facility

3 INTERPRETATION

References to security being charged, granted or executed in favour of or to, covenants being made with, monies being held on trust for, the power to appoint a Receiver by, or the statutory power of sale and other powers being exercisable by, "the Security Trustee" shall mean such security being charged, granted or executed in favour of, such covenants being made with, such monies being held on trust for, such power to appoint a Receiver by, or such statutory power of sale or other powers being exercisable by, the Security Trustee as security trustee for the Security Beneficiaries

References to "including" will not be construed restrictively but will be construed as meaning "including, without prejudice to the generality of the foregoing"

References to clauses are to be construed as references to the clauses of the Charge and references to this Form 395 include the Schedule to the Charge

References to the Charge, and to any provisions of it, shall be construed as references to it in force for the time being and as amended, varied, supplemented, substituted or novated from time to time

References to the "Security Trustee" or the "Security Beneficiaries" shall be construed so as to include their successors or permitted assignees (whether immediate or derivative)

References to statutes, statutory provisions and other legislation shall include all amendments, modifications and re-enactments for the time being in force

Words importing the singular are to include the plural and vice versa

References to a person are to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or any agency of a state, whether or not a separate legal entity

Particulars of a mortgage or charge

Company Number 4159907

Name of Company Quartix Limited

Short particulars of all the property mortgaged or charged

References to any person are to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect

Clause headings are for ease of reference only and are not to affect the interpretation of this Form
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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 04159907

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 29th JANUARY 2008 AND CREATED BY QUARTIX LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE SECURITY BENEFICIARIES (OR ANY OF THEM) ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 7th FEBRUARY 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 8th FEBRUARY 2008

J. S. S. S.



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES