

M

CHFP025

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

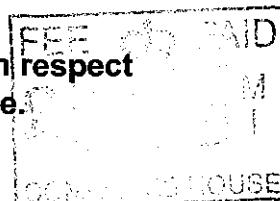
*insert full name
of Company

COMPANIES FORM No. 395 **Particulars of a mortgage or charge**

222574/13

395

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

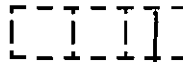


Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number



04952707

Name of company

* Pure Washrooms LTD (the "**Chargor**")

Date of creation of the charge

18 July 2005

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

A debenture (the "**Debenture**") dated 18 July 2005 and made between the Company and Bridges Community Development Venture Fund 'A' LP as Lender (the "**Lender**").

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to the Lender under the Loan Facility together with all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its respective rights in respect of the Loan Facility, PROVIDED THAT no obligation or liability shall be included in the definition of "Secured Obligations" to the extent that, if it were so included, the Debenture (or any part thereof) would constitute unlawful financial assistance within the meaning of Sections 151 and 152 of the Companies Act 1985 (the "**Secured Obligations**").

For all definitions in this Form 395 see annex 1 attached.

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

Bridges Community Development Venture Fund 'A' LP (the "**Lender**")
1 Craven Hill, London.

Postcode W2 3EN

Presenter's name address and
reference (if any):

Weil, Gotshal & Manges
One South Place
London
EC2M 2WG

dla.99995.2190. Doc: 541175

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



LD2
COMPANIES HOUSE

L2U00799

0353
25/07/05

Short particulars of all the property mortgaged or charged

See annex 2 attached.

Please do not
write in
this margin

**Please complete
legibly, preferably
in black type, or
bold block
lettering**

Particulars as to commission allowance or discount (note 3)

None

Signed

Wael, Gerthai & Manges

Date

25/7/05

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

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge.
(See Note 5)*

† delete as
appropriate

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 must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Form 395

ANNEX 1

DEFINITIONS

"Account Bank" means such bank or financial institution with which the Security Accounts are from time to time maintained pursuant to Clause 9 of the Debenture (*Account Bank*).

"Business Day" means a day on which the banks are open for business in the country of receipt of any notice.

"Charged Assets" means all the assets, rights and property of the Chargor which are the subject of any security constituted or intended to be constituted by the Debenture.

"Collateral Account" means each account maintained from time to time by the Chargor for the purposes of Clause 8.5(a) of the Debenture (*Book Debts and Receipts*) at such branch of the Account Bank as the Lender may from time to time approve (acting reasonably).

"Encumbrance" means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, right of set-off, security trust, assignment by way of security, reservation of title, or any other security interest whatsoever, howsoever created or arising or any other agreement or arrangement (including any sale and leaseback transaction) entered into for the purposes of conferring security and any agreement to enter into, create or establish any of the foregoing.

"Event of Default" means one or more of the following events:

- (a) **Payment Default** The Chargor fails to pay on the due date for payment thereof any amount payable by it in respect of the Loan Facility unless the Lender is satisfied that non-payment is due solely to administrative error or technical delays in the transmission of funds and, in such circumstances payment is made within two Business Days of its due date.
- (b) **Breach of Negative Pledge** Any requirement of Clause 4 of the Debenture (*Restrictions on Dealing*) is not observed or satisfied.
- (c) **Breach of Obligations** The Chargor fails to comply with any of its obligations under the Investment Agreement or under the Debenture, if that failure is in the opinion of the Lender (acting reasonably) capable of remedy, if it is not remedied within fourteen days of the earlier of:
 - (i) the Lender notifying the Chargor of that default; and
 - (ii) the Chargor becoming aware of the relevant matter.
- (d) **Misrepresentation** Any representation, warranty or statement which is made by the Chargor in the Investment Agreement or under the Debenture, or is contained in any certificate, statement or notice provided in connection with the Investment Agreement is incorrect in any material respect when made (or when deemed to be made or repeated) and, if the circumstances giving rise to that default are in the

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

opinion of the Lender (acting reasonably) capable of remedy, they are not remedied within fourteen days of the earlier of:

- (i) the Lender notifying the Chargor of that default; and
- (ii) the Chargor becoming aware of the relevant matter.

(e) Invalidity and Unlawfulness

- (i) Any provision of the Investment Agreement (other than a provision of a minor technical or administrative nature) is or becomes invalid or unenforceable for any reason or the Chargor denies the existence of any liability or obligation on its part under the terms of the Loan Facility.
- (ii) Any act, condition or thing required to be done, fulfilled or performed in order to:
 - (A) enable the Chargor lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under the Investment Agreement;
 - (B) ensure that the obligations expressed to be assumed by the Chargor under the Investment Agreement are legal, valid and binding;
 - (C) make the Investment Agreement admissible in evidence in the courts of the jurisdiction to which the Chargor has submitted; and
 - (D) create and perfect the security constituted by the Debenture,

is not done, fulfilled or performed in all material respects.

(f) Insolvency

- (i) The Chargor stops or suspends or threatens, or announces an intention to stop or suspend, payment of its debts.
- (ii) The Chargor is, for the purpose of section 123 of the Insolvency Act 1986 (on the basis that the words "*proved to the satisfaction of the court*" are deemed omitted from sections 123(1)(e) and 123(2) of that Act) or any other applicable law, deemed to be insolvent or unable, or admits its inability, to pay its debts as they fall due or becomes insolvent or a moratorium is declared in relation to the Chargor.

(g) Receivership and Administration

- (i) Any encumbrancer takes possession of, or a receiver, administrative receiver or administrator or similar officer is appointed over or in relation to, all or any material part of the assets of the Chargor.
- (ii) A meeting is convened, an application is made or any other step is taken, or any notice is given of the intention to convene a meeting or take any other

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

step, for the purpose of appointing a receiver, administrative receiver or other similar officer of or in relation to the Chargor.

- (iii) An application is made or any other such document is issued, a meeting is convened, or any other step is taken, or any notice is given of the intention to convene a meeting or take any other step, for the purpose of appointing an administrator or other similar officer of, or for the making of an administration order in relation to the Chargor.

(h) Compositions and Arrangements

- (i) The Chargor convenes a meeting of its creditors generally or takes any step with a view to a moratorium or proposes or makes any arrangement or composition or compromise with, or any assignment for the benefit of, its creditors generally.
- (ii) The Chargor proposes or enters into any negotiations for or in connection with the rescheduling, restructuring or re-adjustment of its indebtedness by reason of, or with a view to avoiding, financial difficulties.

(i) Winding up

- (i) (Other than in connection with a solvent reorganisation, the terms of which have been approved by the Lender) any meeting of the Chargor is convened for the purpose of considering any resolution for (or to petition for) its winding up or the Chargor passes such a resolution.
- (ii) A petition or any other such document is presented for the winding up of the Chargor or an order is made for the winding up of the Chargor (other than a frivolous or vexatious petition, or any other such document, dismissed, withdrawn or discharged within 14 days of being presented or any other petition which is contested on *bona fide* grounds and dismissed, withdrawn or discharged prior to the winding-up order being made).

- (j) **Attachment or Process** A creditor attaches or takes possession of, or a distress, execution, sequestration or other process is levied or enforced upon or against all or any part of the assets of the Chargor in respect of indebtedness exceeding £10,000 (or its equivalent in other currencies) in aggregate at any time and which is not discharged within 14 days of such act.

- (k) **Suspension of Payments** Any order is made, any resolution is passed or any other action is taken for the suspension of payments, protection from creditors or bankruptcy of the Chargor.

- (l) **Cessation of Business** The Chargor suspends, ceases, or threatens or proposes to suspend or cease, to carry on all or a substantial part of its business.

- (m) **Compulsory Acquisition** All or any material part of the assets of the Chargor are seized, nationalised, expropriated or compulsorily acquired by, or by the order of, any central or local governmental authority in relation to which full market value

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

compensation is not paid and as a result the business of the Chargor is materially and adversely affected or curtailed.

- (n) **Security Interests** Any Encumbrance affecting the business, undertaking or any of the assets of the Chargor and securing indebtedness exceeding £10,000 (or its equivalent in other currencies) in aggregate becomes enforceable, whether or not steps are taken to enforce the same.

"Insurances" means all contracts and policies of insurance (including, for the avoidance of doubt, all cover notes) of whatever nature which are, from time to time, taken out by or on behalf of the Chargor or (to the extent of such interest) in which the Chargor has an interest.

"Investment Agreement" means the investment agreement dated 6 August 2004 as amended from time to time among the Chargor, the Lender and Martin Pugh and Simon Maitland as directors.

"Loan Facility" means a loan of up to £220,000 advanced by the Lender to the Chargor for a period of 3 years in accordance with the terms and conditions of the Investment Agreement

"Material Contracts" means:

- (o) any and all contracts from time to time entered into by the Chargor with a third party, pursuant to which the Chargor performs services in respect of washroom equipment or facilities; and
- (p) any such contracts designated as Material Contracts from time to time.

"Permitted Encumbrances" means:

- (a) any Encumbrance arising under, or constituted by, the Debenture;
- (b) any Encumbrance arising in the ordinary course of business by operation of law and not as a result of any default or omission on the part of the Chargor; and
- (c) any other Encumbrances to which the Lender shall have given prior written consent.

"Realisations Accounts" means each account maintained from time to time by the Lender for the purposes of Clause 10.5 of the Debenture (*Contingencies*) at such branch of the Account Bank as the Lender may from time to time approve.

"Receiver" means an administrative receiver, a receiver and manager or other receiver, in either case, appointed pursuant to the Debenture.

"Security Accounts" means the Collateral Accounts and the Realisations Accounts.

Form 395

ANNEX 2

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

- 1 Fixed Charges** The Chargor, as continuing security for the payment, discharge and performance of all the Secured Obligations, has charged and has agreed to charge in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 by way of first fixed charge:
- (a) its present and future interest in all stocks, shares, debentures, bonds, warrants, coupons or other securities and investments now or in the future owned by the Chargor from time to time;
 - (b) all plant and machinery, computers and vehicles now or in the future owned by the Chargor and its interest in any plant, machinery, computers and vehicles in the Chargor's possession other than any part of the Chargor's stock in trade or work in progress from time to time;
 - (c) all moneys (including interest) from time to time standing to the credit of each of the Chargor's present and future accounts (including each Security Account) with any bank, financial institution or other person in any jurisdiction and all rights in relation thereto and the debts represented thereby provided that without prejudice to any other provision of this Clause 1, any monies paid out of such accounts without breaching the terms of the Investment Agreement and not paid into another such account in the name of the Chargor shall be released from the fixed charge hereby effected upon the proceeds so being paid out;
 - (d) all rights, interests and benefits to and in respect of the Insurances and all claims (and proceeds thereof) and returns of premiums in respect thereof to which the Chargor is now or may at any future time become entitled;
 - (e) all of the Chargor's present and future book and other debts, and all other moneys due and owing to the Chargor or which may become due and owing to it at any time in the future and the benefit of all rights, securities and guarantees of any nature whatsoever now or at any time enjoyed or held by it in relation to any of the foregoing including, in each case, the proceeds of the same, all liens, reservations of title, rights of tracing and other rights enabling the Chargor to enforce such debts provided that without prejudice to any other provision of this Clause 1 such proceeds shall be released automatically from the fixed charge effected by this paragraph (e) upon these proceeds being credited to any Realisations Account;
 - (f) to the extent that the same do not fall within any other sub-paragraph of this Clause 1 (*Fixed Charges*) and are not effectively assigned under Clause 2.1 herein (*Assignments*) all of the Chargor's rights and benefits under all Material Contracts;
 - (g) any beneficial interest, claim or entitlement of the Chargor to any assets in any pension fund;

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

- (h) the Chargor's present and future goodwill (including all brand names not otherwise subject to a fixed charge under the Debenture);
- (i) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with the Chargor's business or the use of any of the Charged Assets and the right to recover and receive all compensation which may at any time become payable to it in respect thereof; and
- (j) the Chargor's present and future uncalled capital.

2 ASSIGNMENTS

2.1 Assignments Subject to Clause 2.2 herein (*Non-Assignable Material Contracts*), the Chargor has assigned and has agreed to assign to the Lender, with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and as continuing security for the payment, discharge and performance of all Secured Obligations (to the extent the same do not fall within any other provision of this Clause 2) all of its rights, title, interest and benefits under the Material Contracts, any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it, together with the benefit of all powers and remedies for enforcing the same.

2.2 Non-Assignable Material Contracts To the extent that any such right, title and interest described in Clause 2.1 herein (*Assignments*) is not assignable or capable of assignment:

- (a) the assignment purported to be effected by Clause 2.1 herein (*Assignments*) shall operate as an assignment of any and all damages, compensation, remuneration, profit, rent or income which the Chargor may derive therefrom or be awarded or entitled to in respect thereof, with full title guarantee as continuing security for the payment, discharge and performance of the Secured Obligations; and
- (b) the Chargor shall hold the benefit of any such right, title and interest on trust for the Lender.

2.3 Material Contracts Whilst no Event of Default exists (and subject always to the terms of the Loan Facility):

- (a) the Chargor may exercise its rights under the Material Contracts, provided that the exercise of those rights in the manner proposed would not cause an Event of Default; and
- (b) any payments received by the Chargor under or in respect of the Material Contracts shall be paid by the Chargor into a Collateral Account and be subject to the provisions of Clause 8.5 of the Debenture (*Book Debts and Receipts*) pending application in accordance with the terms of the Debenture.

3 FLOATING CHARGE

3.1 Creation of Floating Charge The Chargor, as owner with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 and by way of a first floating charge, has charged in favour of the Lender as continuing security for the

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

payment, discharge and performance of the Secured Obligations, all its undertaking, property, assets, shares, intellectual property, real property and rights whatsoever and wheresoever both present and future to the extent such assets have not otherwise been validly and effectively mortgaged or charged pursuant to Clause 3 of the Debenture (*Creation of Fixed Security*) (the "Floating Charge Assets").

3.2 The Floating Charge created by the Debenture is a qualifying floating charge for the purpose of Paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4 Restrictions on Dealing The Chargor has undertaken that, except as permitted under the terms of the Debenture or the Investment Agreement it will not:

- (a) create or permit to subsist any Encumbrance over all or any of its assets, rights or property other than (i) the Encumbrances created pursuant to the Debenture or the Investment Agreement or (ii) Permitted Encumbrances; or
- (b) lease, sell, transfer, assign or otherwise dispose of or agree to lease, sell, transfer, assign or otherwise dispose of, all or any part of its assets, rights or property, including the Charged Assets or any interest therein.

5 FURTHER ASSURANCES

5.1 The Chargor has covenanted that it will, at its own expense from time to time, execute and give all such assurances and do all acts and things as the Lender may require or consider desirable under the laws of any jurisdiction governing the Charged Assets to enable the Lender to perfect or protect the security intended to be created hereby over the Charged Assets or any part thereof or to facilitate the sale of the Charged Assets or any part thereof or the exercise by the Lender of any of the rights, powers, authorities and discretions vested in it or any Receiver of the Charged Assets or any part thereof or any such delegate or sub-delegate as aforesaid, including to facilitate vesting all or part of such assets in the name of the Lender or in the names of its nominee, agent or any purchaser. To that intent, without prejudice to the generality of the foregoing and subject to the terms and conditions set out in the other Clauses of the Debenture, the Chargor has agreed to execute all transfers, sales, dispositions and appropriations (whether to the Lender or otherwise) and shall give all notices, orders and directions and make all registrations which the Lender may (in its absolute discretion) consider expedient.

5.2 Without prejudice to the generality of Clause 5.1 herein but subject to the other terms and conditions of the Debenture, the Chargor has covenanted forthwith at the request of the Lender to execute a legal mortgage, charge or other security at any time over all or any of the Charged Assets subject to or intended to be subject to the security constituted by the Debenture in such form as the Lender may require but containing terms no more onerous than those in the Debenture.

6 RECEIVER

6.1 Appointment of Receiver

- (a) At any time after the security constituted by the Debenture becomes enforceable in accordance with its terms or if an application is made for the appointment of or notice

Pure Washrooms LTD (the "Chargor")

Company Number: 04952707

is given of intention to appoint an administrator in respect of the Chargor or if requested by the Chargor, the Lender may without further notice appoint under seal or in writing under its hand any one or more qualified persons to be a Receiver of all or any part of the Charged Assets in like manner in every respect as if the Lender had become entitled under the Law of Property Act 1925 to exercise the power of sale thereby conferred.

- (b) The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the court.
- (c) The Lender may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) if the Lender is prohibited from doing so by section 72A of the Insolvency Act 1986 and none of the exceptions to the prohibition on appointing an administrative receiver apply.
- (d) As used in this clause "**qualified person**" means a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any Chargor with respect to which he is appointed or (as the case may require) an administrative receiver of any such Chargor.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04952707

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 18th JULY 2005 AND CREATED BY PURE WASHROOMS LTD FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO BRIDGES COMMUNITY DEVELOPMENT VENTURE FUND 'A' LP 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 25th JULY 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 28th JULY 2005.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —