



Registration of a Charge

Company name: **A F REPROGRAPHICS LIMITED**

Company number: **08299595**



X304QN8I

Received for Electronic Filing: **22/01/2014**

Details of Charge

Date of creation: **16/01/2014**

Charge code: **0829 9595 0002**

Persons entitled: **DISCOVERY FLEXIBLES LIMITED (COMPANY NUMBER: 02417982)**

Brief description: **A FIRST LEGAL MORTGAGE (OR IN THE EVENT THERE IS ALREADY A FIRST LEGAL MORTGAGE IN PLACE, A SUBSEQUENT LEGAL MORTGAGE) OVER ANY FREEHOLD, LEASEHOLD OR IMMOVABLE PROPERTY NOW VESTED IN THE BORROWER TOGETHER WITH ALL BUILDINGS, TRADE AND OTHER FIXTURES, FIXED PLANT AND ALL MACHINERY OF THE BORROWER FROM TIME TO TIME THEREON. A FIXED CHARGE OVER ALL OTHER FREEHOLD, LEASEHOLD AND OTHER IMMOVABLE PROPERTY WHEREVER SITUATED NOW OR IN THE FUTURE BELONGING TO THE BORROWER TOGETHER WITH ALL BUILDINGS, TRADE AND OTHER FIXTURES, FITTINGS, FIXED PLANT AND MACHINERY OF THE BORROWER FROM TIME TO TIME THEREON. A FIXED CHARGE OVER THE INTELLECTUAL PROPERTY NOW OR IN THE FUTURE BELONGING TO THE BORROWER.**

Contains fixed charge(s).

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

Notification of addition to or amendment of charge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HARRISON CLARK RICKERBYS LIMITED**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8299595

Charge code: 0829 9595 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th January 2014 and created by A F REPROGRAPHICS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd January 2014 .

Given at Companies House, Cardiff on 23rd January 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

16th January

2014

(1) A F REPROGRAPHICS LIMITED

- and -

(2) DISCOVERY FLEXIBLES LIMITED

CONTENTS

relating to the above property assets
and undertaking of A F Reprographics
Limited

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THIS DEBENTURE is made on 16th January 2014
BETWEEN:

- (1) A F REPROGRAPHICS LIMITED (registered in England and Wales with number 08298596) whose registered office is at A F Reprographics Nottingham Road, Spanton, Derby, DE21 7GZ (the "Borrower"); and
- (2) DISCOVERY FLEXIBLES LIMITED (registered in England and Wales with number 02417862) whose registered office is at 7 Park Road, Duffield, Belper, Derbyshire, DE30 4GL (the "Lender").

WITNESSES as follows:

1. COVENANT TO PAY

The Borrower covenants when the same shall be or become due or in the absence of any specified due date, on demand to pay and discharge to the Lender without set off, counterclaim, withholding or deduction all monies, obligations and liabilities whether principal, interest or otherwise which may now or at any time in the future be due owing or incurred by the Borrower to the Lender whether actual or contingent and whether alone, severally or jointly as principal, guarantor, surety or otherwise and in whatever name or style and whether on any current or other account or in any other manner together with interest charges and other expenses.

2. CHARGE

2.1 The Borrower with full title guarantee and as a continuing security charges with the payment or discharge of all monies obligations and liabilities hereby covenanted to be paid or discharged by the Borrower.

2.1.1 by way of first legal mortgage (or in the event there is already a first legal mortgage in place, a subsequent legal mortgage) any freehold leasehold or other immovable property now vested in the Borrower including the land referred to in the First Schedule together with all buildings, trade and other fixtures, fixed plant and all machinery of the Borrower from time to time thereon;

2.1.2 by way of first fixed charge, the chattels (including all additions and improvements to, and replacement of, them from time to time) securities, intellectual property and/or other property mentioned in the Second Schedule hereto;

2.1.3 by way of first fixed charge:

2.1.3.1 all other freehold leasehold and other immovable property wherever situated now or in the future belonging to the Borrower together with all buildings, trade and other fixtures, fittings, fixed plant and machinery of the Borrower from time to time thereon;

2.1.3.2 all chattels now or at any time afterwards belonging to the Borrower, excluding any of them which form part of the stock in trade or work in progress of the Borrower or which are, for the time being effectively charged by way of legal mortgage or fixed charge by the Debenture;

2.1.3.3 all plant and machinery now or in the future belonging to the Borrower other than fixed plant and machinery;

2.1.3.4 the benefit of all rights, licences, guarantees, rent and other deposits, contracts, negotiable instruments, bills of exchange, promissory notes, deeds, undertakings and warranties relating to land or other property and/or to any trade or business from time to time carried on by the Borrower;

2.1.3.5 all cash at bank, book debts and other debts now or in the future due or owing to the Borrower;

2.1.3.6 all monetary claims and any rents, licence fees or other payments due from any lessee, licensee or occupier of any immovable property wherever situated now or at any time afterwards due, owing or incurred to the Borrower. In addition, the full benefit of all guarantees and securities for them and all liens, reservations of title and other rights

enabling the Borrower to enforce any such debts or claims. This excludes such debts and claims (if any) as the Lender may from time to time have agreed in writing with the Borrower which shall not be subject to this fixed charge and also such debts and claims as charged in accordance with clause 2.1.3.5 above;

2.1.3.7 all stocks, shares, debentures, bonds, loan capital and other securities now or in the future belonging to the Borrower together with all rights to subscribe to or convert other securities into or otherwise acquire any such securities and dividends, interest and other income and all other rights deriving therefrom (together with any securities mentioned in the Second Schedule hereto);

2.1.3.8 the goodwill of the Borrower and the uncalled capital for the time being;

2.1.3.9 all policies of life insurance or assurance and all rights and claims to which the Borrower is now, or may at any time from now become entitled in relation to the proceeds of any of them or of any other policies of insurance of any description;

2.1.3.10 all rights in other property to which the Borrower is now, or at any time from now become entitled as a result of, or in connection with, any proceedings threatened or commenced under the Insolvency Act 1986 or any similar legislation in any jurisdiction;

2.1.3.11 all patents, trade marks, service marks, designs, utility models, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights chooses in action and claims and all fees, royalties and other rights of every kind deriving therefrom now or in the future belonging to the Borrower, including applications in respect of such rights and whether situated

in the United Kingdom or abroad (together with any of the same mentioned in the Second Schedule hereto).

2.1.3.12 the benefit of all agreements for the provision by the Borrower to any person of any loan or credit or other financial accommodation of any description (including, without limitation, any finance leases and hire or hire-purchase agreements) now, or at any time afterwards, entered into by the Borrower, and

2.1.3.13 the proceeds of sale of any property mentioned above;

2.1.4 by way of first floating charge the whole of the Borrowers undertaking and all its property and assets whatsoever and wheresoever present and future other than the property and assets from time to time effectively charged to the Lender by way of legal mortgage or fixed charge by this Debenature and recognised as effectively so charged under the laws of the jurisdiction in which the security is situated.

2.2 The Lender may convert the floating charge at any time by notice in writing to the Borrower that it holds charge as ~~regulates~~ all the property and ~~assets~~ which for the time being are the subject of such floating charge or, in the case may be, such of the said property and ~~assets~~ as are specified by such notice. Unless otherwise agreed in writing the Lender shall be entitled to convert the floating charge created by this Debenure into a fixed charge without notice to the Borrower. The floating charge created by this Debenure shall unless otherwise agreed in writing by the Lender automatically and without notice be converted into a fixed charge in the event that:

2.2.1 the borrower shall create or permit to subsist any security interest as described in clause 3.1.1 other than this Debenure;

2.2.2 if and when any person leaves or notifies the Borrower that it intends to levy any distress execution sequestration or other process against the assets or undertaking of the Borrower.

2.2.3 If and when the Borrower ceases to carry on business or to be a going concern;

2.2.4 If the Borrower is in breach of this Debenture or any other security given to the Lender;

2.2.5 If any of the liabilities become due and outstanding prior to their stated maturity.

2.3 The Borrower shall immediately notify the Lender if any of the above events occur and in any event the ability of the Borrower to deal in any way with its assets which had previously been subject to the floating charge shall cease except to the extent that the Lender may otherwise agree in writing.

2.4 The security from time to time constituted by or pursuant to this Debenture shall be in addition to and shall not prejudice, determine or affect any other security which the Lender may from time to time hold for or in respect of all or any part of the monies obligations and liabilities hereby secured. No prior security held by the Lender over the property charged by this Debenture or any part of it shall merge in the security created hereby or pursuant hereto which will remain in force and effect as a continuing security until discharged by the Lender.

3. RESTRICTIONS ON DEALING

3.1 The Borrower represents warrants and undertakes that:

3.1.1 It is and will be the sole beneficial owner with full title guarantee of all of the assets charged by this Debenture free from any encumbrances save for an existing debenture registered over the Company in favour of Falcorp Limited and dated 20th December 2012 (the "Prior Debenture") and will not create or attempt to create or permit to subsist or arise any mortgage, charge, pledge, hypothecation, lien or other security interest or encumbrance on any of its assets other than this Debenture;

3.1.2 It shall not without the prior written consent of the Lender and subject to the Prior Debenture sell, part with, transfer, lease, lend, licence or otherwise dispose of the whole or any part of its undertaking or (save

3.1.3 it shall not without the prior written consent of the Lender part with possession of any freehold leasehold or other property which is subject to the fixed charge, allow any person other than the Borrower to make use of such property, permit any such property to leave the possession of the Company or England or Wales, other than in connection with the business of the Company; and

3.1.4 it shall not without the prior written consent of the Lender release, compound, set off, grant time or agree to make any other arrangements in respect of, or in another way deal with all, all or any of the debt owed to the Borrower except as expressly allowed by this

Debiture

4.1 The Borrower represents and warrants to the Lender that, subject to the prior Deliverable:

4.1.2 this Debenure constitutes its valid and legally binding and enforceable obligations and is a security over the entire property assets and undertaking of the Borrower, effective in accordance with its terms;

4.1.3.1 keep all buildings and all plant machinery fixtures and fittings and records in good repair, condition and order and shall permit any person or persons nominated by the landlord free

access at all reasonable times to view the state, repair or condition of these and all other assets and/or take copies and extracts from such records; and

4.1.3 whenever any of the said building, fixtures, fittings or plant and machinery are destroyed, damaged or deteriorated, immediately repair, replace and make good the same;

4.1.4 it will not without the prior written consent of the Lender:

4.1.4.1 pull down or remove the whole or any part of any buildings forming part of the land charged by this Debenure;

4.1.4.2 sever or unfix or remove any of the fixtures or fittings; or

4.1.4.3 except for the purpose of effecting necessary repairs to them or of replacing the same with new or improved models or substitutes, remove any of the plant and machinery belonging to, or in use by, the Borrower;

4.1.5 it will obtain, maintain and comply with all licences, consents and other authorisations (including, without limitation, authorisations from the relevant regulatory authorities) which may be necessary or desirable in relation to all or any part of the charged property or any business or other activity from time to time carried on by the Borrower;

4.1.6 it will not without the prior written consent of the Lender:

4.1.6.1 carry out, or allow to be carried out, on any land charged by this Debenure, any development as defined in the Town and Country Planning Act 1990;

4.1.6.2 enter into any agreement under Section 106 of the said Act, or

4.1.6.3 change, or allow to be changed, the use of any such land;

4.1.7 it will:

4.1.7.1 observe and perform all covenants, stipulations and conditions which from time to time affect the use or possession of the charged property whether arising under any lease or other agreement under which the charged property is held;

4.1.7.2 punctually pay all rents and other payments becoming due, or to become due, under any lease or other agreement mentioned above;

4.1.7.3 enforce the observance and performance of other parties' obligations under any lease or other agreement mentioned above;

4.1.7.4 if the Lender so requires, produce to the Lender evidence sufficient to reasonably satisfy it that the requirements mentioned above have been complied with;

4.1.8 it will:

4.1.8.1 comply with all statutory and other regulations affecting the Borrower and the charged property. This will include all environmental laws and environmental permits applicable from time to time to all or any part of the charged property or any business or other activity from time to time carried on by the Borrower;

4.1.8.2 not allow any circumstances to arise which could lead:

- (a) to any competent authority or other person taking action, or making a claim under any environmental laws (including the requirement to clean up any contaminated land or the revocation, suspension, variation or non-renewal of any environmental permit), or
- (b) to the Borrower having to take action to prevent the possibility of any such action or claim;

4.1.8.3 indemnify each of the Lender, the Receiver (and their respective officers, agents and delegates) against all costs, expenses and liabilities properly incurred (directly or indirectly) as a result of any non-compliance or alleged non-compliance with any environmental laws in relation to all or any part of the charged property or anything done or not done on it at any time.

4.1.9 it will:

4.1.9.1 within 7 days after becoming aware of the same, give full particulars to the Lender of any notice, order, direction, designation, resolution or proposal affecting all or any part of the charged property or (in the case of any land) the locality in which it is situated, given or made by any planning authority or other public body or authority whatsoever (including, without limitation, any licensing authority);

4.1.9.2 immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any of the matters mentioned in 4.1.9.1 above and make (or join with the Lender in making) such objections or representations in respect of them;

4.1.10 it will permit the Lender, its agents and any person authorised by it, to enter any land charged by this Debenure or on which any other part of the fixed charged property is situated, at all reasonable times and on reasonable notice (except in case of emergency) for the purpose of inspecting or valuing any of the fixed charged property and if the Lender calls for such a valuation (which it is entitled to do) that shall be at the expense of the Borrower;

4.1.11 it will not without the prior written consent of the Lender:

4.1.11.1 grant or vary, or agree to grant or vary, any licence or tenancy affecting any land charged by this Debenure;

4.1.11.2 exercise the powers of leasing, or agreeing to lease, or of accepting or agreeing to accept surrenders of leases conferred by Sections 99 or 100 of the Law of Property Act 1925;

4.1.11.3 in any other way, dispose, or agree to dispose of, or create, any legal or equitable estate or interest in any land charged by this Debenure;

4.1.11.4 negotiate, settle or waive any claim for loss, damage or other compensation (including without limitation compulsory purchase compensation) affecting any land charged by this Debenure; or

4.1.11.5 apply for an improvement or other grant or do anything which might result in any land charged by this Debenure being subject to any statutory charge;

4.1.12 it will ensure that, without the written consent of the Lender:

4.1.12.1 no person other than the Borrower shall be registered under the Land Registration Act 1925 in respect of the land to this as proprietor of any land charged by the Debenure;

4.1.12.2 no person shall become entitled to any proprietary right or interest which may adversely affect the value of such land (unless such entitlement exists at the date of this Debenure or at the time of the acquisition of such land by the Borrower) and the Borrower shall indemnify the Lender for all expenses reasonably incurred by the Lender in lodging from time to time cautions or notices against the registration of title to any such land;

4.1.13 it will:

4.1.13.1 permanently keep all tangible moveable property forming part of the fixed charged property at the premises (if any) specified in the Second Schedule below or at such other

premises as the Lender may from time to time reasonably approve in writing;

4.1.13.2 keep such fixed charged property within England and Wales and notify the Lender upon request of the location of such fixed charged property from time to time;

4.1.13.3 upon written notice from the Lender, keep such fixed charged property at the premises so notified or at such other premises as may be reasonably authorised in writing by the Lender;

4.1.13.4 pay all costs for the relocation of any of the fixed charged property;

4.1.14 it will ensure that there is fixed to all tangible moveable property forming part of the property which is subject to the fixed charge in a prominent position a plaque containing the following words "NOTICE OF CHARGE. This property and accessories are subject to a first fixed charge in favour of Deutsche Finanzbank Limited" or in such other form as the Lender may require;

4.1.15 ~~it shall~~:

4.1.15.1 insure and keep insured such of its property as is insurable with such insurer and against such risks and in such amounts and otherwise in such terms as the Lender may reasonably require. In any event or if the Lender makes no requirement then the Borrower will maintain such insurance as are normally maintained by prudent companies carrying on similar businesses;

4.1.15.2 see that if so requested the interest of the Lender is noted upon all policies of such insurance or, if the Lender shall require, in the joint names of the Borrower and the Lender;

4.1.15.3 if the Lender requires, it will produce or deposit with the Lender all such policies and receipts for all premium and

other payments necessary for effecting and maintaining such insurances;

4.1.15.4 punctually pay all premiums and other monies necessary for keeping up such insurances or any other insurances as may be referred to in clause 2.1.3.9;

4.1.15.5 ensure that it complies with the terms of the insurances and shall not do or permit to be done anything which might adversely affect or increase the premium payable on such policies or make void or voidable any insurance effected;

4.1.15.6 promptly notify the Lender of anything which might give rise to a claim under such policies;

4.1.16 it shall subject to any rights of a lessor apply any insurance proceeds in making good the loss or damage or at the Lender's option in or towards the discharge of the monies, obligations and liabilities secured by this Debenure and shall hold all such proceeds on trust for the Lender until such time as they are applied in accordance with this provision (or at the Lender's option direct that all sums payable under such insurances shall be paid directly to the Lender to apply in accordance with this clause);

4.1.17 it shall:

4.1.17.1 get in and realise the debts in the ordinary course of its business (which shall not extend to selling or assigning or in any other way factoring or discounting them);

4.1.17.2 pay the proceeds of such getting in and realisation, and all other monies received in respect of the fixed charged property, into such separate and denominated accounts as the Lender shall from time to time nominate in writing for such purpose or as the Lender may otherwise from time to time require;

4.1.17.3 pending such payment, hold such proceeds and other monies upon trust for the Lender;

4.1.17.4 except with the prior written consent of the Lender, not be entitled to withdraw or transfer from any such account any monies standing to the credit of such account;

4.1.18 it shall take all necessary steps to detect and prevent any infringement (including unauthorised access or use) of any intellectual property rights owned by the Borrower and do all things necessary to ensure that the intellectual property to which the Borrower is or may become entitled is valid and subsisting and remains valued in the Borrower and to maintain its value and make all applications and pay all costs and fees in connection with the same;

4.1.19 it shall promptly comply with all requirements of the Lender in respect of any securities held by it and shall not exercise any of its rights and powers in such a way as would, in the Lender's reasonable opinion, adversely affect the value of the security created by this Debenure and if so required shall deposit all certificates or documents of title to such securities with the Lender² and until the discharge of the security created by this Debenure shall hold all monies received in connection with such securities off trust for the Lender or shall apply such sums in reducing the liabilities owed to the Lender;

4.1.20 it shall permit its bankers to furnish directly to the Lender from time to time upon request full statements and particulars of all the Borrower's accounts with that bank and such other financial statements information respecting the assets and liabilities of the Borrower as are from time to time available to the bank;

4.1.21 it shall subject to the rights of any prior mortgagee deposit with the Lender all deeds certificates and documents constituting or evidencing title to the property or any part thereof charged by the Debenure and all insurance policies;

4.1.22 it shall at all times keep the assets which are subject to the fixed charge separate and distinct from any other property whatsoever whether belonging to the Borrower or to any other person;

4.1.23 it shall provide the Lender with all financial and other information with respect to the assets, liabilities and affairs of the Borrower and its subsidiaries and associated companies (if any) (including details of litigation whether in progress, pending or threatened and the location of assets) that the Lender may from time to time require;

4.1.24 it shall conduct and carry on its business in a proper and efficient manner and keep proper books of account relating to such businesses and shall not make any material alteration in the nature of its business which would constitute a change from the business carried on at the date of this Debenture.

4.2 If the Borrower shall fail to satisfy the Lender that it has performed any of its obligations under clause 4.1 then the Lender may take such steps as it considers appropriate to procure the performance of such obligation and shall not thereby be deemed to be a mortgagee in possession and the monies expended by the Lender shall be reimbursed by the Borrower on demand and until so reimbursed shall carry interest as mentioned in clause 1 from the date of payment to the date of reimbursement.

5. ~~ENFORCEMENT~~

5.1 This Debenture shall become enforceable and the Lender may demand the immediate payment in full of all liabilities secured under this Debenture if:

5.1.1 any of the monies obligations and liabilities secured by this Debenture shall not be paid or discharged by the Borrower in accordance with clause 1; or

5.1.2 the Borrower shall be in breach of any provision of this Debenture or of any agreement including security documents containing any terms and conditions of or applicable to the monies obligations and liabilities secured by this Debenture;

5.1.3 the Borrower is or is found to be insolvent or stops or suspends payments of its debts or is (or is deemed to be) unable or admits inability to pay its respective debts as they fall due or proposes or enters into any composition or other arrangement for the benefit of

its creditors generally or proceedings are commenced in relation to the Borrower under any law, regulation or procedure relating to reconstruction or adjustment of debts;

5.1.4 any step is taken for the winding up of the Borrower or any order is made by any competent Court or any resolution is passed by the Borrower for its winding up or dissolution or for the appointment of a liquidator of the Borrower except for the purposes of an amalgamation or reconstruction on terms and conditions which shall have first been approved in writing by the Lender;

5.1.5 an encumbrance shall take possession of or a receiver shall be appointed over or any secured creditor of the Borrower shall seek or be entitled to seek to enforce his security in respect of all or any of the property or assets charged by this Debenture;

5.1.6 any step is taken for the administration of the Borrower; or

5.1.7 any other event shall take place which in the opinion of the Lender puts in jeopardy all or any part of the security created by this Debenture.

5.2 Section 108 and 109 the Law of Property Act 1925 shall not apply and the statutory power of sale, leasing and all other powers under that or any other Act as varied or extended by this Debenture shall arise on and be exercisable at any time after any of the events set out in clause 5.1 have occurred.

5.3 Section 93 of the Law of Property Act 1925 dealing with the consolidation of mortgages shall not apply to this Debenture.

6. RECEIVER

6.1 The floating charge created by this Debenture relates to the whole or substantially the whole of the Borrower's undertakings and is intended to be a qualifying floating charge as defined by paragraph 14 of schedule B1 to the Insolvency Act 1986 (inserted by section 248 of and schedule 18 to the Enterprise Act 2002).

6.2 At any time after this Debenture has become enforceable or if the Borrower so requests in writing the Lender may without further notice to the Borrower appoint by writing under hand or under seal any one or more persons either singly, jointly, severally or jointly and severally to be a receiver, receiver and manager, administrator or administrative receiver as the case may require (each a "Receiver") of all or any part of the property charged by this Debenture and either at the time of appointment or any time thereafter may fix his or their remuneration and except as otherwise required by statute may remove any such Receiver and appoint another or others in his or their place.

7. POWERS OF RECEIVER

7.1 Any Receiver shall have all the powers conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees, mortgagees in possession (but without liability as such), receivers and administrators appointed under those Acts which in the case of joint receivers may be exercised either jointly or severally.

7.2 In addition, but without prejudice to the generality of the foregoing clause

7.1 the Receiver shall have power (in the name of the Borrower or otherwise and in such measure and on such terms and conditions and for such payment and consideration as he shall think fit) to:

7.2.1 take possession of, collect and get in all or any part of the property in respect of which he is appointed and for that purpose to take any proceedings or receive any payments in connection therewith;

7.2.2 carry on, manage, develop, reconstruct, amalgamate or diversify or concur in taking such action in connection with the business of the Borrower;

7.2.3 raise money from the Lender or others on the security of any property charged by this Debenture which may be in priority to the security created by this Debenture only with the Lender's written consent.

- 7.2.4 purchase or acquire any land or body corporate (or interest therein) and grant any interest in or right over land;
- 7.2.5 sell, assign, transfer (or concur in the same) let or concur in letting and terminate or accept surrenders of leases or tenancies of any of the property charged by this Debenure and to carry any such transactions into effect;
- 7.2.6 sell, assign let or otherwise dispose of or concur in selling, assigning, letting or otherwise disposing of or deal with all or any of the property in respect of which he is appointed (including the disposal of fixtures, plant and machinery separately from the premises to which they are fixed or contained);
- 7.2.7 make any arrangement or compromise between the Borrower and any other person which he may think expedient;
- 7.2.8 take, defend or participate in any proceedings (including without limitation arbitration proceedings) as he may reasonably consider to be expedient;
- 7.2.9 make and effect all repairs, improvements and insurance;
- 7.2.10 purchase materials, tools, equipment, goods or supplies;
- 7.2.11 call up any uncalled capital of the Borrower with all the powers conferred by the articles of association of the Borrower in relation to calls;
- 7.2.12 employ, engage and appoint managers and other employees and professional advisers at such remuneration as he shall think fit;
- 7.2.13 delegate by power of attorney or otherwise all or any of the powers, authorities and discretions which for the time being are held by the Receiver;
- 7.2.14 perform, repudiate, rescind, vary, enforce, disclaim or enter into any arrangement or compromise any contracts or agreements which he may consider expedient;

7.2.15 apply for or take such other steps as the Receiver reasonably considers necessary or desirable to obtain (in the name of a nominee or otherwise) such licences, consents, permits and approvals;

7.2.16 give valid receipts for all monies and execute all discharges assurance and things which may be proper or desirable for realising the assets or any part of them;

7.2.17 make elections for value added tax purposes as the Receiver may reasonably think fit;

7.2.18 do all such other acts and things as may be considered to be incidental or conducive to any other matters or powers aforesaid or to the realisation of the security constituted by this Debenture and which he lawfully may or can do (including compliance with any act or thing done or omitted to be done by the Borrower under the terms of this Debenture);

7.2.19 exercise any of the above powers on behalf of the Borrower or the Receiver or in the case of clause 7.2.11 on behalf of the Directors of the Borrower;

7.3 Any Receiver appointed under this Debenture whether acting solely or jointly shall be deemed to be the agent of the Borrower and to be in the same position as a receiver appointed under the LPA and the Borrower shall be solely responsible for his acts omissions defaults losses and misconduct and for his costs, charges, expenses and other remuneration and the Lender shall not be in any way liable or responsible either to the Borrower or to any other person whatsoever for any of them.

8. POWERS OF THE LENDER

8.1 The Borrower further covenants and agrees with the Lender that the Lender may exercise in the name of the Borrower or otherwise at any time after this Debenture has become enforceable and without any further consent or authority on the part of the Borrower in respect of the Securities any voting rights and all powers given to trustees by sections 10(3) and (4) of the Trustee Act 1925 (as

secured by section 9 of the Trustee Investments Act 1961) in respect of securities or property subject to a trust and any powers or rights which may be exercisable by the person in whose name any securities is registered or by the bearer thereof.

8.2

At any time after this Debeniture becomes enforceable (and notwithstanding the appointment of a Receiver or attorney) or if required by the Borrower the Lender may without further notice and without first appointing a Receiver exercise all or any of the powers conferred on mortgages by the Law of Property Act 1925 as varied or extended by this Debeniture and all the powers authorities and discretions conferred expressly or by implication on any Receiver in this Debeniture or conferred by statute or common law.

8.3

It shall be lawful for the Lender or any Receiver at any time to exercise for and on behalf of the Borrower any or all of the powers conferred on a landlord or tenant by the Landlord and Tenant Act 1927 and 1954 in respect of the assets secured by this Debeniture but without any obligation to exercise any of such powers and without any liability for powers so exercised and the Borrower hereby covenants with the Lender that it will promptly deliver to the Lender all notices served on the Borrower in respect of the assets under this Act.

8.4

At any time after this Debeniture shall have become enforceable, or after any powers conferred by any instrument having priority to this security created by this Debeniture shall have become exercisable, the Lender may retain such or any other prior interest or arrange the transfer of it to itself. It may settle and pass the accounts of any third party concerned and any account so settled and passed shall be conclusive and binding on the Borrower. All monies paid by the Lender to the third party in accordance with such accounts shall as from such payment be due from the Borrower to the Lender on current account and shall bear interest and be secured as part of the debt.

8.5

The rights and remedies of the Lender under this Debeniture are in addition to, and not in substitution for, any rights or remedies provided by law.

8.6

The restriction on the right of consolidating mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this Debeniture.

8.7

8.7.1 If the Borrower at any time fails to perform and observe the terms and obligations contained in this Debenture, the Lender may (but without being under any duty to do so) take such steps as in its reasonable opinion may be required to remedy such failure; and

8.7.2 this includes, without limitation, making any payment and, for the purpose mentioned in 8.7.1 above, the Lender and its agents may enter upon any land of the Borrower without being regarded as having entered into possession of it.

8. APPLICATION OF PROCEEDS

9.1 Any monies received by the Lender or any Receiver shall, subject to the repayment of any claims having priority to the charges created by this Debenture, be applied in the following order but without prejudice to the right of the Lender to recover any shortfall from the Borrower:

9.1.1 in the payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers and of all outgoings paid by him including without limitation the repayment;

9.1.2 in the payment of the Receiver's remuneration at such rate as may be agreed by the Lender;

9.1.3 in or towards the satisfaction of the monies, obligations and liabilities secured by this Debenture in such order as the Lender in its absolute discretion thinks fit;

9.1.4 in payment of the surplus (if any) to the person or persons entitled to it.

9.2 All monies received, recovered or realised by the Lender under this Debenture (including any proceeds of insurance) may be credited at the discretion of the Lender to any separate account and may be held in such account for so long as the Lender shall think fit pending its application from time to time in or towards the discharge of any of the monies obligations and liabilities secured by this Debenture.

10. PROTECTION OF THIRD PARTIES

No person dealing with a Receiver or the Lender shall be concerned to enquire whether any power which he or it is purporting to exercise has become and is still exercisable or whether any money is due under this Debenture or as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with such Receiver or the Lender.

11. INDEPENDENCE OF SECURITY

11.1 This Debenture shall be in addition to, and independent of, every other security which the Lender may at any time hold for any debt owed by the Borrower to the Lender.

11.2 No prior security held by the Lender over all or any of the charged property shall merge in the security created by this Debenture.

11.3 This Debenture shall remain in full force and effect as a continuing security unless and until the Lender discharges it.

12. DISCHARGE OF SECURITY

12.1 The ~~security constituted by this Debenture shall be continuing and shall not be considered as satisfied or discharged by any intermediate payment or settlement of the whole or any part of the liabilities secured hereunder and shall be binding until all such liabilities have been discharged in full to the satisfaction of the Lender and the Lender has ceased to have any obligation whether actual or contingent to make any credit or facility available to the Borrower.~~

12.2 Any settlement, discharge or release between (i) the Borrower and (ii) the Lender or a Receiver (the "Relevant Person(s)") shall be conditional upon no security given, or payment made, to the Relevant Person(s) by the Borrower (or any other person) being avoided or reduced as a result of any provisions or enactments relating to insolvency for the time being in force in any jurisdiction. In the event of such security or payment being avoided or reduced, the Relevant Person(s) shall be entitled to recover the value or amount of such security or payment from the Borrower subsequently as if such settlement, discharge or release had not occurred.

12.3 Notwithstanding any other provision of this Debenture, or any release, settlement, discharge or arrangement given or made by the Lender, the Lender may retain the security created by this Debenture (and all documents evidencing title to the charged property or any part of it deposited with it) following the payment and discharge in full of the debt for a period of two years and one month after such discharge. If at any time during the said period, any step taken for the administration or winding-up (whether voluntary or compulsory) of the Borrower or any analogous proceedings shall be commenced, the Lender may continue to retain this security and the documents mentioned above for such further period as the Lender may reasonably determine. The security created by this Debenture and documents relating to it shall be deemed to have continued to have been held as security for the debt.

13. ENTRY INTO POSSESSION

If the Lender or any Receiver shall enter into possession of the property hereby charged or any part thereof it or he may from time to time and at any time go out of such possession. Neither the Lender nor any Receiver shall in any circumstances (either by reason of any entry into or ending of possession of any such property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Borrower for anything except its or his actual receipts or be liable to the Borrower for any loss or damage arising from any realisation of the property hereby charged or from any act default or omission in relation thereto.

14. POWER OF ATTORNEY

14.1 The Borrower irrevocably appoints the Lender any Receiver and any person nominated by the Lender jointly and also severally to be the attorney of the Borrower with the power of substitution and in its name and otherwise on its behalf and as its act and deed to do all things which the Borrower may be required to do under this Debenture and to sign or execute all deeds instruments and documents which the Lender or any Receiver may require or deem proper for any of the purposes of or which the Borrower ought to do under this Debenture.

14.2 The Borrower agrees to ratify and confirm anything such attorney shall do or attempt to do in the exercise of any of its powers mentioned above or otherwise under this power of attorney.

15. FURTHER ASSURANCE

15.1 The Borrower shall immediately notify the Lender of any contract conveyance transfer assignment or other disposition, or the acquisition by the Borrower or any nominee on its behalf of any properties, intellectual property or securities and shall if the Lender so requires enter into such security instruments as the Lender shall deem necessary to perfect the Lender's security interest therein.

15.2 The Borrower agrees that in order to improve or perfect the security granted hereunder, upon demand by the Lender from time to time it shall (at its own cost) execute and deliver a formal assignment of all or any part of the secured assets and of any sums payable under any contracts or any liabilities now or hereafter to come into existence and that pending any such assignment the Borrower shall hold the same upon trust for the Lender and subject to the provisions of this Debenure.

15.3 The Borrower shall (at its own cost) whenever requested by the Lender immediately execute and sign all such deeds and documents and do all such things as the Lender may require at the Borrower's cost over any property or assets specified by the Lender for the purpose of perfecting or more effectively providing security to the Lender for the payment and discharge of the monies obligations and liabilities secured by this Debenure.

16. COSTS AND INDEMNITY

16.1 All costs, charges and expenses incurred by the Lender in relation to this Debenure or the monies and liabilities hereby secured shall be reimbursed by the Borrower to the Lender on demand on a full indemnity basis and until so reimbursed shall carry interest as mentioned in clause 1 from the date of payment to the date of reimbursement and be secured on the property charged by this Debenure.

16.2 The Lender and every Receiver, attorney or other person appointed by the Lender under this Debenture, and their respective employees shall be entitled to be indemnified on a full indemnity basis in respect of all liabilities and expenses incurred by any of them in or directly or indirectly as a result of the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this Debenture and against all actions, proceedings, losses, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the property charged by this Debenture and the Lender and any such Receiver may retain and pay all sums in respect of the same out of the monies received under the powers conferred by this Debenture.

17. CONSENTS

17.1 Any waiver or consent or approval required from the Lender shall only be effective if given in writing and then only for the purpose and upon the terms and conditions if any on which it is given.

17.2 Where the words "without the Lender's written consent" appear in any clause, the Lender will not unreasonably withhold consent. The Borrower agrees that it is reasonable for the Lender to refuse to consent to something if, in the Lender's reasonable opinion, it adversely affects or might affect:

17.2.1 the Lender's security under this Debenture and its ability to enforce it;

17.2.2 the value of that which is secured to the Lender and its ability to sell the same;

17.2.3 the Lender's ability to recover the debt or

17.2.4 the assessment of the value of this Debenture as an asset of the Lender.

17.3 Where the words "the Lender reasonably requires" appear in any clause, the Borrower agrees that it is reasonable for the Lender to require something if, in the Lender's reasonable opinion, it will or might assist in:

17.3.1 the preservation of the Lender's security under this Debenture or the value of that which is secured by it; or

17.3.2 the Lender's ability to recover the debt.

18. MISCELLANEOUS

18.1 The Lender may, without discharging or in any way affecting the security created by this Debenture or any remedy of the Lender, grant time or other indulgence or abstain from exercising or enforcing any remedies, securities, guarantees or other rights which it may now or in the future have from or against the Borrower and may make any arrangement, variation or release with any person or persons without prejudice either to this Debenture or the liability of the Borrower for the monies, obligations and liabilities secured by this Debenture.

18.2 The Lender shall have a full and unfettered right to assign the whole or any part of the benefit of this Debenture and the expression the "Lender" shall include its successors and assigns, and the Lender shall be entitled to disclose any information to any actual or prospective investors, advisors or participants in any of its group companies. The Borrower shall not be entitled to assign the whole or any part of its obligations under this Debenture or enter into any arrangements which would result in any of those obligations passing to another person.

18.3 The provisions of this Debenture shall be severable and if at any time any one or more such provisions is or becomes invalid illegal or unenforceable the validity, legality and enforceability of the remaining provisions shall not in any way be impaired.

18.4 If any invalid or unenforceable clause or paragraph (or part thereof) would not be invalid or enforceable if the form or effect were modified in any way, it shall be deemed to have the modified form or effect so long as the Lender consents.

18.5 The rights and remedies of the Lender provided by this Debenture are cumulative and are not exclusive of any rights, powers or remedies provided

by law and may be exercised from time to time and as often as the Lender may deem expedient.

18.6 Any reference in this Debenture to any statute or any section of any statute shall be deemed to include reference to any statutory modification or re-enactment thereof for the time being in force.

18.7 This Debenture constitutes the entire agreement between the parties with respect to the subject matter of this Debenture.

18.8 This Debenture may be executed in any number of counterparts in which case this Debenture will be as effective as if all signatures on the counterparts were on a single copy of this Debenture.

19. NOTICES

19.1 Any demand or notice under this Debenture shall be in writing and may be served personally on any director or the secretary of the Borrower or may be sent by post or facsimile or such other electronic means or may be delivered to the registered office of the Borrower or its last known place of business. If such demand or notice is sent by post it shall be deemed to have been received on the second day following the day on which it was posted and shall be effective notwithstanding that it was not in fact delivered or was returned undelivered. If sent by facsimile or such other electronic means it shall be deemed to have been received (whether or not actually received) at the time of transmission.

19.2 The Lender and any Receiver may but shall not be obliged to rely upon and act in accordance with any communication which may be or purport to be given by telephone or facsimile transmission on behalf of the Borrower by any person notified to the Lender by the Borrower as being authorised to give such communication without enquiry as to the authority and identity of the person making or purporting to make such communication. The Borrower shall indemnify and keep the Lender or any Receiver indemnified on a full indemnity basis against all losses claims actions proceedings damages costs and expenses incurred or sustained by the Lender as a result of relying upon or acting in accordance with any such communication.

20. **THIRD PARTY CONTRACTS**

A person who is not party to this Debenure shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenure. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

21. **GOVERNING LAW AND JURISDICTION**

This Debenure shall be governed by and construed in accordance with the laws of England and the Borrower irrevocably submits to the non-exclusive jurisdiction of the English Courts.

22. **LAND REGISTRY**

The Borrower certifies that this Debenure does not contravene its memorandum and articles of association and has been executed in accordance therewith and hereby applies to the Chief Land Registrar for a restriction to be entered on the register of its title to property charged by this Debenure which are or become registered at HM Land Registry Regic

No objection of the registered owner by him, proprietor of the registered estate is to be registered without a written consent signed by Debenure Financial Limited of 7 Park Road, Duffield, Belper, DE20 4GL or his conveyancer.

WITNESS whereof the Borrower and the Lender have executed this Debenure as a Deed on the day and year first above written.

THE FIRST SCHEDULE

Details of Property

[None at execution]

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THE SECOND SCHEDULE

Chittala and/or other property

Description	Serial/Registration Number(s)	Location
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EXECUTED as a DEED by A F) 
REPROGRAPHICS LIMITED in)
the presence of:
witness full name: Anthony Richards PERMANE
witness signature: 
witness address: 48 WINDSOR ROAD, LOWER ELMON, NORTH WYOM 422

Witness occupation: MANAGER

EXECUTED as a DEED by)
DISCOVERY FLEXIBLES)
WITNESSED in the presence of:)

witness full name: Anthony Richards PERMANE
witness signature: 
witness address: 48 WINDSOR ROAD, LOWER ELMON, NORTH WYOM 422

Witness occupation: MANAGER