000011/23

In accordance with Sections 859A and 859J of the Companies Act 2006.

MR01
Particulars of a charge

Companies House

A fee is payable with this form. Please see 'How to pay' on the last page.

You can use the We Please go to www.co

WEDNESDAY

A78YETDT
A10 27/06/2018 #265
COMPANIES HOUSE

✓ **What this form is for**
You may use this form to register a charge created or evidenced by an instrument.

✗ **What this form is N**
You may not use this register a charge whe instrument. Use form

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record.

1 Company details

For official use: 0 0 0 2

Company number	0 8 9 5 1 6 6 9
Company name in full	LINGUA TRANSLATIONS LIMITED

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date	d 1 d 5 m 0 m 6 y 2 y 0 y 1 y 8 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge.

Name	Partnership Invoice Finance Limited ✓
Name	
Name	
Name	

If there are more than four names, please supply any four of these names then tick the statement below.

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge.

4 Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.

Continuation page
Please use a continuation page if you need to enter more details.

Description

The Company has granted fixed charges upon;
(i) all the Company's plant and machinery and other equipment and all spare parts, replacements modifications and additions for or to the same; and
(ii) all the Company's goodwill unpaid and/or uncalled capital; and
(iii) all the Company's intellectual property as defined in the debenture and
(iv) all the Company securities as defined in the debenture;
(v) all loan capital, indebtedness or liabilities on any account or in any manner owing to the Company from any of its subsidiaries or any member of the Company's group of companies; and
(vi) all amounts realised by an administrator or liquidator of the Company upon enforcement or execution of any order of the Court under Part VI of the Insolvency Act 1986; and
(vii) all its documents of title which at any time and for any purpose have been or may be deposited with the Security Holder and the property mentioned in such documents; and
(viii) all the Company's Purchased Debts and their Associated Rights (as each is defined in the debenture).

(see continuation sheet)

5 Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☑ **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☑ **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☑ **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☑ **Yes**

☐ **No**

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

❶ This statement may be filed after the registration of the charge (use form MR06).

9 Signature

Please sign the form here.

Signature

Signature

X X

This form must be signed by a person with an interest in the charge.

MR01
Particulars of a charge

Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name: Philip Padgham

Company name: Partnership Invoice Finance Limited

Address: Suite B

15 Commercial Road

Post town: Paddock Wood

County/Region: Kent

Postcode: T N 1 2 6 E N

Country: UK

DX:

Telephone: 01892 576470

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.

Important information

Please note that all information on this form will appear on the public record.

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'

Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

This form has been provided free of charge by Companies House.

In accordance with Sections 859A and 859J of the Companies Act 2006.

MR01 - continuation page

Particulars of a charge

4 Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.

Description

The Company has granted floating charges upon all of the Company's undertaking, property, rights and assets whatsoever and wheresoever, both present and future (including the property rights and assets of the Company to the extent not effectively charged from time to time by any of the above fixed charges or assigned by way of security as described below).

The Company has assigned and agreed to assign by way of security to the Security Holder all its rights, title and interest in and to certain Life Policies (as defined in the debenture).
The Security Holder may at any time give written notice to the Company immediately converting (in whole or in part) any floating charge into a fixed charge.
The floating charge created by the debenture shall, unless otherwise agreed by the Security Holder in writing and in addition to any circumstances in which the same will occur under general law, automatically and without notice be converted into a fixed charge, if the Company fails to comply with its obligation to the Security Holder, or after an Event of Default (as defined in the debenture); or upon the appointment of a Receiver.

The Company has agreed that it will not sell, transfer, lease, license or otherwise dispose of the whole or any part of its charged assets or any interest therein (or agree to do any of the foregoing) without the prior written consent of the Security Holder but such restriction shall not prohibit the disposal of an asset the subject of a floating charge by way of sale on arm's length terms for commercial value in the ordinary course of its business.

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8951669

Charge code: 0895 1669 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th June 2018 and created by LINGUA TRANSLATIONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th June 2018.

(P)

Given at Companies House, Cardiff on 4th July 2018

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

PIFL 6

Date 15 JUNE **2018**

If other security holders exist also use deed of priority (PIFL8)

ALL ASSETS DEBENTURE

FROM

LINGUA TRANSLATIONS LIMITED

IN FAVOUR OF

PARTNERSHIP INVOICE FINANCE LIMITED

WE HEREBY CERTIFY THAT THIS INSTRUMENT DEED IS A TRUE COPY OF THE ORIGINAL.

DIRECTOR.

DATE: 26th JUNE 2018

ORDER OF CLAUSES

1 Covenant to Pay
2 Charging Provisions
3 Undertaking, Representations and Warranties
4 Further Assurance and Power of Attorney
5 Events of Default and Consequences
6 Power of Possession and Sale
7 Appointment of Receiver and His Powers
8 Variations to Statutory Provisions
9 Application of Monies
10 Protection of Third Parties
11 Continuing and Additional Security
12 Expenses and Indemnities
13 Payments, Discharge and Set-Off
14 Service of Notices and Process
15 Law and Jurisdiction
16 Transfers and Disclosures
17 Miscellaneous
18 Definitions and Interpretation

THIS DEBENTURE is made on the [ ] **BY THE PARTY DESCRIBED IN THE FIRST SCHEDULE HERETO** ("the Company" ") in favour of **PARTNERSHIP INVOICE FINANCE LIMITED** registered in England and Wales with number 04365011 ("Securityholder").

1. COVENANT TO PAY

The Company agrees with the Securityholder to pay, discharge and perform all the Secured Liabilities in accordance with the terms of the relevant Financing Document evidencing or giving rise thereto.

2. CHARGING PROVISIONS

2.1 Qualifying Floating Charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

2.2 Charges

The Company, as continuing security for the payment, discharge and performance of all the Secured Liabilities in relation to all of the following assets whether now or in future belonging to the Company hereby, in each case with full title guarantee:-

2.2.1 **Fixed Charges:** charges to the Securityholder by way of separate fixed charges:-

(i) all its plant and machinery and other equipment (including that listed in the Fourth Schedule) and all spare parts, replacements, modifications and additions for or to the same; and

(ii) all its goodwill, unpaid and/or uncalled capital; and

(iii) all its Intellectual Property; and

(iv) all its Securities; and

(v) all loan capital, indebtedness or liabilities on any account or in any manner owing to the Company from any Subsidiary or any member of the Company's Group; and

(vi) all amounts realised by an administrator or liquidator of the Company upon enforcement or execution of any order of the

Court under Part VI of the Insolvency Act 1986; and

(vii) all its documents of title which at any time and for any purpose have been or may be deposited with the Securityholder and the property mentioned in such documents; and

(viii) all the Company's Purchased Debts;

(ix) all the Company's Associated Rights to the Debts;

2.2.2 **Floating Charge:** charges to the Securityholder by way of a floating charge all of the undertaking, property, rights and assets of the Company whatsoever and wheresoever, both present and future (including the property rights and assets of the Company to the extent not effectively charged from time to time by any of the above fixed charges or assigned by way of security under clause 2.2.3);

2.2.3 **Assignments By Way of Security:** assigns and agrees to assign by way of security to the Securityholder all its rights, title and interest in and to the Life Policies.

2.2 Conversion of Floating Charge to a Fixed Charge

The Securityholder may at any time give written notice to the Company immediately converting (in whole or in part) the above floating charge into a fixed charge in respect of the Company.

2.3 Automatic Crystallisation

The floating charge created by this debenture shall, unless otherwise agreed by the Securityholder in writing and in addition to any circumstances in which the same will occur under general law, automatically and without notice be converted into a fixed charge:-

2.3.1 if the Company fails to comply with its obligations in clauses 3.1.1 and/or 3.1.16; or

2.3.2 after an Event of Default; or

2.3.3 upon the appointment of a Receiver.

2.4 Prior Encumbrances

This debenture shall take effect subject to the provisions of the prior Encumbrances over the Company's assets detailed in the Third Schedule, except as otherwise varied by any separate agreement.

2.5 Further Advances

This debenture secures both present and further advances. The Securityholder covenants to make available advances and further advances to the extent (and on the terms) provided for in any agreement from time to time giving rise to the Secured Liabilities.

3. UNDERTAKINGS, REPRESENTATIONS AND WARRANTIES

3.1 General Undertakings

The Company agrees that, whilst this security exists:-

3.1.1 **No Disposals:** it will not sell, transfer, lease, license or otherwise dispose of the whole or any part of its Charged Assets or any interest therein (or agree to do any of the foregoing) without the prior written consent of the Securityholder but such restriction shall not prohibit the disposal of an asset the subject of a floating charge by way of sale on arm's length terms for commercial value in the ordinary course of its business;

3.1.2 **Bank Information:** it will (and will procure that each member of its Group will) authorise its bankers to provide to the Securityholder copy statements from time to time in respect of all its (and their respective) bank accounts and to disclose all other information available to such bankers about the Company's and members of its Group's respective assets and liabilities, whenever requested by the Securityholder;

3.1.3 **Other Information:** it will provide such other information as the Securityholder may reasonably request regarding the Company's affairs and the affairs of any members of its Group;

3.1.4 **Litigation Details:** it will, immediately it becomes aware, provide the Securityholder with details of any present or future litigation, arbitration or administrative proceedings in progress, pending or to its knowledge threatened against it or against any members of its Group which might have a material adverse effect on its ability to perform its obligations under any of the Financing Documents or result in a liability for it or any member of its Group in excess of £10,000 (Ten Thousand Pounds);

3.1.5 **Access to Books:** it will (and will procure that each member of its Group will) permit the Securityholder free access at all reasonable

times to inspect and take copies of and extracts from its (and their respective) books, accounts and records and will (and will procure that each member of its Group will) provide the Securityholder with all information and facilities which it may require for such purpose;

3.1.6 **Enquiries:** it will (and will procure that each member of its Group will) on request grant the Securityholder and any agent of the Securityholder all reasonable facilities to enable it or them to carry out, at the Company's expense, such investigation of its title to, and other enquiries (including, without limitation, obtaining valuations) concerning the whole or any part of its Charged Assets as should be carried out by a prudent mortgagee;

3.1.7 **Intellectual Property:** it will use its best endeavours to detect any infringement of and to maintain, protect and enforce its rights in respect of its Intellectual Property and, if aware of such infringement or threat to such rights, will immediately give the Securityholder all information available to it about such infringement or threat and the actions taken and to be taken by it in respect thereof;

3.1.8 **Compliance with Laws:** it will comply in all material respects with all laws concerning its Charged Assets and with the requirements of any competent authority and every notice, order, direction, licence, consent, and permission lawfully made or given in respect of it, and will provide the Securityholder forthwith after receipt or it first becoming aware thereof with copies and full details of all such notices, orders, directions, licences, consents and permissions;

3.1.9 **Carrying on Business:** it will carry on its business in a proper and efficient manner and will not, without the prior written consent of the Securityholder, make any material alteration to its business as carried on at the date hereof;

3.1.10 **Maintaining Books:** it will (and will procure that each member of its Group will) maintain proper and up to date books of account and will keep such books and all other documents relating to its and their respective affairs at its registered office or at such other place where the same ought to be kept;

3.1.11 **Financial Statements:** it will (and will procure that each member of its Group will) deliver to the Securityholder the copies of its audited financial statements (including any consolidated financial statements which it is required by law to prepare) and any reports and notes accompanying them within 6 months of each financial year end (or earlier if required by the Securityholder under a Financing Agreement);

3.1.12 **Payment of Debts:** it will punctually pay all its debts and liabilities becoming due and payable and which would, on a winding-up of the Company, have priority over any of the Encumbrances created by this debenture;

3.1.13 **Outgoings:** it will punctually pay all outgoings payable in respect of its Charged Assets and will promptly produce the receipts for them to the Securityholder upon request;

3.1.14 **Observing Covenants:** it will observe and perform all restrictive and other covenants and stipulations for the time being affecting its Charged Assets or their use or enjoyment;

3.1.15 **Proprietary Interests:** it will not permit any person (including, without limitation, any member of its Group) to become entitled to any proprietary right or interest which might affect the value, use or marketability of its Charged Assets and will ensure that no overriding interest arises under the Land Registration Acts 1925-1988;

3.1.16 **Encumbrances:** it will ensure that no Encumbrances (other than liens arising by operation of law in the ordinary course of business and securing obligations not more than 60 days overdue) will arise on or after the date of this debenture in respect of its Charged Assets without the prior written consent of the Securityholder;

3.1.17 **Landlord:** it will notify the landlord of any leasehold property forming part of the Charged Assets of the existence of this security forthwith upon this security attaching to such leasehold property; and

3.1.18 **Accession:** it will procure that if any company that is not at the date of this debenture a member of the Company's Group or which does not, at present, carry on business subsequently becomes a member of that Company's Group or begins to carry on a business a duly executed Deed of Accession is entered into forthwith after such company becomes a member of its Group or begins to carry on a business;

3.2 Receivables

3.2.1 **Collecting Purchased Debts** the Company agrees that, whilst this security exists it will as agent of the Security Holder collect in and realise the Purchased Debts as if they were Debts purchased by the Securityholder pursuant to the Agreement and until payment into the Security Holder's bank account or into another bank account in

accordance with the Agreement hold such debts in trust for the Security Holder;

3.2.2 **Disposals:** the Company agrees that whilst this security exists the selling, discounting, factoring, creating any Encumbrance over, disposing of or, except in accordance with this debenture, otherwise dealing with its Other Debts without the prior written consent of the Securityholder shall not be considered as being in the ordinary course of the Company's business.

3.3 Securities

The Company agrees that, whilst this security exists:-

3.3.1 **Payment of Monies:** all Securities will at all times be fully paid but without prejudice to such assurance it will duly and promptly pay all monies which become due in respect of any of the Securities and indemnify the Securityholder in respect of any liability it may incur in respect of the Securities;

3.3.2 **Deposits:** forthwith upon the execution of this debenture, unless agreed otherwise in writing by the Securityholder, it will deposit with the Securityholder all certificates or documents of title in respect of the Securities, together with duly executed instruments of transfer or assignments thereof in blank as appropriate;

3.3.3 **Delivery:** unless the Securityholder agrees otherwise in writing, it will ensure the delivery or payment to the Securityholder of all Securities, or other property or monies accruing, offered or issued at any time by way of bonus, redemption, exchange, purchase, substitution, conversion, preference, option or otherwise in respect of any Securities or the certificates or other documents of title to or representing the same, together with executed instruments of transfer or assignments in blank as appropriate in respect thereof; and

3.3.4 **Registration:** the Securityholder shall at any time be entitled to have any of the Securities or other moneys or property referred to in clauses 3.2.2 and/or 3.3.3 registered either in its name or in the name of nominees selected by it.

3.4 Real Estate

The Company agrees that, whilst this security exists:-

3.4.1 **Maintenance:** it will keep all its freehold and leasehold property in good and substantial repair and will allow the Securityholder free access, at all reasonable times, to view the state and condition of any such property and of any fixed plant, machinery and equipment from time to time thereon, but without the Securityholder becoming liable to account as a mortgagee in possession;

3.4.2 **Plant and Machinery:** it will keep all its fixed plant, machinery and equipment from time to time in or on its freehold and leasehold property (and not comprised therein) in good and substantial repair and in good working order and condition and will forthwith upon request by the Securityholder affix nameplates or other indications of the Securityholder's interest on such plant, machinery and equipment and/or segregate such plant, machinery and equipment from any other Charged Assets;

3.4.3 **Covenants:** it will observe and perform all the lessee's covenants in any lease under which any of the Charged Assets may be held and will take no action which might lead to such lease being surrendered or forfeited;

3.4.4 **Repairs:** it will, at the Company's expense, allow the Securityholder to carry out repairs or take any action which the Securityholder shall reasonably consider necessary should the Company fail to observe or perform any of its obligations as a lessee;

3.4.5 **Leasing:** it will not exercise the powers of leasing or accepting surrenders of leases, conferred on a mortgagor in possession by sections 99 and 100 of the Law of Property Act 1925, or any other powers of leasing or accepting surrenders of leases, without the prior written consent of the Securityholder;

3.4.6 **Exclusion Order:** it will make sure that an order of the Court is obtained, under section 38(4) of the Landlord and Tenant Act 1954, excluding the security of tenure provisions of that Act, before granting any lease;

3.4.7 **No Alterations:** it will procure that no alteration or addition is made to any of its freehold or leasehold property and it will not do or allow anything to be done on its freehold or leasehold property which shall be treated as a development or a change of use within the meaning of

the Town and Country Planning Acts unless the prior written consent of the Securityholder has been obtained;

3.4.8 **Planning:** it will not infringe the Town and Country Planning Acts in any way which prejudices the Securityholder's security over the Charged Assets;

3.4.9 **Deposits:** it will deposit with the Securityholder all debentures and documents of title relating to its freehold and leasehold property and the insurance policies relating to the same, (subject only to the requirements of any prior Encumbrance agreed by the Securityholder or of its landlord);

3.4.10 **Environmental Licences:** it shall have the benefit of, maintain and comply with all Environmental Licences (if any) needed for its use or occupation of its Charged Assets or for the conduct of any business it is engaged in from time to time;

3.4.11 **Environmental Laws:** it shall comply with all applicable Environmental Laws and shall not do or permit to be done any act or omission whereby its Environmental Licences (if any) could be varied or revoked or which could result in any liability being imposed on the Securityholder under any applicable Environmental Law;

3.4.12 **Environmental Audits:** if requested by the Securityholder at any time (but, save in the case where at the time of requesting the environmental audit an Event of Default has occurred or in the opinion of the Securityholder is likely to occur, no more frequently than once in every calendar year) it shall forthwith on demand pay for an environmental audit of such type as the Securityholder shall specify in relation to the Charged Assets and, in any event, shall permit the Securityholder, its agents, employees, and any firm of environmental consultants engaged by it, to have full access to all its properties, assets, books and records for the purpose of carrying out any such environmental audit; and

3.4.13 **Ongoing Obligations:** it will ensure that at all times there is no discharge, spillage, release or emission of any prescribed, dangerous, noxious or offensive substance or any controlled waste on, into or from any of its Charged Assets or any premises adjoining any part of them and no such substances or any controlled waste have been stored or disposed of on or in any part of its Charged Assets or, so far as it is aware, in any adjoining premises except in accordance with the

requirements of the applicable Environmental Laws and/or Environmental Licences.

3.5 Insurance and Life Policies

The Company agrees that, whilst this security exists:-

3.5.1 **Insuring:** it will insure and keep insured those parts of the Charged Assets as are of an insurable nature against loss or damage by fire and all other risks usually insured against and such other risks (which may include insurance against acts of terrorism) that the Securityholder shall reasonably require to their full replacement value with insurers approved by the Securityholder and shall comply with all policy terms in respect thereof. If it holds property as a tenant or lessee and shall be required by the landlord either to insure or to reimburse the Company's landlord for any insurance premium paid by him then the Company shall be treated as having complied with its insuring obligation under this debenture if it duly and promptly complies with such requirements. However this shall not affect the right of the Securityholder to require the Company to produce satisfactory evidence that the Company has complied with the landlord's requirements;

3.5.2 **Securityholder's Interest:** it will ensure that all its insurance policies are endorsed with notice of the interest of the Securityholder in them (or, if required by the Securityholder, with the Securityholder named as a joint insured party though without the Securityholder being liable for payment of premiums or for carrying out any other obligations under the relevant policy) and will produce to the Securityholder the receipts for each current premium within fifteen days of its becoming due failing which the Securityholder may effect or renew any such insurance as the Securityholder shall think fit at the Company's expense;

3.5.3 **Dealing with Proceeds:** it will ensure that each insurance policy contains a provision under which the proceeds of that policy are payable to the Securityholder. Without prejudice to this, if any monies are received by the Company under any insurance policy in respect of any of the Charged Assets such monies shall be treated as part of the Charged Assets subject only to any rights of third parties having priority and to the requirements of any lease of the Charged Assets and shall be paid forthwith to the Securityholder. Pending payment to

the Securityholder, the Company shall hold such proceeds on trust for the Securityholder.

The proceeds of any insurance policy shall be applied at the discretion of the Securityholder either in reducing the Secured Liabilities or towards making good the loss or damage for which the monies became payable;

3.5.4 **Life Policies:** it will punctually pay all premiums and other sums payable under or in relation to each of the Life Policies (and, if requested by the Securityholder, produce evidence of payment satisfactory to the Securityholder) and not omit to do or permit anything to be done which may make void, voidable or unenforceable any of the Life Policies and not alter the terms of any of the Life Policies or allow any of the Life Policies to lapse;

3.5.5 **Retention of Life Policies:** it will, forthwith upon receiving the same, deliver all original Life Policies to the Securityholder and thereafter permit the Securityholder to hold and retain all Life Policies; and

3.5.6 **Notice:** it will forthwith give notice of this security to the assurance or insurance company or organisation issuing any of the Life Policies in favour of the Company in the form set out in the Sixth Schedule to this Debenture and obtain and deliver the receipted notice to the Securityholder.

3.6 Representations and Warranties

The Company represents and warrants in favour of the Securityholder as follows (which such representations and warranties shall survive the execution of this debenture):-

3.6.1 **Due Execution:** that the execution of this debenture has been duly authorised by a resolution of its Board of Directors (or by a duly authorised committee thereof) and that it does not breach any provision of its Memorandum and/or Articles of Association or of any other Encumbrance, security or agreement entered into prior to the date hereof or the laws of any jurisdiction applying to the Company;

3.6.2 **Ownership:** that it is and will at all times be the sole beneficial owner with full title guarantee of all its Charged Assets and that no Encumbrances affect it except the Encumbrances (if any) set out in the Third Schedule (provided that the maximum amount secured

thereby shall not be increased without the Securityholder's prior written consent) and liens arising by operation of law in the ordinary course of business in respect of obligations which are not more than 60 days overdue;

3.6.3 **Validity:** that this debenture constitutes its legal, valid, binding and enforceable obligations and is an effective security over all and every part of its Charged Assets in accordance with its terms;

3.6.4 **Authorisations:** that all necessary authorisations and consents to enable or entitle it to enter into this debenture and create the Encumbrances hereby created or intended to be created have been obtained and these will remain in full force and effect during the existence of this security;

3.6.5 **Discharges:** that there has been no discharge, spillage, release or emission of any prescribed, dangerous, noxious or offensive substance or any controlled waste on, into or from any freehold or leasehold premises comprised in its Charged Assets or any premises adjoining any part of them and no such substances or any controlled waste have been stored or disposed of on or in any freehold or leasehold premises comprised in its Charged Assets or, so far as it is aware, in any adjoining premises except in accordance with the requirements of the applicable Environmental Laws and/or Environmental Licences; and

3.6.6 **Environmental Compliance:** that it is not in breach of, and has not incurred or become subject to, any civil or criminal liability under any Environmental Laws or the terms of any Environmental Licence and that it has not done or omitted to do anything which could impose any liability on the Securityholder under any applicable Environmental Law.

4. FURTHER ASSURANCE AND POWER OF ATTORNEY

4.1 Further Assurance

At the Securityholder's request, the Company will, at its own expense, immediately sign, seal, execute, deliver and perfect all deeds, debentures and instruments (including, without limitation, fixed securities, assignations and any other documents needed in relation to assets in Scotland) and do all such other acts and things as the Securityholder or any Receiver appointed hereunder may require in order to perfect, protect or enforce this security in

respect of the Company or to facilitate the realisation of any of the Charged Assets or to use the powers given to each of them in this debenture or to enforce the obligations of the Company and/or the rights of the Securityholder under this debenture. The Company will take such steps as the Securityholder shall specify to make such registrations and give such notifications as the Securityholder may consider appropriate (or which may be specified by applicable law) in relation to this debenture and hereby authorises the Securityholder to effect the same if the Securityholder so chooses.

4.2 Execution of Documents/Registration

Without prejudice to clause 5.1 the Company will at the request of the Securityholder and at the Company's own expense, execute a legal mortgage, charge or assignment of any part of the Charged Assets of the Company, subject to or intended to be subject to any fixed security under this debenture in such form as the Securityholder may require. In addition, following the occurrence of any Event of Default and without prejudice to any other agreement in which the Company has agreed or is required to execute the same, the Company shall at its own expense, execute a legal mortgage in such form as the Securityholder may reasonably require over such of its freehold and/or leasehold property as the Securityholder may require. In every such case the Company will then take such other steps as the Securityholder may require to perfect such a legal mortgage, charge or assignment including, without limitation, using all reasonable endeavours to obtain the consent of any landlord or other person required for any legal mortgage.

4.3 Power of Attorney

The Company irrevocably appoints the Securityholder, any directors, officers or managers for the time being of the Securityholder and any other person authorised by the directors of the Securityholder and any Receiver appointed hereunder, jointly and each of them severally, to be the lawful attorneys of the Company. Such appointment gives each attorney the power in the Company's name and on its behalf and as its act and deed to carry out all acts and execute all such deeds, debentures, instruments and other documents for the purposes set out in clauses 4.1 and 4.2. Each attorney so

appointed may appoint substitute attorneys to carry out all or any of such purposes. The Company agrees to ratify and confirm any instrument, act or thing which any such attorney or substitute attorney may lawfully execute or do in the name or on behalf of the Company.

5. EVENTS OF DEFAULT AND CONSEQUENCES

5.1 Events of Default

The following events and circumstances shall each constitute Events of Default:-

5.1.1 **Non-payment:** the Company fails to pay any sum due under any of the Financing Documents at the time and in the manner specified in the relevant Financing Document;

5.1.2 **Breach of representation or warranty:** any representation or warranty made or deemed to be repeated by any of the Company in any of the Financing Documents, or in any document delivered pursuant thereto, is not complied with or is, or proves to have been, incorrect or misleading when made or deemed to be repeated;

5.1.3 **Breach of other obligation:** the Company fails duly to perform or comply with any obligation expressed to be assumed by it in any of the Financing Documents or any other event of default or termination event (howsoever described) occurs under any Financing Document;

5.1.4 **Cross-default:** any Financial Indebtedness of the Company or any other member of the Company's Group other than under or pursuant to any Financing Document:-

(i) is not paid when due;

(ii) is declared to be or otherwise becomes due and payable prior to its specified maturity;

or any creditor of any such person becomes entitled to declare any such Financial Indebtedness due and payable prior to its originally specified maturity;

5.1.5 **Insolvency:** the Company, any other member of the Company's Group or any other person who is party to any guarantee, indemnity, Encumbrance or other assurance in respect of the Secured Liabilities:-

(i) is or becomes Insolvent;

(ii) commences negotiations with any one or more of its creditors with a view to the general re-adjustment or re-scheduling of all or any part of its indebtedness;

(iii) makes a general assignment for the benefit of, or composition with its creditors or a moratorium is agreed or declared in respect of, or affecting, all or any part of its indebtedness;

5.1.6 **Supporting Security:** any guarantee, indemnity or other assurance against loss held by, or any Encumbrance granted to, the Securityholder in respect of the Secured Liabilities fails or ceases in any respect to have full force and effect or to be continuing or is terminated or disputed or is, in the opinion of the Securityholder, in jeopardy, invalid or unenforceable in accordance with its terms;

5.1.7 **Cessation of business:** save as agreed in writing by the Securityholder, the Company, or member of the Company's Group, ceases to carry on the business it carries on today or enters into any unrelated business;

5.1.8 **Authorisations:** at any time any action, condition or thing required to be taken, fulfilled or done in order:-

(i) to enable the Company lawfully to enter into, exercise its rights under and perform and comply with its obligations under, any Financing Document and any other document to be entered into pursuant thereto;

(ii) to ensure that those obligations are valid, legally binding and enforceable in accordance with their terms;

(iii) to make any such Financing Document and all such other documents admissible in evidence in England and Wales and, if different, in the Company's jurisdiction of incorporation and any jurisdiction in which any of the Charged Assets may be situated, is not taken, fulfilled or done;

5.1.9 **Illegality:** it is not lawful or becomes unlawful for the Company to perform or comply with any of its obligations under any of the Financing Documents, or any such obligation is not, or ceases to be, legal, valid and binding;

5.1.10 **Qualification of audited accounts:** if auditors make any qualification to the Company's audited accounts or to the audited accounts of any member of the Company's Group to the effect that such audited

accounts do not reflect the financial position of the Company or such Group member, as the case may be, to a material degree;

5.1.11 **Nationalisation:** any step is taken by any person, government or other authority (whether or not having the force of law) with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all, or any material part, of the shares or assets of the Company or any member of the Company's Group or to the displacement of the management of any such person or the curtailment of the authority of any such person in the conduct of its business or operations;

5.1.12 **Material adverse change:** in the opinion of the Securityholder, a material adverse change occurs in the financial condition, results, operations or business of the Company or the Securityholder determines that the Company may not (or may be unable to) perform or comply with its obligations under any of the Financing Documents; and

5.1.13 **Change of Control:** any change in the ownership, control, constitution or composition of the Company or any Company in the Company's Group occurs which is considered by the Securityholder to prejudice its position.

5.2 Consequences of an Event of Default

Following the occurrence of an Event of Default:-

5.2.1 **No Further Commitments:** the Securityholder shall cease to be under any further commitment to the Company under any Financing Document and may at any time thereafter declare all monetary obligations of any or all of the Company comprised in the Secured Liabilities (or such of them as the Securityholder may specify) either to be immediately due and payable or to be payable at any time thereafter immediately on demand, even if this conflicts with the terms of any other agreement or arrangement between the Securityholder and the Company; and/or

5.2.2 **Cash Cover:** the Company shall immediately on demand provide cash cover for all of its contingent liabilities to the Securityholder however arising; and/or

5.2.3 **Enforceability:** the security constituted by this debenture shall become enforceable; and/or

5.2.4 **Voting Rights:** the Securityholder may exercise in the name of the Company any voting rights attached to the Securities and all powers given to trustees by sections 10(3) and (4) of the Trustee Act 1925 in respect of securities, property subject to a trust and any powers or rights exercisable by the registered holder of any of the Securities or by the bearer thereof, the Securityholder will not then need any consent or authority from the Company.

6. POWER OF POSSESSION AND SALE

At any time after this security has become enforceable, the Securityholder and/ or any Receiver appointed under this debenture may, in their discretion, enter upon and take possession of the Charged Assets or any part of them. They may also, at their discretion, when exercising their powers given in this debenture, sell, call in, collect and convert into monies the Charged Assets or any part of them. By way of extension of these powers such sale, calling in and conversion may be done for such consideration in such form and upon such terms as to payment and otherwise as the Securityholder or any Receiver shall think fit.

7. APPOINTMENT OF RECEIVER AND HIS POWERS

7.1 Appointment of a Receiver

Section 109 and Section 91(2) of the Law of Property Act 1925 (restricting, inter alia, the power to appoint a receiver, the maximum rate of a receiver's remuneration and the power to apply to court for an order for sale of mortgaged property) shall not apply to this debenture. At any time after:-

7.1.1 this security shall have become enforceable (whether as a consequence of an Event of Default occurring or otherwise); or

7.1.2 if the Company at any time so requests in writing; or

7.1.3 if the Securityholder becomes aware of the intention of any party to petition for an administration order to be made in relation to the Company or any such petition is presented;

the Securityholder may, without further notice to the Company, appoint any person to be a Receiver in respect of the Charged Assets of each, or any, Company. Such appointment may extend to the whole or any part of such Charged Assets. The Securityholder may remove any Receiver. In case of

the removal, retirement or death of any Receiver, the Securityholder may appoint another in his place. At the time of his appointment (or at any time afterwards) the Securityholder may fix the remuneration of a Receiver on such basis as the Securityholder shall determine.

7.2 Joint and Several Receivers

The Securityholder may appoint more than one person to act as Receiver and where it does so those so appointed shall carry out their duties, exercise their rights, and be subject to their obligations jointly as well as severally. References in this debenture to a "Receiver" shall be to each and all of them as appropriate.

7.3 Writing

The appointment, removal or fixing of the remuneration of a Receiver shall be made in writing and may be signed by any director or officer of the Securityholder.

7.4 Receiver's agency and powers

A Receiver appointed under this debenture shall:-

7.4.1 **Appointment:** be the agent of the Company to which such appointment relates; and the Securityholder shall not in any way, be responsible for the acts, omissions, losses, misconduct, defaults and remuneration of such Receiver; and

7.4.2 **Powers:** A Receiver shall, without the need for the consent of the Company to which such appointment relates, have all of the powers described in this clause, unless any such powers shall specifically be excluded by the written terms of his appointment. A Receiver may exercise these powers in such way, at such time and on such terms as he shall think fit, necessary or expedient and whether in his name or the name of the Company and without being under any obligation to take or omit to take any action which the Company but for the appointment of the Receiver, would or might have considered to be in that Company's interests. A Receiver shall have the powers granted by the Law of Property Act 1925 to any receiver appointed under such Act and all the powers of an administrative receiver under the

Insolvency Act 1986. A Receiver shall also have the power on behalf and at the cost of the Company and in the Company's name or otherwise, to do or omit to do anything which the Company could do or omit to do or could have done or omitted to do but for any incapacity or the appointment of a liquidator, administrator or like officer in relation to the Company or its Charged Assets.

7.5 Securityholder's Powers

Whether or not a Receiver shall be appointed under this debenture, the Securityholder may at any time after this security shall have become enforceable, and without giving notice, exercise all or any of the powers, authorities and discretions conferred on a Receiver as set out above.

8. VARIATIONS TO STATUTORY PROVISIONS

8.1 Law of Property Act

Section 103 of the Law of Property Act 1925 (restricting the power of sale) shall not apply. However the power of sale and the other powers conferred on mortgagees by that Act shall apply to this security but without the Act's restrictions as to giving notice or otherwise. Accordingly, for the purposes of a sale or other exercise of any such powers, the whole of the Secured Liabilities shall be treated as due and payable on the date hereof.

8.2 Non-Consolidation

The restrictions on the right of consolidating mortgage securities, which are contained in Section 93 of the Law of Property Act 1925, shall not apply to this security.

8.3 Subsequent Encumbrances

If the Securityholder receives, or is treated as having received, notice of any subsequent Encumbrance affecting any of the Charged Assets then the Securityholder may open a new account with the Company. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received, or was treated as having received, such notice. From that time all payments made by the Company to the Securityholder shall be credited, or be treated as having been credited, to the new account. Such payments shall not operate to reduce the amount secured by this debenture

when the Securityholder received or was treated as having received such notice.

9. APPLICATION OF MONIES

9.1 Order of payment

All monies received by the Securityholder or by a Receiver under or by virtue of this debenture shall be applied (so far as the law permits) in the following order:-

9.1.1 **Costs and Expenses:** in payment of all costs, charges and expenses of or incidental to the Receiver's appointment, the payment of his remuneration and the payment and discharge of any other Expenses incurred by or on behalf of the Receiver;

9.1.2 **Preferential Debts:** in or towards payment of any debts or claims which are by statute payable in preference to the Secured Liabilities but only to the extent to which such debts or claims have such preference;

9.1.3 **Payments to Securityholder:** in payment to the Securityholder of the Secured Liabilities due to the Securityholder in such order as the Securityholder in its absolute discretion thinks fit; and then

9.1.4 **Surplus:** in payment to the Company of any surplus (which shall not carry interest) which may be paid into any of the Company's bank accounts including an account opened specifically for such purpose. The Securityholder shall then have no further liability for such surplus.

9.2 Appropriation

Following the enforcement of this security, any monies received by the Securityholder may be appropriated by the Securityholder in its discretion in or towards the payment and discharge of any part of the Secured Liabilities.

9.3 Suspense accounts

The Securityholder or the Receiver may credit any monies to a suspense account for so long and in such manner as the Securityholder may from time to time determine. The Receiver or the Securityholder may retain the same for such period as the Receiver and the Securityholder consider expedient.

10. PROTECTION OF THIRD PARTIES

10.1 Third Party Payments

No person paying or handing over monies to a Receiver and obtaining a discharge shall have any responsibility or liability to confirm the correct application of such monies.

10.2 Third Party Dealings

No person dealing with the Securityholder, or a Receiver, need enquire:-

10.2.1 **Powers Exercisable:** whether any event has happened giving either the Securityholder or the Receiver the right to exercise any of his powers;

10.2.2 **Propriety of Acts:** as to the propriety or regularity of any act purporting or intending to be an exercise of such powers;

10.2.3 **Validity of Appointment:** as to the validity or regularity of the appointment of any Receiver purporting to act or to have been appointed as such; or

10.2.4 **Satisfaction:** whether any of the Secured Liabilities remain unsatisfied.

10.3 Statutory Protection

All the protections given to purchasers contained under sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with a Receiver or the Securityholder as if the Secured Liabilities had become due, and the statutory power of sale and appointing a Receiver in relation to the Charged Assets had arisen, on the date of this debenture.

10.4 Express Notice

No person dealing with the Securityholder or any Receiver shall be affected by express notice that any act is unnecessary or improper.

11. CONTINUING AND ADDITIONAL SECURITY

11.1 Continuing Security

This security is a continuing security for all the Secured Liabilities notwithstanding any interim settlement of account until a final discharge of this security shall be given by the Securityholder.

11.2 Non-Merger

This security is in addition to, and shall not merge or otherwise prejudice or affect, any other right or remedy of the Securityholder or any assignment, bill, note, guarantee, Encumbrance, or other security now or in future in favour of the Securityholder or held by, or available to, the Securityholder (whether created by the Company or any third party).

12. EXPENSES AND INDEMNITIES

12.1 Expenses and Interest

All Expenses incurred and all payments made by the Securityholder or any Receiver in the lawful exercise of the rights created by this debenture shall carry interest at a rate which is two per cent per annum above the highest rate of Discount or Interest contained in any Financing Document at such time. Interest under this debenture shall accrue (both before and after judgment) from the date the Expenses were incurred or the sum paid became payable, whichever shall be earlier, until the date the same are paid and discharged in full. The Securityholder may compound unpaid interest with rests at such times as it may consider appropriate. The amount of all Expenses and payments referred to in this clause 12.1 and any interest thereon shall be payable by the Company(s) on demand.

12.2 General Indemnity

The Company jointly and severally agrees to indemnify the Securityholder (and its nominees) and any Receiver on demand against all losses, actions, claims, expenses, demands and liabilities now or in the future incurred by any of them or by any manager, agent, officer or employee for whose liability, act or omission any of them may be answerable for anything done or omitted in the exercise or purported exercise of the rights contained in this debenture or caused by any breach by the Company of any of its obligations under this

debenture or in connection with the Charged Assets. The Securityholder under this debenture shall also be entitled to be indemnified out of the Charged Assets in respect of all losses, actions, claims, expenses, demands and liabilities incurred by them in the execution, or purported execution, of any of the rights vested in them under this debenture.

12.3 Tax Indemnity

The Company jointly and severally agrees to indemnify the Securityholder and any Receiver on demand against all present or future stamp or other taxes or duties and any penalties or interest with respect thereto which may be imposed by any competent authority in connection with the execution or enforcement of this debenture or in consequence of any payment made pursuant to this debenture being challenged or declared void for any reason whatsoever.

12.4 Currency Indemnity

12.4.1 **Conversion:** For the purpose of, or pending, the discharge of any of the Secured Liabilities the Securityholder or a Receiver may convert any monies received, recovered or realised under this debenture (including the proceeds of any previous conversion) from their existing currency into such other currency as the Securityholder or such Receiver may think fit. Any such conversion shall be effected at the then prevailing spot selling rate of exchange of the Securityholder's bankers for such other currency against the existing currency.

12.4.2 **Shortfall Indemnity:** The Company will indemnify the Securityholder against any shortfall between:-

(i) any amount received or recovered by the Securityholder in respect of any of the Secured Liabilities which is converted in accordance with clause 12.4.1 into the currency in which such liability was payable; and

(ii) the amount payable to the Securityholder under this debenture in the currency of such liability.

13. PAYMENTS, DISCHARGE AND SET-OFF

13.1 Payments without deduction

All payments to be made to the Securityholder under this debenture shall be made free and clear of and (save as required by law) without deduction for or on account of any tax withholding, charges, set-off or counterclaim. All payments shall be made into such account(s) as the Securityholder may from time to time specify for the purpose.

13.2 Set-Off

Without prejudice to any right of set-off or combination of accounts contained in any Financing Agreement, the Securityholder may at any time following the occurrence of an Event of Default without notice to any of the Company combine or consolidate all or any amounts standing to the credit of the Company's

account or accounts with the Securityholder and/or set off any amount owed by the Securityholder to the Company against any obligation (whether or not matured) owed to the Securityholder by the Company whether or not each is expressed in the same currency.

13.3 Gross-up and tax receipts

If the Company is required by law to make a deduction or withholding from any payment made under this debenture, then the sum payable by the Company shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Securityholder receives and retains (free from any liability related to such deduction or withholding) a net sum equal to the sum which it would have received and retained had no such deduction or withholding been made or required to be made. The Company shall pay the amount deducted or withheld to the relevant tax or other authorities within the time allowed for such payment under applicable law and shall deliver to the Securityholder within 30 days of making such payment an original receipt or other evidence issued by the relevant authority showing that payment has been made in full.

13.4 Discharge of Security

Upon payment and complete discharge and performance of all the Secured Liabilities under or in relation to this debenture, the Securityholder shall, at the request and cost of the Company, duly discharge this security so far as it relates to the Company's Charged Assets and any further security given by the Company in accordance with the terms hereof. The Securityholder will also, at the request and cost of the Company, transfer to the Company any of the Charged Assets of the Company which have been assigned or transferred to the Securityholder. If any Charged Assets transferred or assigned to the Securityholder were fungible, the Securityholder may transfer to the Company assets of the same class, denomination and quality rather than the identical Charged Assets transferred or assigned to it under this debenture.

13.5 Avoidance of Payments

The right of the Securityholder to payment of the monetary obligations comprised in the Secured Liabilities or to enforce the terms of this debenture shall not be affected by any payment or any act or thing which may be avoided or adjusted under the laws relating to bankruptcy or insolvency or under Part VI of the Insolvency Act 1986. Any release, or discharge given or settlement made by the Securityholder relying on any such payment, act or thing shall be void and of no effect.

14. SERVICE OF NOTICES AND PROCESS

14.1 Company's Address for Service

Unless provided otherwise herein, any written notice from the Securityholder to the Company and any proceedings issued by the Securityholder requiring service on the Company may be given or served by delivering it at or posting it to:-

14.1.1 the Company's address stated in the Particulars to the Financing Agreement in respect of the Company or to such other address of the Company advised to and acknowledged by the Securityholder as being effective for the purposes of service;

14.1.2 the Company's registered office; or

14.1.3 any address last known to the Securityholder at which the Company carried on business.

It may also be handed to any officer of the Company. Such notice may also be given by facsimile transmission or electronic medium to the Company's number or address acknowledged by the Securityholder for communication by such means.

14.2 Time of Service on the Company

Any such notice or process shall be considered served:-

14.2.1 if delivered - at the time of delivery;

14.2.2 if sent by post - 48 hours from the time of posting;

14.2.3 if sent by facsimile transmission or electronic medium - at the time of transmission; or

14.2.4 if handed over - at the time of handing over.

14.3 Service on Company

Any notice in writing by the Company to the Securityholder required hereunder shall take effect at the time it is received by the Securityholder at its registered office or at such other address as the Securityholder may advise in writing to the Company for this purpose, unless such notice is received on a day which is not a Working Day, in which case, it shall take effect on the next Working Day.

15. LAW AND JURISDICTION

This debenture shall be interpreted in accordance with and shall be governed by the laws of England. For the benefit of the Securityholder, the Company submits to the non-exclusive jurisdiction of the English Courts in connection with any matter arising under this debenture.

16. TRANSFERS AND DISCLOSURES

16.1 Transfers by Securityholder

This debenture is freely transferable by the Securityholder. The Company consents to any such transfer (whether by novation, assignment, or otherwise). References in this debenture to the "Securityholder" shall include its successors, assignees and transferees and any person to whom this debenture is novated.

16.2 No Transfers by Company

The Company may not assign or transfer any of its obligations under this debenture nor may it enter into any transaction which would result in any such obligations passing to another person.

16.3 Disclosure of Information

The Securityholder may disclose any information about the Company and any member of the Company's Group and any other person connected or associated with it to any member of the Securityholder's Group and/or to any person to whom it is proposing to transfer or assign, or has transferred or assigned, this debenture and/or any of the Secured Liabilities. The Company represents and

warrants that it has, and (so far as permitted by law) will maintain, any necessary authority by or on behalf of any such persons to agree to the provisions of this clause.

17. MISCELLANEOUS

17.1 Delays and Omissions

No delay or omission on the part of the Securityholder in exercising any right or remedy under this debenture shall impair that right or remedy or operate as or be taken to be a waiver of it. Any single, partial or defective exercise of any such right or remedy shall not prevent the further exercise of that or any other right or remedy.

17.2 Cumulative Rights

The Securityholder's rights under this debenture are cumulative. They are not exclusive of any rights provided by law. They may be exercised from time to time and as often as the Securityholder sees fit.

17.3 Waivers

Any waiver by the Securityholder of any terms of this debenture or any consent or approval given by the Securityholder under it shall only be effective if given in writing. Such consent and approval shall then only apply for the purpose stated and be subject to any written terms and conditions imposed by the Securityholder.

17.4 Illegality

If at any time any one or more of the provisions of this debenture is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction then neither the legality, validity or enforceability of the remaining provisions of this debenture nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.

17.5 Securityholder's Certificates

Any certificate signed by a director or authorised officer of the Securityholder as to the amount of the monetary obligations comprised in the Secured Liabilities at the date of such certificate shall, in the absence of manifest error, be conclusive evidence of such amount and be binding on the Company to whom such certificate is addressed.

17.6 Paper

The paper on which this debenture is written is, and will remain at all times, the property of the Securityholder, even after the discharge of this security.

18. DEFINITIONS AND INTERPRETATION

18.1 Words in Financing Agreement

In this debenture any words whose meaning is defined in a Financing Agreement shall have the same meaning;

18.2 Words in Debenture

In this debenture the following words shall have the meaning set out or referred to after each of them

"Associated Rights" – has the same meaning as in the Financing Agreement;

"Charged Assets" - in relation to the Company, all its assets, rights and property (including its undertaking and revenues) the subject of any security created by, or pursuant to, this debenture and the proceeds of the disposal of the same;

"Company" - the parties whose details are set out in the First Schedule;

"Deed of Accession" - a deed in such form as the Securityholder may reasonably require;

"Encumbrance" - any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, flawed asset agreement,

preferential right, trust arrangement or other arrangement for the purpose of, and having a similar effect to, the granting of security, whether by law or agreement or other security interest of any kind;

"Environmental Laws" - all laws, directions and regulations and all codes of practice, circulars and guidance notes issued by any competent authority or agency (whether in the United Kingdom or elsewhere and whether or not having the force of law) concerning the protection of the environment or human health, including, without limitation, the conservation of natural resources, the production, storage, transportation, treatment, recycling or disposal of any waste or any noxious, offensive or dangerous substance or the liability of any person, whether civil or criminal, for any damage to, or pollution of, the environment or the rectification thereof or any related matters;

"Environmental Licence" - any permit, licence, authorisation, consent or other approval required by any Environmental Law;

"Event of Default" - in relation to the Company, any event set out in clause 5.1;

"Expenses" - any of the following:-

(i) all banking, legal and other costs, charges, expenses and/or liabilities (including VAT hereon) paid or, if earlier, incurred, by or on behalf of the Securityholder or any Receiver (in each case on a full indemnity basis):

(a) in relation to the Charged Assets;

(b) in protecting, preserving, improving, enforcing or exercising (or considering, or attempting, any of the foregoing) any rights under or pursuant to any of the Financing Documents;

(c) in procuring the payment, performance or discharge of the Secured Liabilities; or

(d) in stamping, perfecting or registering any of the Financing Agreements (or any Encumbrance or assignment created or purported to be created pursuant thereto); and

(ii) the principal amount of any borrowings, together with interest thereon, and all other expenses and liabilities of the Securityholder or any Receiver paid or incurred from time to time in relation to the exercise of any of their respective rights or powers referred to or contained in any of the Financing Documents;

"Financial Indebtedness" - shall be construed as a reference to any indebtedness in respect of:-

(i) moneys borrowed or raised;

(ii) any debenture, bond, note, loan stock, commercial paper or similar instrument;

(iii) any acceptance credit, bill-discounting, note purchase or documentary credit facility;

(iv) any credit agreement or finance lease;

(v) any receivables purchase, factoring or discounting arrangement under which there is recourse in whole or in part;

(vi) credit (other than normal trade credit for a period not exceeding 90 days) or deferred payment arrangements in respect of the acquisition or construction price of assets acquired or constructed or the purchase price of services supplied;

(vii) any other transaction having the commercial effect of a borrowing or other raising of money entered into by a person to finance its business or operations or capital requirements; or

(viii) (without double counting) any guarantee or other assurance against financial loss in respect of the indebtedness of any person arising under an obligation falling within (i) to (vii) above;

"Financing Agreement" - an agreement for the sale and purchase of Debts and/or an agreement for other financial facilities or accommodation (including, without limitation, loan facilities and trade finance facilities) between the Company and the Security holder and any varied or replacement agreement, including those set out in the Second Schedule;

"Financing Documents" – in relation to the Company, the following documents:-

(i) any Financing Agreement to which it is party from time to time;

(ii) this debenture;

(iii) any agreement or instrument evidencing or creating an Encumbrance, guarantee, indemnity or other assurance against loss entered into by the Company in favour of the Securityholder;

(iv) any deed or agreement governing or regulating the priority of Encumbrances or regulating claims of the Company against any other Company or person liable to the Securityholder in respect of the Secured Liabilities; and

(v) any agreement, instrument, notice or certificate delivered or entered into pursuant to, or ancillary to, or in connection with any, of the above.

"Group" - in relation to any company, that company, the company and its Subsidiaries, its holding company (as defined in section 736 of the Companies Act 1985) and the Subsidiaries of that holding company;

"Insolvent" - in relation to the Company or any person party to a guarantee, indemnity or other assurance against loss of or in respect of the Company's obligations to the Securityholder, the happening of any of the following;

(A) the issue of a petition or application, the calling of a meeting or making proposals for any of the following matters;

in relation to a company - a resolution for voluntary winding up by reason of insolvency, a winding up order, a notice of intention to appoint an administrator being given by any person, the appointment of an administrator under the Insolvency Act 1986 or the appointment of a receiver (whether in or out of court) or an administrative receiver of any of its assets or income;

in relation to a partnership - its bankruptcy, winding up or an administration order or the bankruptcy of any Partner;

in relation to any person – the entry into a voluntary arrangement under the Insolvency Act 1986 or any formal or informal arrangement generally for the benefit of creditors; or

in relation to an individual - bankruptcy or sequestration or the granting of a trust deed for the benefit of creditors; or

(B) any part of its income or assets, being subject to:-

(a) seizure, distress or diligence;

(b) enforcement of any Encumbrance;

(c) execution of legal process;

(d) sequestration ;

(e) an injunction;

(f) attachment;

(g) other legal process; or

(C) the service of any statutory demand under the Insolvency Act 1986 other than a frivolous or vexatious one which is discharged before it is advertised; or

(D) the entry of any judgement, order or award which shall remain unsatisfied, or whose terms shall not be complied with, for seven days (except pending any appeal); or

(E) an application for a garnishee order; or

(F) the giving of notice of the intended suspension of payments of debts; or

(G) being deemed by section 123 of the Insolvency Act 1986 to be unable to pay debts or, in the reasonable opinion of the Securityholder, being capable of being deemed unable to pay its debts as they fall due; or

(H) the taking of any steps for the commencement of any proceedings in respect of any of the above matters in this definition

and "Insolvency" shall be construed accordingly.

"Intellectual Property" - all patents (including applications, improvements, prolongations, extensions and rights to apply therefor) designs (whether registered or unregistered) copyrights, design rights, trade marks and service marks (whether registered or unregistered) utility models, trade and business names, knowhow, formulae, inventions, confidential information, trade secrets and computer software programs and systems (including the benefit of any licences, sub-licences or consents relating to any of the above) and all fees, royalties or other rights derived therefrom or incidental thereto in any part of the world;

"Life Policies" - in relation to the Company the policies of life assurance in which the Company is interested details (if any) of which are set out in the Fifth Schedule opposite the name of the Company and any other policies of life assurance in which the Company may now or hereafter have an interest;

"Other Debts" – in relation to the Company,

(i) all present and future book and other debts due or owing to the Company, the proceeds of the same and all other moneys due and owing to the Company or which may become due and owing to it in the future;

(ii) all moneys (including accrued and accruing interest) from time to time standing to the credit of each present and future account of the Company with any bank, financial institution or other person and the debts represented thereby;

(iii) all present and future sums due or owing by way of grant, subsidy or refund by any person, body, authority or institution; and

(iv) the benefit of all rights, securities, Encumbrances, guarantees and indemnities of any nature whatsoever now or at any time enjoyed or held by it in relation to any of the debts, proceeds, moneys or sums referred to in any of paragraphs (i), (ii) or (iii) above;

but excluding, in the case of the Company which is from time to time party to a Financing Agreement (and for the period of time it is or remains a party thereto or has any liability thereunder):-

* Purchased Debts; and

* any Debts whilst they remain vested in, or held on trust for, the Securityholder under a Financing Agreement (whether such vesting results from a legal or equitable assignment);

"Purchased Debts" - in relation to the Company which is from time to time party to a Financing Agreement, all or any Debts of the Company to be purchased by the Securityholder pursuant to the Financing Agreement but which either fail to vest absolutely and effectively in the Securityholder for any reason or where the assignment thereof to the Securityholder is void whether as between the Securityholder and the Company or as between the Securityholder and any third party including, without limitation, a liquidator, administrator or creditor of the Company , together with the Associated Rights to such Debts;

"Receiver" - means a an administrator, receiver and manager (including, as the context admits, an administrative receiver as defined in section 29(2) of the Insolvency Act 1986) or (if the Securityholder so specifies in the relevant appointment) a receiver;

"Remittances" - cash, cheques, bills of exchange, negotiable and non-negotiable instruments, letters of credit, orders, drafts, promissory notes, electronic payments and any other instruments, methods or forms of payment or engagement;

"Secured Liabilities" – all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally, as principal or as surety or in any capacity whatsoever) of the Company to the Securityholder on any account whatsoever and howsoever arising (including, without limitation the Financial Indebtedness or arising under the Financing Documents) together with all Expenses;

"Securities" - means all stocks, shares, bonds and securities of any kind whatsoever and whether marketable or otherwise and all other interests (including, but not limited to, loan capital) both present and future held by the Company in any person and includes all allotments, rights, benefits and advantages whatsoever at any time accruing, offered or arising in respect of,

or incidental to, the same and all money or property offered at any time by way of dividend, conversion, redemption, bonus, preference, option or otherwise in respect thereof;

"Securityholder" - where the context permits includes its officers, agents and representatives and shall also include any person to whom, from time to time, this debenture shall have been assigned or novated;

"Subsidiary" - means :-

1. a subsidiary within the meaning of section 736 of the Companies Act 1985; and
2. unless the context otherwise requires, a subsidiary undertaking within the meaning of sections 258-260 of the Companies Act 1985 as substituted by section 21 of the Companies Act 1989;

"Town and Country Planning Acts" – means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990 and the Planning and Compensation Act 1991;

"Working Day" – means a day on which banks in England are open for the conduct of all banking business;

18.3 Construction and Interpretation

In the construction and interpretation of this debenture:-

18.3.1 **Singular/Plural:** the singular shall include the plural and vice versa; reference to one gender shall include a reference to any other genders;

18.3.2 **Persons:** references to persons shall be treated as including individuals, firms, partnerships, corporations, organs of government, whether local, national or supra national and any other entity recognised by law;

18.3.3 **Acts of Parliament:** references to any Act of Parliament shall be treated as including each Act as amended, modified or re-enacted from time to time and all rules, regulations, orders and subordinate legislation made in accordance with it;

18.3.4 **Clauses/Schedules:** references to "clauses" and to "schedules" are to those in this debenture;

18.3.5 **Costs and Expenses:** where the Company has an obligation to carry out an act then it shall be fully responsible for the costs and expenses of doing so;

18.3.6 **Discretions:** where any discretion is vested in a Receiver or the Securityholder it shall, so far as the law permits, be treated as an absolute discretion;

18.3.7 **Severability:** each of the provisions of this debenture shall be severable and distinct from one another;

18.3.8 **References to Documents:** references to "this debenture" or to "this debenture" and other documents referred to in it (including, without

limitation, any Financing Agreement) include any supplemental or collateral document to each of them or which is entered into pursuant to each of them and any document varying, supplementing, novating or replacing the same from time to time;

18.3.9 **References to Security:** references to "this security" shall be treated as reference to the security created by this debenture;

18.3.10 **Headings:** headings to clauses are for reference only and shall not affect the interpretation of this debenture; and

18.3.11 **General Words:** the meaning of general words introduced by the word "other" or the word "otherwise" shall not be limited by reference to any preceding word or enumeration indicating a particular class of acts, matters or things;

18,4 Third party rights

A person who is not a party to this debenture shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this debenture.

FIRST SCHEDULE

(Page 3 - The Company)

Name:	LINGUA TRANSLATIONS LIMITED
Country of Incorporation:	ENGLAND & WALES
Registered Number:	08951669
Fax Number:	01792 469990
Registered Office:	SUITE 15 J SHED, KINGS ROAD, SWANSEA, WEST GLAMORGAN, WALES, SA1 8PL

SECOND SCHEDULE

(Definition of Financing Agreement)

Key * = delete as appropriate

* The agreement for (inter alia) the factoring or discounting of Debts between the Securityholder and the Company dated

* The guarantee and indemnity entered into by the Company in favour of the Securityholder in respect of the obligations of to the Securityholder and dated

* The trade finance agreement between the Securityholder and the Company dated

THIRD SCHEDULE

(Clause 2.5)

(Encumbrances to which this Security is Subject)

FOURTH SCHEDULE

(Clause 2.2.1(i))

(Plant and Machinery Subject to Fixed Charge hereunder)

AS PER THE ATTACHED SCHEDULE PROVIDED

BY.....

DATED .....AND COMPRISING

.....PAGES.

FIFTH SCHEDULE

(clause 2.2.3 and definition of "Life Policies")

Insurer: _____

Policy No. _____

Policy Date: _____

Life Assured: _____

Sum Assured: _____

Term: _____

SIXTH SCHEDULE

(Clause 3.5.6)

To:- [Insurance/Assurance Company]

Dear Sirs

Re: Assignment of Life Policy
Policy Number:
Policy Date:
Life Assured:
Policyholder:

We hereby give you notice that we have assigned the above policy by way of security to Partnership Invoice Finance Limited (registered number: 04365011) of Suite B, 15 Commercial Road, Paddock Wood, Kent, TN12 6EN ("PIFL"), to secure monies, obligations and liabilities due, owing or incurred to PIFL.

We irrevocably and unconditionally instruct and authorise you to disclose to such information relating to the policy as PIFL may from time to time request from you and to make all payments under or arising from the policy to PIFL or its order and to comply with any notice, statement or instructions given to you by PIFL.

The terms of this letter shall remain in full force and effect until PIFL gives you notice to the contrary.

This letter shall be governed by and construed in accordance with English law.

Please acknowledge receipt and acceptance of this letter by signing and returning one copy of it to us.

Yours faithfully

We acknowledge receipt of a copy of the above letter and confirm that we have not received notice that any third party has or may have any rights, title or interest in or to, or has made or may be making any claim or demand or taking any action in respect of the policy or any proceeds arising from such policy.

Date.....

Signed.....

Full Names:_____

Duly authorised on behalf of

_____

IN WITNESS whereof the parties have executed this Debenture on the 15th day of June 2018

THE SECURITYHOLDER

EXECUTED AND DELIVERED as a Deed by)
PARTNERSHIP INVOICE FINANCE LIMITED)
acting by* James Frederick Beck (a Director))
) Signature of Director
)
and by* Philip Owen Padgham (a Director))
) Signature of Director

THE COMPANY

EXECUTED AND DELIVERED as a Deed by)
LINGUA TRANSLATIONS LIMITED)
)
acting by* SHARON STEPHENS (a Director))
) Signature of Director
)
and by* RICHARD STEPHENS (a Director)
/ Co Sec)) Signature of Director/Sec

OR

by * .....(a Director))
Signature of Director

in the presence of
(Witness signature) .....
Witness name .....
Address .....
.....
.....
.....

Key

* = *insert full names*