



**Registration of a Charge**

Company Name: **LEREX TECHNOLOGY LIMITED**

Company Number: **09829039**



XCZT9LGY

Received for filing in Electronic Format on the: **28/03/2024**

**Details of Charge**

Date of creation: **22/03/2024**

Charge code: **0982 9039 0004**

Persons entitled: **ROBERT DAVIES AS SECURITY TRUSTEE**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

Certified by: **ALAN WHITELEY**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 9829039

Charge code: 0982 9039 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd March 2024 and created by LEREX TECHNOLOGY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th March 2024 .

Given at Companies House, Cardiff on 2nd April 2024

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

**Debenture**

**DATED 22 March 2024**

**Lerex Technology Limited**

**and**

**Robert Davies (as Security Trustee)**

THIS DEED is made on 22 March 2024

## Parties

- (1) **LEREX TECHNOLOGY LIMITED** incorporated and registered in England and Wales with company number 09829039) whose registered office is at Aviation House, 125 Kingsway, Holborn, London, WC2B 6NH (the **Chargor**); and
- (2) **ROBERT DAVIES** of Apt 2, Bloc C, 7eme Etage, 47 Av. Grande Bretagne, MC98000, Monaco (the **Security Trustee**).

## Recitals:

- (A) The Security Trustee has been appointed as a security trustee for the Loan Note Holders pursuant to the Loan Note Instrument.
- (B) The parties wish to enter into this Deed for the purpose of providing security in favour of the Security Trustee in respect of the Secured Obligations.

IT IS AGREED as follows:

## 1 **DEFINITIONS AND INTERPRETATION**

### 1.1 **Definitions**

In this Deed, unless otherwise provided:

<b>Company</b>	means Lerex Technology Holdings Limited, company number 13510770;
<b>Debenture</b>	means the debenture dated 22 March 2024 entered into by the Company in favour of the Security Trustee pursuant to the Loan Note Instrument.
<b>Event of Default</b>	means as defined in the Debenture;
<b>Finance Documents</b>	means this Deed, the Loan Note Instrument and any security documents issued thereunder including the Debenture, the Loan Notes and the Guarantee and Indemnity;
<b>Floating Charge Assets</b>	means the assets for the time being comprised within the floating charge created by Clause 3.4 (Floating charge);

<b>Guarantee and Indemnity</b>	means the guarantee and indemnity dated on the date hereof and made between (1) the Chargor and (2) the Security Trustee;
<b>Insurance Policies</b>	means each of the insurance policies now or in the future held by or otherwise benefiting the Chargor and any insurance policies that are effected to renew, substitute or replace any such insurance policies and Insurance Policy means any one of them;
<b>Loan Notes</b>	means any loan notes issued to Loan Note Holders pursuant to the Loan Note Instrument;
<b>Loan Note Holders</b>	means the holders of Loan Notes;
<b>Loan Note Instrument</b>	means the loan note instrument dated 22 March 2024 created by the Company and creating secured convertible loan notes 2024 of the Company;
<b>LPA 1925</b>	means the Law of Property Act 1925;
<b>Party</b>	means a party to this Deed;
<b>Permitted Security</b>	means any security to the extent approved in writing by the Security Trustee or put in place as part of a refinance to repay the amounts owing to the Security Trustee under the Finance Documents;
<b>Plant and Machinery</b>	means any present or future plant, machinery, office equipment, computers, vehicles and other chattels of the Chargor (excluding those forming part of the Chargor's stock in trade or work in progress;
<b>Real Property</b>	means in relation to the Chargor: <ul style="list-style-type: none"> <li>(a) any present or future freehold, leasehold or immovable properties in which the Chargor has an interest (including the Specific Properties); and</li> <li>(b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any of such properties;</li> </ul>
<b>Receiver</b>	means any receiver appointed under this Deed or pursuant to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if the Security Trustee is permitted to appoint such administrative receiver);
<b>Related Rights</b>	means all of the present and future rights to: <ul style="list-style-type: none"> <li>(a) dividends, distributions, interest and other income from the Shares and Investments;</li> <li>(b) allotments, rights, money or property arising from the Shares and Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise;</li> <li>(c) stock, shares and securities offered in addition to or substitution for the Shares and Investments; and</li> </ul>

	proceeds of, or from, the disposal of, or other dealing with, any Shares and Investments;
<b>Secured Assets</b>	means all of the present and future assets and undertakings of the Chargor which from time to time are the subject of any Security Interest created, or purported to be created, by or pursuant to this Deed;
<b>Secured Obligations</b>	means all present and future obligations and liabilities (whether actual or contingent, whether incurred alone, jointly or severally, whether as principal or surety and/or in any other capacity whatsoever and regardless of how they arise) owed by the Company to the Loan Note Holders pursuant to the Loan Note Instrument together with all losses, costs, charges, expenses and liabilities including interest incurred by any Loan Note Holder in connection with the protection, preservation or enforcement of its rights pursuant thereto ;;
<b>Secured Share Assets</b>	means all of the: <ul style="list-style-type: none"> <li>(a) Shares and Investments; and</li> <li>(b) Related Rights;</li> </ul>
<b>Security Interest</b>	means any charge, pledge, mortgage, lien or other security interest securing any obligations of any person or any other arrangement of any type whatsoever having the effect of conferring security or a similar effect;
<b>Security Period</b>	means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that the Secured Obligations have been unconditionally and irrevocably discharged in full and that no further Secured Obligations are capable of being outstanding;
<b>Shares and Investments</b>	means all of the present and future: <ul style="list-style-type: none"> <li>(a) shares owned or held by the Chargor, or by any nominee on behalf of that Chargor, in any company; and</li> <li>(b) stocks, debentures, securities and certificates of deposit held by the Chargor or by any nominee on behalf of that Chargor;</li> </ul>
<b>Specific Properties</b>	means any properties of the Chargor (Specific Properties) and 'Specific Property' means any one of them; and
<b>Sterling</b>	and £ mean the lawful currency of the United Kingdom.

## 1.2 Incorporation of Instruments definitions

Unless defined otherwise in this Deed, or the context requires otherwise, all words or expressions defined in the Instruments have the same meaning in this Deed.

## 1.3 Interpretation

1.3.1 In this Deed, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa;
- (b) including means including without limitation;

- (c) where an act is required to be performed promptly, it must be performed as soon as reasonably possible from the moment when the act could reasonably have been performed, having regard to all of the circumstances;
- (d) a time of day is a reference to London time;
- (e) a reference to any Party shall be construed as including, where relevant, successors in title to that Party, and that Party's permitted assigns and transferees (if any);
- (f) a reference to a person includes individuals, unincorporated bodies, government entities, companies and corporations;
- (g) a reference to a Clause or a Schedule is to a clause of, or schedule to, this Deed;
- (h) a reference to this Deed, any other Finance Document or any other agreement is a reference to that document as amended, novated, supplemented, restated or replaced from time to time in accordance with its terms; and
- (i) references to legislation include any modification or re-enactment of such legislation or any part of it.

1.3.2 A reference to this Deed includes its Schedules, which form part of this Deed.

1.3.3 The table of contents and any Clause title, Schedule title or other headings in this Deed are included for convenience only and shall have no effect on the interpretation of this Deed.

1.3.4 An Event of Default is 'continuing' if it has not been waived in writing by the Security Trustee.

#### **1.4 Contract for the disposition of Real Property**

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Finance Agreements and of any side letters between any parties in relation to the Finance Agreements are incorporated into this Deed.

#### **1.5 Third party rights**

Except as expressly provided for in this Deed, a person who is not a Party (other than a Receiver or any of its delegates or sub-delegates or a Loan Note Holder) shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this Deed. This does not affect any right or remedy of such a person that exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

### **2 COVENANT TO PAY**

The Chargor covenants with the Security Trustee that it shall, on written demand by the Security Trustee, pay and discharge all the Secured Obligations when due, (together with all interest, fees, costs and expenses charged by or incurred by the Security Trustee in connection with the Chargor's obligation to pay and discharge the Secured Obligations).

### **3 FIXED AND FLOATING SECURITY**

#### **3.1 Legal mortgage**

The Chargor, with full title guarantee, charges by way of legal mortgage, in favour of the Security Trustee, all of the Real Property in which it has an interest on the date of this Deed as security for the payment and discharge of the Secured Obligations.

### **3.2 Fixed charges**

To the extent not validly or effectively charged by way of legal mortgage under Clause 3.1 (Legal mortgage) or assigned under Clause 3.3 (Assignments by way of security), the Chargor, with full title guarantee, charges by way of fixed charge, in favour of the Security Trustee, all of its rights, title and interest from time to time in and to each of the following assets, as security for the payment and discharge of the Secured Obligations:

#### **3.2.1 Real Property**

- (a) its Real Property;
- (b) all rental and other income and all debts, rights and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to its Real Property;
- (c) all of its present and future rights and claims against the lessees, sub-lessees or licensees of its Real Property and all guarantors and sureties for the obligations of such lessees, sub-lessees or licensees; and
- (d) each of the present and future agreements, licences, options, contracts, guarantees, warranties, easements, agreements for lease, and any other document, in each case, entered into by it relating to the use, acquisition, exploitation, disposal of or dealings with any of the Real Property;

#### **3.2.2 Plant and Machinery**

all Plant and Machinery;

#### **3.2.3 Shares and Investments**

- (a) all of its Shares and Investments; and
- (b) all the Related Rights;

#### **3.2.4 Insurance Policies**

all of its rights and claims arising in relation to each of the Insurance Policies, including the benefit of all claims arising and all money payable under such Insurance Policies;

#### **3.2.5 Goodwill and uncalled capital**

all its goodwill and all rights and claims relating to the uncalled capital of such Chargor;

### **3.3 Assignments by way of security**

3.3.1 The Chargor, with full title guarantee, assigns absolutely to the Security Trustee, as security for the payment and discharge of the Secured Obligations:

- (a) all rental and other income and all debts, rights and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to its Real Property;
- (b) all of its present and future rights and claims against the lessees, sub-lessees or licensees of its Real Property and all guarantors and sureties for the obligations of such lessees, sub-lessees or licensees;
- (c) the benefit of each of the present and future agreements, licences, options, contracts, guarantees, warranties, easements, agreements for lease, and any other document, in each case, entered into by it



relating to the use, acquisition, exploitation, disposal of or dealings with any of the Real Property; and

(d) all of its rights and claims in relation to the Insurance Policies.

#### **3.4 Floating charge**

3.4.1 The Chargor, with full title guarantee, charges by way of floating charge in favour of the Security Trustee, as security for the payment and discharge of the Secured Obligations, all of its present and future assets (except to the extent that those assets are for the time being effectively charged by way of legal mortgage or fixed charge or assigned under Clauses 3.1 (Legal mortgage), 3.2 (Fixed charges) or 3.3 (Assignments by way of security)) including any assets which have been reconverted into a floating charge under Clause 4.4 (Decrystallisation of floating charge).

3.4.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.4.1.

### **4 CRYSTALLISATION OF FLOATING CHARGE**

#### **4.1 Crystallisation by notice**

4.1.1 The floating charge created by Clause 3.4 (Floating charge) may be crystallised into a fixed charge by the Security Trustee giving written notice to the Chargor in relation to any or all of the Floating Charge Assets, if:

- (a) the Security Interests created by or pursuant to this Deed become enforceable in accordance with Clause 10 (Enforcement); or
- (b) the Security Trustee considers (in its reasonable opinion), that crystallisation is required to protect the priority of the security created under this Deed.

4.1.2 If no Floating Charge Assets are specified in the notice referred to in Clause 4.1.1, the crystallisation shall take effect over all the Floating Charge Assets.

#### **4.2 Automatic crystallisation**

The floating charge created by Clause 3.4 (Floating charge) shall automatically and with immediate effect crystallise (without notice) into a fixed charge in relation to all the Floating Charge Assets upon the occurrence of any of the following:

- 4.2.1 the Chargor, without the Security Trustee's prior written consent, resolves to take or takes any step to create a Security Interest (other than Permitted Security) or trust over any Floating Charge Asset or to dispose of any Floating Charge Asset (except any disposal in the ordinary course of its business unless such disposal is prohibited by the Finance Documents); or
- 4.2.2 any person resolves to take or takes any step to levy any distress, execution, sequestration or other process against any Floating Charge Asset; or
- 4.2.3 an application is presented to the court for the making of an administration order in relation to the Chargor; or
- 4.2.4 any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court.

#### **4.3 Assets acquired post-crystallisation**

Any assets acquired by the Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge or assigned under Clauses 3.1 (Legal mortgage), 3.2 (Fixed charges) or 3.3 (Assignments by way of security)) shall become subject to the floating charge created by Clause 3.4 (Floating

charge) so that the crystallisation shall be effective as if such assets were owned by that Chargor at the date of crystallisation.

#### **4.4 Decrystallisation of floating charge**

Any charge that has crystallised under Clause 4.1 (Crystallisation by notice) or Clause 4.2 (Automatic crystallisation) may by notice in writing (given at any time by the Security Trustee), be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

### **5 UNDERTAKINGS**

The undertakings in this Clause 5 (Undertakings) remain in effect throughout the Security Period.

#### **5.1 General**

5.1.1 The Chargor must:

- (a) maintain, preserve, protect and keep good title to all of the Secured Assets;
- (b) maintain and preserve the Security Interests created by or pursuant to this Deed; and
- (c) provide the Security Trustee with any notices, reports, accounts, circulars and other documents relating to the Secured Assets promptly when the Security Trustee requires.

5.1.2 The Chargor must not:

- (a) create or permit to subsist any Security Interest over any of the Secured Assets other than any Security Interest created by or pursuant to the Permitted Security;
- (b) either in a single transaction or in a series of transactions sell, transfer, licence, lease, grant any option in respect of or otherwise dispose of all or any part of the Secured Assets or agree or attempt to do so.

#### **5.2 Real Property**

5.2.1 The Chargor must:

- (a) keep all buildings, plant, machinery, fixtures, fittings and other effects charged under this Deed in good and substantial repair and in good working order (except only for fair wear and tear) and renew and replace them when they become obsolete, worn out or destroyed;
- (b) punctually pay or cause to be paid and keep the Security Trustee indemnified against, all present and future rents, rates, taxes, levies, charges, duties, assessments, impositions and other outgoings assessed, charged or imposed upon or in respect of its Real Property and, when required, produce to the Security Trustee proof of such payment;
- (c) ensure compliance with all laws, statutes, statutory instruments, regulations and by-laws for the time being in force and all notices, orders and requirements of any competent authority, and all directives and codes of practice affecting its Real Property, business or assets or relating to the protection of the environment or health and safety and give effect to all arrangements which any such authority may direct or recommend;

- (d) complete (with reasonable expedition and in compliance with all planning and by-law consents or agreements entered into with a competent authority) any building operations commenced at any time by it on its Real Property to the satisfaction of the Security Trustee all of which building operations shall have been previously approved by the Security Trustee;
- (e) observe and perform all agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting its Real Property or its use or enjoyment, and the Chargor must not take or omit to take any action of any kind whereby their interest or estate in their Real Property may be forfeited or otherwise adversely affected;
- (f) if the Chargor receives any notice served under section 146 of the LPA 1925 or any proceedings are commenced for forfeiture of any lease or any superior lease or the landlord or any superior landlord attempts to re-enter under the provisions of such lease: (i) immediately notify the Security Trustee in writing, and (ii) take such steps as the Security Trustee requires (at the Chargor's expense);
- (g) permit the Security Trustee to enter any of its Real Property, without prejudice to the powers conferred by this Deed and without becoming a mortgagee in possession, for any reasonable purpose and to view the state of the same;
- (h) punctually pay the rents and perform any other obligations contained in any lease, agreement for lease, tenancy agreement or licence to occupy its Real Property and enforce the observance and performance by the landlord or licensor of their respective obligations under any such document;
- (i) supply to the Security Trustee, within 7 days of receipt, copies of any notice, order or proposal received by the Chargor from any competent authority or from any landlord or tenant affecting any of the Real Property in any material respect, and, at the cost of the Chargor, either punctually comply with the notice or order or, if so requested by the Security Trustee, make or join with the Security Trustee in making such objections or representations or taking such other steps as the Security Trustee may think fit, and any compensation received by the Chargor as a result shall be charged to the Security Trustee and paid to it and applied in or towards the discharge of the Secured Obligations;
- (j) promptly on receipt, provide to the Security Trustee a copy of each professional valuation report it obtains in relation to any of the Real Property;
- (k) notify the Security Trustee, promptly on receipt, of any claim, notice or other communication received by it alleging non-compliance by it in relation to any matter referred to in this Clause 5.2 (Real Property); and
- (l) insure and keep insured all its Real Property.

5.2.2 The Chargor must not:

- (a) create any legal or equitable estate or interest (including any license or sub-license, or grant any interest or right relating to the use, occupation or possession) in or over the whole or any part of its Real Property (or purport to do so) or part with possession or ownership or

allow any third party access to or the right to use any of its Real Property;

- (b) without the prior written consent of the Security Trustee:
  - (i) exercise any power of leasing its Real Property, or accepting any lease surrenders, nor (except where obliged to do so by law) extend, renew or vary any lease or tenancy agreement or grant any licence to assign or underlet;
  - (ii) construct any building or make any structural alteration or apply for any planning consent for the development or change of use of any of its Real Property, or, except in the ordinary course of repair, replacement or improvement, at any time sever, remove or dispose of any fixture on it;
  - (iii) enter into onerous or restrictive obligations affecting its Real Property or create or permit to arise any overriding interest or any easement or right in or over it; or
  - (iv) alter, pull down, remove or dispose of any of buildings, plant, machinery, fixtures, fittings on its Real Property except in the ordinary course of repair, maintenance or improvement.

### 5.3 Shares and Investments

5.3.1 The Chargor must promptly pay when due all calls on any of its Secured Share Assets that, despite Clause **Error! Reference source not found.**, are not fully paid.

5.3.2 The Chargor must not:

- (a) make any nomination under section 145 of the Companies Act 2006 in connection with any of the Secured Share Assets;
- (b) convert any of the Secured Share Assets from certificated to uncertificated form;
- (c) cause or permit any of the Secured Share Assets to be consolidated, sub-divided or converted and must take such action as the Security Trustee may direct in respect of any proposed compromise, arrangement, capital organisation, conversion, exchange, repayment or takeover offer affecting any of the Secured Share Assets or any proposal to vary or abrogate any rights attaching to any of the Secured Share Assets;
- (d) permit the articles of association of any company in which it holds any of the Secured Share Assets to be amended or modified in any way that would be adverse to the interests of the Security Trustee or adversely affect the Security Interests created, or purported to be created, by or pursuant to this Deed; or
- (e) exercise any voting or other rights in respect of the Secured Share Assets in any way that is likely to prejudice the value of the Secured Share Assets or otherwise jeopardise the Security Interests created, or purported to be created, by or pursuant to this Deed in respect of the Secured Share Assets.

### 5.4 Insurance

5.4.1 The Chargor must:

- (a) insure and keep insured the Secured Assets to such extent as is customary for a business engaged in the same or similar activity;

- (b) upon request, provide the Security Trustee with copies of the Insurance Policies;
- (c) comply with the terms of the Insurance Policies;
- (d) promptly, and in any event no later than their due date, pay all premiums required for keeping up the Insurance Policies and, upon request, deliver to the Security Trustee the receipts for all such premiums;
- (e) provide the Security Trustee with copies of all correspondence given to or received from any insurer under any Insurance Policy promptly after they are given or received;
- (f) renew each Insurance Policy in good time prior to its expiry date;
- (g) if any of the Insurance Policies become void or voidable, immediately at its own cost, effect a new Insurance Policy of the same value as the void or voidable Insurance Policy;
- (h) ensure that all proceeds of any of the Insurance Policies will be applied towards making good the loss or damage in respect of which the money was received or, at the option of the Security Trustee after the Security Interests created by or pursuant to this Deed become enforceable, towards the discharge of the Secured Obligations

5.4.2 The Chargor must not do any act or commit any default by which any Insurance Policy may become void, voidable or subject to any restriction, limitation or an increased premium or by which the Security Trustee may be hindered from receiving all money payable under any Insurance Policy.

#### 5.5 **Book and other debts**

- 5.5.1 The Chargor must collect and realise all its book and other debts as soon as reasonably practicable.
- 5.5.2 Each Chargor must not, without the prior written consent of the Security Trustee, charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any of its book or other debts in favour of any other person or purport to do so.

### 6 **SHARES AND INVESTMENTS: VOTING RIGHTS AND DIVIDENDS**

#### 6.1 **After this Deed becomes enforceable**

Subject to the Permitted Security, at any time after the Security Interests created by or pursuant to this Deed become enforceable:

- 6.1.1 the Security Trustee or its nominee may, in the name of the Chargor or otherwise and without any further consent or authority on the part of the Chargor, exercise any or all voting and other rights attaching to the Secured Share Assets and any rights attaching to the Secured Share Assets to nominate or remove a director as if the Security Trustee or its nominee were the sole beneficial owner of the Secured Share Assets;
- 6.1.2 all the Related Rights shall, if received by the Chargor or its nominee, be held on trust for, and shall be paid or transferred to, the Security Trustee or its nominee;
- 6.1.3 the Chargor must, and must procure that its nominees will, accept short notice for and attend any meeting of the holders of any of the Secured Share Assets, appoint proxies and exercise voting and other rights and powers

exercisable by the holders of the Secured Share Assets as the Security Trustee or its nominee may direct from time to time; and

6.1.4 the Security Trustee or its nominee may without notice to the Chargor;

- (a) deal with the documents which relate to the Secured Share Assets and complete any transfers of any of the Secured Share Assets as if it was the absolute and unencumbered owner of such Secured Share Assets; and
- (b) in exercising a power of sale, deliver the documents which relate to the relevant Secured Share Assets to a purchaser of any such Secured Share Assets.

## **7 PERFECTION OF SECURITY**

### **7.1 Document delivery and other steps to perfect security**

7.1.1 The Chargor must, immediately upon the execution of this Deed (and promptly upon the acquisition of any Secured Assets after the date of this Deed), execute and deliver to the Security Trustee in such form and substance as the Security Trustee may reasonably require all documents required to perfect the Security Interests created, or purported to be created, by or pursuant to this Deed (including any documents required in connection with any registration formalities);

7.1.2 The Chargor must take all such other action as is available to it as may be necessary or as may reasonably be requested by the Security Trustee to create, perfect, protect or maintain any of the Security Interests created, or purported to be created, by or pursuant to this Deed or to vest title to any Secured Asset in a Lender or its nominee or any purchaser, or to facilitate the realisation of any Secured Asset under this Deed or the exercise of any of the rights, powers and remedies of a Lender provided by or pursuant to this Deed or by law, including:

- (a) making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including Companies House, the Land Registry); and
- (b) if required by the Security Trustee, making an application to the Land Registry for a restriction to be placed on the Proprietorship Register of the Chargor's Real Property so that no disposition of any such Real Property by the Chargor is to be registered without the prior written consent of the Security Trustee.

### **7.2 Notices of charge and/or assignment**

The Chargor must give notices of assignment or charge, as required by the Security Trustee, in relation to each Secured Asset which is subject to an assignment or charge pursuant to Clause 3.2 (Fixed charges) or Clause 3.3 (Assignments by way of security), to each of the relevant counterparties.

## **8 FURTHER ASSURANCE**

### **8.1 Further assurance**

The Chargor must, if requested by the Security Trustee, execute in favour of the Security Trustee (or as the Security Trustee directs) such further legal or other assignments or mortgages of, charges on or transfers of the Secured Assets as the Security Trustee requires to secure the payment and discharge of the Secured Obligations.



## **8.2 Real Property: future acquisitions**

If the Chargor acquires any freehold or leasehold property after the date of this Deed, the Chargor must:

- 8.2.1 immediately notify the Security Trustee;
- 8.2.2 immediately upon request by the Security Trustee and at the cost of the Chargor, execute and deliver to the Security Trustee a legal mortgage in favour of the Security Trustee of that property in a form consistent with this Deed, which the Security Trustee may require;
- 8.2.3 give the Land Registry written notice of the Security Interests created by this Deed and any mortgage;
- 8.2.4 if applicable, ensure that the Security Interests created by this Deed and any mortgage are correctly noted against the Charges Register against the title of the relevant freehold or leasehold property at the Land Registry; and
- 8.2.5 attend to any other perfection of security requirements required by the Security Trustee.

## **9 ENFORCEMENT**

- 9.1 The Security Interests created by or pursuant to this Deed shall become immediately enforceable at any time after the occurrence of an Event of Default which is continuing.
- 9.2 After the Security Interests created by or pursuant to this Deed have become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of this Deed in any manner it sees fit.
- 9.3 Without limiting the generality of the foregoing, at any time after the Security Interests created by or pursuant to this Deed have become enforceable, the Security Trustee may appoint an administrator of the Chargor pursuant to Schedule B1 to the Insolvency Act 1986 (IA 1986).

## **10 RIGHT OF APPROPRIATION**

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003, SI 2003/3226 apply to a Secured Asset, the Security Trustee shall have the right to appropriate all or any part of that Secured Asset in or towards the payment or discharge of the Secured Obligations. For this purpose, a commercially reasonable method of valuing a Secured Asset shall be:

- 10.1 in the case of cash, the amount standing to the credit of the relevant bank account, together with any accrued interest, at the time of appropriation; and
- 10.2 in the case of any other Secured Asset, its market value determined by the Security Trustee by reference to a public index, independent valuation or by such other process as the Security Trustee may select.

## **11 APPOINTMENT AND POWERS OF A RECEIVER**

### **11.1 Appointment of a Receiver**

At any time:

- 11.1.1 after the Security Interests created by or pursuant to this Deed have become enforceable; or
- 11.1.2 if so requested by the Chargor,

the Security Trustee may appoint by writing any person to be a Receiver of all or any part of the Secured Assets.

**11.2 Powers of Receivers joint and several**

Where more than one Receiver is appointed, they shall have power to act separately unless the Security Trustee in the appointment specifies to the contrary.

**11.3 Remuneration of Receiver**

The Security Trustee may from time to time determine the remuneration of the Receiver.

**11.4 Power of the Security Trustee to remove Receiver**

The Security Trustee may, subject to section 45 of the Insolvency Act 1986, remove the Receiver from the assets of which it is Receiver.

**11.5 Further appointment**

The appointment of a Receiver shall not preclude:

11.5.1 the Security Trustee from making any subsequent appointment of a Receiver over all or any of the Secured Assets over which a Receiver has not previously been appointed or has ceased to act; or

11.5.2 a Receiver, while continuing to act, consenting to the appointment of an additional Receiver to act with it.

**11.6 Status of Receiver as agent**

A Receiver shall be the agent of the Chargor and the Chargor shall be solely liable for the Receiver's acts, defaults and remuneration, unless and until such Chargor goes into liquidation, after which the Receiver shall act as principal and shall not become the agent of the Security Trustee.

**11.7 Powers of Receiver**

A Receiver shall have and be entitled to exercise in relation to the Chargor in respect of whose assets he is appointed, all the powers set out in Schedule I to the Insolvency Act 1986, and in particular, by way of addition and without limiting such powers, and without prejudice to the powers of the Security Trustee, a Receiver shall have power either in its own name or in the name of the Chargor:

11.7.1 in connection with any sale or other disposition of the Secured Assets, to receive the consideration for the sale in a lump sum or in instalments and to receive shares by way of consideration;

11.7.2 to grant options, licences or any other interests in the Secured Assets;

11.7.3 to sever fixtures from, and to repair, improve and make any alterations to, the Secured Assets;

11.7.4 to exercise any voting rights belonging to the Chargor;

11.7.5 to do all other acts and things which it may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed; and

11.7.6 to exercise in relation to any of the Secured Assets all the powers, authorities and things which it would be capable of exercising if it was the absolute beneficial owner of the Secured Asset.



### **11.8 Limitation on Lender's liability**

Neither the Security Trustee nor any Receiver shall be liable:

11.8.1 for any loss, however caused, arising out of:

- (a) any sale or other disposal of any of the Secured Assets and whether or not a better price could or might have been obtained by deferring or advancing the date of such sale or other disposal; or
- (b) the exercise of or failure to exercise any of the Security Trustee's powers under this Deed; or

11.8.2 to account as mortgagee in possession for any of the Secured Assets.

### **11.9 Section 109 of the LPA 1925**

Section 109 of the LPA 1925 shall not apply to this Deed.

## **12 POWER OF ATTORNEY**

### **12.1 Power of attorney**

The Chargor, by way of security, following an Event of Default, which is continuing and has not been remedied within the applicable grace period (if any), irrevocably appoints the Security Trustee (whether or not a Receiver has been appointed) and any Receiver separately, to be its attorney with full power to appoint substitutes and to delegate, in its name and on its behalf, and as its act and deed or otherwise, to execute, deliver and otherwise perfect any document, or perform any act:

12.1.1 that may be required of the Chargor under this Deed; or

12.1.2 that may be deemed by the attorney necessary or desirable for any purpose of this Deed (including, after the Security Interests created by or pursuant to this Deed have become enforceable, to transfer legal ownership of any of the Secured Assets).

### **12.2 Ratification**

Without prejudice to the generality of Clause 13.1 (Power of attorney), the Chargor covenants with the Security Trustee and separately with any Receiver to ratify:

12.2.1 all transactions entered into by any attorney in the proper exercise of its powers in accordance with this Deed; and

12.2.2 all transactions entered into by any attorney in signing, sealing or delivering any deed, assurance or document, perfecting any Security Interest or performing any act, in each case in the proper exercise of its powers in accordance with this Deed.

## **13 OTHER POWERS EXERCISABLE BY THE SECURITY TRUSTEE**

### **13.1 Lender may exercise Receiver's powers**

All powers of a Receiver conferred by this Deed may be exercised by the Security Trustee after the Security Interests created by or pursuant to this Deed have become enforceable, whether as attorney of the Chargor or otherwise, and whether or not a Receiver has been appointed.

### **13.2 Lender empowered to receive receivables**

The Security Trustee or any manager or officer of the Security Trustee is irrevocably empowered to receive all receivables and claims that may be assigned to the Security Trustee under this Deed, on payment to give an effectual discharge for them, on non-payment to take and institute if the Security Trustee in its sole discretion so decides all

steps and proceedings either in the name of the Chargor or in the name of the Security Trustee for their recovery, and to agree accounts and to make allowances and to give time to any surety, the Chargor undertakes to ratify and confirm whatever the Security Trustee or any manager or officer of the Security Trustee shall do or purport to do under this Clause 4 (Other powers exercisable by the Security Trustee).

**13.3 Lender not obliged to take action relating to receivables**

The Security Trustee shall not be obliged to:

13.3.1 make any enquiry as to the nature or sufficiency of any sums received by it in respect of any receivables or claims assigned to it under this Deed or pursuant to any of the Secured Assets;

13.3.2 make any claim or take any other action under this Deed; or

13.3.3 collect any money or enforce any of its other rights under this Deed.

**13.4 Lender has no obligation under the Insurance Policies**

The Security Trustee shall have no obligation under the Insurance Policies or and shall have no liability in the event of failure by the Chargor to perform its obligations under the Insurance Policies

**14 POWERS OF SALE, LEASING, ACCEPTING SURRENDERS AND SEVERANCE**

**14.1 Statutory power of sale to arise on execution**

Section 103 of the LPA 1925 shall not apply to this Deed, but the power of sale and all other powers conferred by s. 101 of the LPA 1925 as varied or extended will arise upon execution of this deed by the Chargor.

**14.2 Power of the Security Trustee to grant leases**

14.2.1 The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Trustee by virtue of this Deed shall be extended so as to authorise the Security Trustee (whether in its own name or that of the Chargor) after the Security Interests created by or pursuant to this Deed have become enforceable, to grant leases of any of the Real Property on such terms and conditions as the Security Trustee shall think fit.

14.2.2 The Chargor must not exercise any of the powers of leasing or accepting surrenders of leases conferred by sections 99 and 100 of the LPA 1925 or by common law without the Security Trustee's prior written consent.

**14.3 Lender may sever fixtures**

The statutory power of sale exercisable by the Security Trustee is extended so as to authorise the Security Trustee to sever any fixtures from any Real Property and sell them separately.

**15 PROTECTION OF THIRD PARTIES**

No person (including a purchaser) dealing with a Lender or any Receiver or any of their respective nominees or agents, shall be concerned to enquire:

15.1 whether the Security Interests created by or pursuant to this Deed have become enforceable;

15.2 whether any Receiver is validly appointed or acting within its powers;

15.3 whether any power exercised or purported to be exercised has become exercisable;

15.4 whether any of the Secured Obligations remain due;

- 15.5 as to the necessity or expediency of any stipulations or conditions subject to which the sale of any Secured Asset is made, or otherwise as to the propriety or regularity of the sale of any Secured Asset; or
- 15.6 how any money paid to a Lender or a Receiver, or their respective nominees or agents, is applied.

**16 CONSOLIDATION OF MORTGAGES**

The restrictions on consolidation of mortgages contained in section 93 of the LPA 1925 shall not apply to this Deed.

**17 RIGHTS OF LENDER OR RECEIVER TO REMEDY BREACH**

If the Chargor defaults in its performance of any of the undertakings under Clause 6 (Undertakings) or other obligations in this Deed, the Security Trustee or any Receiver may (but shall not be obliged to) do whatever may be necessary to rectify the default or protect the Security Trustee's interest under this Deed (including, if applicable, entering the Chargor's Real Property without becoming liable as mortgagee in possession) at the expense of the Chargor.

**18 APPLICATION OF MONEY RECEIVED BY THE SECURITY TRUSTEE OR A RECEIVER**

**18.1 Application of recoveries**

Any money received under this Deed shall, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- 18.1.1 in payment of the remuneration of the Receiver and the costs of realisation incurred by the Security Trustee and/or the Receiver including all costs, charges and expenses of or incidental to any exercise of any power conferred by this Deed;
- 18.1.2 in or towards the payment of any debts or other amounts which are by statute made payable in preference to the Secured Obligations, to the extent that such debts or other amounts are made so payable;
- 18.1.3 in or towards satisfaction of the Secured Obligations in such order as the Security Trustee determines, in its absolute discretion; and
- 18.1.4 as to the surplus, if any, to the Chargor or to any other person or persons entitled to it.

**18.2 Credit to a suspense account**

The Security Trustee may, in its absolute discretion on or at any time or times after demand and pending the payment to the Security Trustee of the whole of the Secured Obligations, place and keep to the credit of an interest-bearing separate or suspense account any money received, recovered or realised by the Security Trustee under or in connection with this Deed for so long and in such manner as the Security Trustee may determine without any intermediate obligation on its part to apply the same or any part of such money in or towards the discharge of any of the Secured Obligations.

**19 COSTS, EXPENSES AND INDEMNITY**

The Chargor must, within 3 (*three*) Business Days of demand by the Security Trustee, pay to the Security Trustee on a full indemnity basis all costs, losses and liabilities (including legal fees) together with VAT thereon incurred by or on behalf of the Security Trustee arising at any time as a result of or in connection with:

- 19.1.1 the occurrence of an Event of Default; or

19.1.2 the preservation and/or enforcement of any of the rights of the Security Trustee under this Deed.

## **20 PAYMENTS**

- 20.1 All sums payable by the Chargor under this Deed must be paid in Sterling in full without any set-off or counterclaim and in cleared funds no later than 11 am on the day in question to such account as the Security Trustee may have specified for this purpose.
- 20.2 Where the day on or by which any payment is to be made is not a Business Day, that payment must be made on or by the following Business Day.

## **21 SET-OFF**

- 21.1 The Chargor waive any right of set-off it may have now or at anytime in the future in respect of the Secured Obligations (including sums paid by the Chargor under this Deed).

## **22 INFORMATION**

- 22.1 The Security Trustee may from time to time seek from any other creditor or provider of finance to the Chargor such information about the Chargor and their affairs as the Security Trustee may think fit and the Chargor direct such third party to provide such information to the Security Trustee.

## **23 TRANSFERS**

### **23.1 Right of Lender to transfer**

The Security Trustee may not assign any of its rights or transfer any of its obligations under this Deed or enter into any transaction which would result in any of those rights or obligations passing to another person provided that the Security Trustee may with the consent of the Chargor, which shall not be unreasonably withheld, assign its rights hereunder to a member of its Group (as defined in the Agreement).

### **23.2 No right of Chargor to transfer**

The Chargor is entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Deed.

### **23.3 Disclosure**

The Chargor irrevocably authorises the Security Trustee to disclose any information concerning the Chargor, this Deed or the Secured Obligations to:

- 23.3.1 any prospective assignee or transferee referred to in Clause 23.1 (Right of Lender to transfer) and any other person considered by the Security Trustee to be concerned in the prospective assignment or transfer; and
- 23.3.2 any person who, as part of the arrangements made in connection with any transaction referred to in Clause 23.1 (Right of Lender to transfer), requires such information after the transaction has been effected.

## **24 NOTICES**

- 24.1 Any notice or other communication given by a party under this Deed must:
- 24.1.1 be in writing and in English; and
- 24.1.2 be signed by or on behalf of the party giving it; and
- 24.1.3 sent to the relevant party's registered address or in the case of an individual to the address set out herein or in each case to such other address notified to the other parties or by email to the email address of the relevant party.

- 24.2 Notices may be given and will be deemed received:
- 24.2.1 by hand: on receipt of a signature at the time of delivery;
  - 24.2.2 by pre-paid recorded signed for post: at 9.00 am on the 2nd (second) Business Day after posting; and
  - 24.2.3 by email: on receipt of a transmission report from the correct address confirming uninterrupted and error-free transmission;
- 24.3 This Clause 24 (Notices) does not apply to any notice given in legal proceedings, arbitration or other dispute resolution proceedings.

**25 AMENDMENTS**

No amendment, waiver or variation of any of the terms of this Deed will be valid or effective unless made in writing and executed by or on behalf of the Parties.

**26 REMEDIES AND WAIVERS**

- 26.1 No failure, delay or omission by any Lender in exercising any right, power or remedy provided by law or under this Deed shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy.
- 26.2 No single or partial exercise of any right, power or remedy provided by law or under this Deed shall prevent any future exercise of it or the exercise of any other right, power or remedy.
- 26.3 The Security Trustee's rights, powers and remedies under this Deed are cumulative and they do not exclude any rights or remedies that arise by law.
- 26.4 Any release, waiver or discharge of the whole or any part of the Secured Obligations or any consent, approval or waiver given by any Lender in relation to this Deed shall only be effective for that specific purpose and for the terms and conditions upon which it was granted.

**27 CONTINUING AND ADDITIONAL SECURITY**

- 27.1 This Deed is a continuing security for the Secured Obligations in favour of the Security Trustee and shall extend to cover the ultimate balance due at any time from the Chargor to the Security Trustee under the Finance Documents, notwithstanding any intermediate payment or settlement of account (whether in whole or in part) or any other matter whatever.
- 27.2 The Security Interests constituted by this Deed are in addition to and do not prejudice, nor are they in any way prejudiced by, any other Security Interest (other than any Security Interest arising under or pursuant to any Permitted Security), guarantee or right of set-off, combination or other rights exercisable by the Security Trustee against the Chargor or any Security Interest, guarantee, indemnity and/or negotiable instrument now or in the future held by the Security Trustee.

**28 OPENING OF NEW ACCOUNTS**

- 28.1 If the Security Trustee receives notice (whether actual or constructive) that the Chargor has created a Security Interest over any of the Secured Assets, such Lender may rule off the Chargor's account or accounts and open one or more new accounts with the Chargor.
- 28.2 If the Security Trustee does not open any such new account or accounts, it shall nevertheless be treated as if it had done so at the time when it received such notice and from that time, all payments made by the Chargor to such Lender shall be



treated as having been credited to such new account or accounts and shall not operate to reduce the Secured Obligations.

**29 NO PREJUDICE**

29.1 The Security Interests created, or intended to be created, by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document.

29.2 The Security Trustee may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person who is not a Party without prejudicing, affecting or impairing the Security Interests created by or pursuant to it, or any of the powers, rights or remedies of it under this Deed or the exercise of any one of them or other obligation or liability of the Chargor to the Security Trustee.

**30 EVIDENCE OF DEBT**

30.1 A copy of any entry in the Security Trustee's accounts shall in any legal proceedings arising out of or in connection with this Deed be prima facie evidence of the matters, transactions and accounts to which it relates.

30.2 A certificate by the Security Trustee as to any sum payable to it under this Deed shall, in the absence of manifest error, be conclusive evidence of the matters, transactions and accounts to which it relates.

**31 REDEMPTION OF SECURITY AND RELEASES**

Subject to and without prejudice to Clause 3 (Conditional discharge), on the irrevocable and unconditional payment and discharge in full of the Secured Obligations, the Security Trustee shall, at the request and cost of the Chargor.

31.1 take whatever action is necessary to release and cancel the Security Interests created by or pursuant to this Deed;

31.2 procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed; and

in each case without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

**32 CONDITIONAL DISCHARGE**

32.1 Any release, settlement or discharge between the Security Trustee and the Chargor will be conditional upon no security, disposition or payment to the Security Trustee by the Chargor or any other person in respect of the Secured Obligations being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation or for any reason whatsoever.

32.2 If any such release, settlement or discharge is so avoided, set aside, reduced or ordered to be refunded, the liability of the Chargor under this Deed shall continue or be reinstated and the Security Trustee shall be entitled to recover the value or amount of any such security, disposition or payment from the Chargor as if the release, settlement or discharge had not occurred.

32.3 Subject to Clauses 32.1 and 32.2, the Security Trustee shall be entitled to retain this Deed after as well as before payment of all the Secured Obligations for such period as the Security Trustee may determine.

**33 PARTIAL INVALIDITY**

33.1 If any provision of this Deed (or part of any provision of this Deed) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other

provision of this Deed (or other part of that provision of this Deed) shall not be affected.

- 33.2 If any provision of this Deed (or part of any provision of this Deed) is or becomes illegal, invalid or unenforceable but would be legal, valid or enforceable if some part of it was deleted, the provision or part-provision in question shall apply with such deletions as may be necessary to make the provision legal, valid and enforceable.

**34 COUNTERPARTS**

This Deed may be executed in any number of separate counterparts and this has the same effect as if the signatures on those counterparts were on a single copy of this Deed.

**35 GOVERNING LAW AND JURISDICTION**

- 35.1 This Deed and any dispute or claim arising out of, or in connection with it, its subject matter or formation shall be governed by, and construed in accordance with, the laws of England and Wales.
- 35.2 The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claims arising out of or in connection with this Deed, its subject matter or formation provided that nothing contained in this Deed shall be taken to limit the right of the Security Trustee to bring proceedings in any other jurisdiction or jurisdictions whether concurrently or not. the Chargor further agrees not to initiate any proceedings against any Lender in any jurisdiction other than the courts of England and Wales.

THIS DEED has been executed and delivered as a deed and is intended to take effect as a deed by the Parties on the date written at the beginning of this Deed.

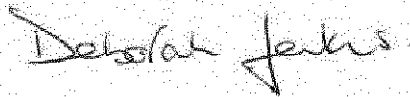
EXECUTION PAGE

Executed as a Deed by  
**LEREX TECHNOLOGY LIMITED,**  
acting by a director



\_\_\_\_\_  
Director

in the presence of:



Witness Signature:

Witness Name:

DEBORAH JENKINS

Witness Address:

1 HEOL Y CAEL, NOTTAGE BETHCROFT  
CF36 3ST

Witness Occupation:

BUSINESS CONSULTANT

Executed as a Deed by  
**ROBERT DAVIES**

Robert Davies by his attorney





in the presence of:

Witness Signature: *Deborah Jenkins*

Witness Name: *Deborah Jenkins*

Witness Address: *1 HEOL Y CAEL NOTTAGE PORTHCAWL*

Witness Occupation: *BUSINESS CONSULTANT*

*CF86 3ST*