



Registration of a Charge

Company name: **ACT SAFEGUARD LIMITED**

Company number: **09894553**



X83K0YN4

Received for Electronic Filing: **17/04/2019**

Details of Charge

Date of creation: **16/04/2019**

Charge code: **0989 4553 0001**

Persons entitled: **JOHN PATRICK ODDY (FORMERLY KNOWN AS MARTIN PAUL WEST)**

Brief description: **ALL PROPERTIES, ALL ITS PRESENT AND FUTURE GOODWILL, UNCALLED CAPITAL, EQUIPMENT, INTELLECTUAL PROPERTY, BOOK DEBTS, INVESTMENTS, MONEY CREDIT BALANCES, RIGHTS IN RESPECT OF EACH INSURANCE POLICIES ALL AS DEFINED AND FURTHER PARTICULARISED IN THE DEBENTURE DATED 16TH APRIL**

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: **HAYLEY BROADLEY OF ARCHERS LAW LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9894553

Charge code: 0989 4553 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th April 2019 and created by ACT SAFEGUARD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th April 2019 .

Given at Companies House, Cardiff on 18th April 2019

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

DATED

...16...APRIL... 2019

DEBENTURE

between

ACT Safeguard Limited

and

John Patrick Oddy (formerly known as Martin Paul West)

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This deed is dated16 APRIL..... 2019

PARTIES

- (1) **ACT Safeguard Limited** a limited company incorporated and registered in England and Wales with company number 09894553 whose registered office is at 384 Linthorpe Road, Middlesbrough, TS5 6HA (**Debtor**).
- (2) **John Patrick Oddy** of The Old Vicarage, 168 Durham Road, Stockton on Tees, TS19 0DZ (**Creditor**).

BACKGROUND

- (A) Pursuant to the SPA (as defined below) the Parent (as defined below) is indebted to the Creditor in respect of the SPA Liabilities (as defined below).
- (B) The Debtor has agreed to guarantee the obligations of the Parent in respect of the SPA Liabilities.
- (C) Under this deed, the Debtor provides security to the Creditor for the Secured Liabilities (as defined below).

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed:

ACTE: ACT Excel Limited a limited company incorporated and registered in England and Wales with company number 09894672 whose registered office is at 384 Linthorpe Road, Middlesbrough, TS5 6HA.

ACTR: ACT Response Ltd a limited company incorporated and registered in England and Wales with company number 03645169 whose registered office is at 384 Linthorpe Road, Middlesbrough, TS5 6HA.

Administrator: an administrator appointed to manage the affairs, business and property of the Debtor pursuant to clause 9.8.

Book Debts: all present and future book and other debts, and monetary claims due or owing to the Debtor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Debtor in relation to any of them.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Company: Advanced Consumer Technology Limited incorporated and registered in England and Wales with company number 09916831 whose registered office is at 384 Linthorpe Road, Middlesbrough, Cleveland, TS5 6HA

Corporate Guarantee: being the corporate guarantee entered into on or around the date of this document between (1) the Company, the Debtor and Subsidiaries; and (2) the Creditor.

Deferred Payment: has the meaning given in clause 1.1 of the SPA.

Delegate: any person appointed by the Creditor or any Receiver pursuant to clause 14 and any person appointed as attorney of the Creditor, Receiver or Delegate.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Debtor, including any part of it and all spare parts, replacements, modifications and additions.

Event of Default: any of the events contained in clause 3.3 of the SPA following the occurrence of which the whole of the outstanding Deferred Payment shall become immediately due and payable under the terms of the SPA.

Financial Collateral: has the meaning given to that expression in the Financial Collateral Regulations.

Financial Collateral Regulations: the Financial Collateral Arrangements (No 2) Regulations 2003 (*SI 2003/3226*).

Insurance Policy: each contract and policy of insurance effected or maintained by the Debtor from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Properties or the Equipment).

Intellectual Property: the Debtor's present and future patents, rights to inventions, copyright and related rights, moral rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Investments: all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Debtor, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and

- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

LPA 1925: the Law of Property Act 1925.

Parent: BSH Management Limited incorporated and registered in England and Wales with company number 11834698 whose registered office is at 25 Greensforge Drive, Ingleby Barwick, Stockton-On-Tees, TS17 5LT.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Debtor, or in which the Debtor holds an interest, and **Property** means any of them.

Receiver: a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Creditor under clause 12.

Secured Assets: all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

Secured Liabilities: all present and future monies, obligations and liabilities of the Debtor to the Creditor, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Corporate Guarantee or this deed, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities.

Security Financial Collateral Arrangement: has the meaning given to that expression in the Financial Collateral Regulations.

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Security Period: the period starting on the date of this deed and ending on the date on which the Creditor is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

SPA: an agreement made between the (1) Parent (2) the Creditor and (3) Those persons whose names are set out in Schedule 1 of the SPA made on or about the date hereof for the sale by the Creditor to the Parent of the whole of the issued share capital owned by the Creditor in the Company.

SPA Liabilities: has the meaning given to it in the Corporate Guarantee.

Subsidiaries: ACTE and ACTR.

1.2 Interpretation

In this deed:

- (a) clause, Schedule and paragraph headings shall not affect the interpretation of this deed;
- (b) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h) a reference to **writing** or **written** includes fax but not email;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- (k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- (l) any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;

- (q) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- (r) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If the Creditor considers that an amount paid by the Debtor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Debtor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes:

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;
- (b) the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Debtor in respect of that Property, and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Corporate Guarantee and of any side letters or certificates between any parties in relation to the Corporate Guarantee are incorporated into this deed.

1.6 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.7 Schedule

The Schedule forms part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedule.

2. COVENANT TO PAY

The Debtor shall, on demand, pay to the Creditor and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 Mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, the Debtor with full title guarantee charges to the Creditor, by way of first legal mortgage, each Property shown in the Schedule.

3.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Debtor with full title guarantee charges to the Creditor by way of fixed charge:

- (a) all Properties acquired by the Debtor in the future;
- (b) all present and future interests of the Debtor not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Debtor's business or the use of any Secured Asset, and all rights in connection with them;
- (e) all its present and future goodwill;
- (f) all its uncalled capital;
- (g) all the Equipment;
- (h) all the Intellectual Property;
- (i) all the Book Debts;
- (j) all the Investments;
- (k) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- (l) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- (m) all its rights in respect of all agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Debtor with full title guarantee assigns to the Creditor absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and
- (b) the benefit of all agreements, instruments and rights relating to the Secured Assets.

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Debtor with full title guarantee charges to the Creditor, by way of floating charge, all the undertaking, property, assets and rights of the Debtor (including any stock in trade) at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1, 3.3. or 3.3

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- (a) the Debtor:
 - (i) creates, or attempts to create, without the prior written consent of the Creditor, a Security or a trust in favour of another person over all or any part of the Secured Assets; or
 - (ii) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Debtor.

3.7 Crystallisation of floating charge by notice

The Creditor may, in its sole discretion, by written notice to the Debtor, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Creditor in that notice if:

- (a) an Event of Default occurs and is continuing; or
- (b) the Creditor considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by the Debtor after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Creditor confirms otherwise to the Debtor in writing) be charged to the Creditor by way of fixed charge.

4. LIABILITY OF THE DEBTOR

4.1 Liability not discharged

The Debtor's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Creditor that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Creditor renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Debtor.

4.2 Immediate recourse

The Debtor waives any right it may have to require the Creditor to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Debtor.

5. GENERAL COVENANTS

5.1 Negative pledge and disposal restrictions

The Debtor shall not at any time except with the prior written consent of the Creditor:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed;

- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

5.2 Preservation of Secured Assets

The Debtor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Creditor, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

5.3 Debtor's waiver of set-off

The Debtor (except those arising or expressly granted under the SPA) waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Debtor under this deed).

5.4 Compliance with laws and regulations

- (a) The Debtor shall not, without the Creditor's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- (b) The Debtor shall:
 - (i) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
 - (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

5.5 Enforcement of rights

The Debtor shall use its best endeavours to:

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Debtor's counterparties (including each insurer in respect of an Insurance Policy); and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Creditor may require from time to time.

5.6 Notice of misrepresentation and breaches

The Debtor shall, promptly on becoming aware of any of the same, notify the Creditor in writing of any breach of any covenant set out in this deed.

5.7 Title documents

The Debtor shall, as so required by the Creditor, deposit with the Creditor and the Creditor shall, for the duration of this deed be entitled to hold:

- (a) all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Debtor (and if these are not within the possession or control of the Debtor, the Debtor undertakes to obtain possession of all these deeds and documents of title); and
- (b) all deeds and documents of title (if any) relating to the Book Debts as the Creditor may specify from time to time.

5.8 Insurance

- (a) The Debtor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:
 - (i) loss or damage by fire or terrorist acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Debtor; and
 - (iii) any other risk, perils and contingencies as the Creditor may reasonably require.

Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Creditor, and must be for not less than the replacement value of the relevant Secured Assets.

- (b) The Debtor shall, if requested by the Creditor, produce to the Creditor each policy, certificate or cover note relating to the insurance required by clause 5.8(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Debtor is entitled to obtain from the landlord under the terms of the relevant lease).
- (c) The Debtor shall, if requested by the Creditor, procure that a note of the Creditor's interest is endorsed upon each insurance policy maintained by it or any person on its behalf in accordance with clause 5.8(a) and that the terms of each such insurance policy require the insurer not to invalidate the policy as against the Creditor by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Creditor.

5.9 Insurance premiums

The Debtor shall:

- (a) promptly pay all premiums in respect of each insurance policy maintained by it in accordance with clause 5.8(a) and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Creditor so requires) produce to, or deposit with, the Creditor the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy maintained by it in accordance with clause 5.8(a).

5.10 No invalidation of insurance

The Debtor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy maintained by it in accordance with clause 5.8(a).

5.11 Proceeds of insurance policies

All monies received or receivable by the Debtor under any insurance policy maintained by it in accordance with clause 5.8(a) (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this deed has become enforceable) shall be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this deed has become enforceable and if the Creditor so directs, in or towards discharge or reduction of the Secured Liabilities.

5.12 Information

The Debtor shall:

- (a) give the Creditor such information concerning the location, condition, use and operation of the Secured Assets as the Creditor may require;
- (b) permit any persons designated by the Creditor and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- (c) promptly notify the Creditor in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Debtor's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Creditor's prior approval, implement those proposals at its own expense.

5.13 Payment of outgoings

The Debtor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Creditor.

6. PROPERTY COVENANTS

6.1 Maintenance

The Debtor shall keep all buildings and all fixtures on each Property in such state of repair and condition as required by the terms of any lease or, in the case of freehold property, good and substantial repair and condition (provided that the obligation to repair or replace will only arise to the extent that it would have a material adverse effect on the Creditor's security under this deed).

6.2 Compliance with covenants and payment of rent

The Debtor shall:

- (a) duly and punctually pay all rents due from time to time and observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subjected, and (if the Creditor so requires) produce evidence sufficient to satisfy the Creditor that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting each Property and shall not (and shall not agree to) waive, release or vary any of the same.

6.3 Maintenance of interests in Properties

The Debtor shall not, without the prior written consent of the Creditor:

- (a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of any Property, or exercise, or agree to exercise, the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the Law of Property Act 1925; or
- (b) in any other way dispose of, surrender or create, or agree to dispose of surrender or create, any legal or equitable estate or interest in the whole or any part of any Property.

6.4 Registration restrictions

If the title to any Property is not registered at the Land Registry, the Debtor shall procure that no person (other than itself) shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of all or any part of any Property without the prior written consent of the Creditor. The Debtor shall be liable for the costs and expenses of the Creditor in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

6.5 Development restrictions

The Debtor shall not, without the prior written consent of the Creditor:

- (a) make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out, or permit, or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 and the Planning Act 2008, or change or permit or suffer to be changed the use of any Property.

6.6 Environment

The Debtor shall:

- (a) comply with all the requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and
- (b) obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law.

6.7 No restrictive obligations

The Debtor shall not, without the prior written consent of the Creditor, enter into any onerous or restrictive obligations affecting the whole or any part of any Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Property.

6.8 Proprietary rights

The Debtor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property without the prior written consent of the Creditor.

6.9 Inspection

The Debtor shall permit the Creditor, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

6.10 Property information

The Debtor shall inform the Creditor promptly of any acquisition by the Debtor of, or contract made by the Debtor to acquire, any freehold, leasehold or other interest in any property.

6.11 VAT option to tax

The Debtor shall not, without the prior written consent of the Creditor:

- (a) exercise any VAT option to tax in relation to any Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Creditor, before the date of this deed.

6.12 Registration at the Land Registry

The Debtor consents to an application being made by the Creditor to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of [John Patrick Oddy] referred to in the charges register or their conveyance."

7. EQUIPMENT COVENANTS

7.1 Maintenance of Equipment

The Debtor shall:

- (a) maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- (b) at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and
- (c) not permit any Equipment to be:
 - (i) used or handled other than by properly qualified and trained persons; or
 - (ii) overloaded or used for any purpose for which it is not designed or reasonably suitable.

7.2 Payment of Equipment taxes

The Debtor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Creditor.

7.3 Notice of charge

The Debtor:

- (a) shall, if so requested by the Creditor, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIBE ITEM] and all additions to it [and ancillary equipment] are subject to a fixed charge dated [DATE] in favour of [John Patrick Oddy]."

- (b) shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 7.3(a).

8. BOOK DEBTS AND AGREEMENT COVENANTS

8.1 Agreement Covenants

- (a) The Debtor shall, unless the Creditor agrees otherwise in writing, comply with the terms of any document, agreement or arrangement comprising the Secured Assets (other than the Insurance Policies).
- (b) The Debtor shall not, unless the Creditor agrees otherwise in writing (and subject always to the provisions of the SPA (which will override the provisions of this deed) relating to Book Debts):
 - (i) amend or vary or agree to any change in, or waive any requirement of;
 - (ii) settle, compromise, terminate, rescind or discharge (except by performance); or
 - (iii) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty or other person in connection with,

any other document, agreement or arrangement comprising the Secured Assets (other than the Insurance Policies)

9. POWERS OF THE CREDITOR

9.1 Power to remedy

- (a) The Creditor shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Debtor of any of its obligations contained in this deed.
- (b) The Debtor irrevocably authorises the Creditor and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Creditor in remedying a breach by the Debtor of its obligations contained in this deed shall be reimbursed by the Debtor to the Creditor on a full indemnity basis and shall carry interest in accordance with clause 16.1.

9.2 Exercise of rights

- (a) The rights of the Creditor under clause 9.1 are without prejudice to any other rights of the Creditor under this deed.
- (b) The exercise of any rights of the Creditor under this deed shall not make the Creditor liable to account as a mortgagee in possession.

9.3 Power to dispose of chattels

- (a) At any time after the security constituted by this deed has become enforceable, the Creditor or any Receiver may, as agent for the Debtor, dispose of any chattels or produce found on any Property.
- (b) Without prejudice to any obligation to account for the proceeds of any disposal made under clause 9.3(a), the Debtor shall indemnify the Creditor and any Receiver against any liability arising from any disposal made under clause 9.3(a).

9.4 Creditor has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Creditor in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

9.5 Conversion of currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Creditor may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 9.5) from their existing currencies of denomination into any other currencies of denomination that the Creditor may think fit.
- (b) Any such conversion shall be effected at Barclay's Bank then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 9.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

9.6 New accounts

- (a) If the Creditor receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Creditor may open a new account for the Debtor in the Creditor's books. Without prejudice to the Creditor's right to combine accounts, no money paid to the credit of the Debtor in any such new

account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

- (b) If the Creditor does not open a new account immediately on receipt of the notice, or deemed notice, under clause 9.6(a), then, unless the Creditor gives express written notice to the contrary to the Debtor, all payments made by the Debtor to the Creditor shall be treated as having been credited to a new account of the Debtor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Creditor.

9.7 Indulgence

The Creditor may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Debtor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of the Debtor for the Secured Liabilities.

9.8 Appointment of an Administrator

- (a) The Creditor may, without notice to the Debtor, appoint any one or more persons to be an Administrator of the Debtor pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
- (b) Any appointment under this clause 9.8 shall:
 - (i) be in writing signed by a duly authorised signatory of the Creditor; and
 - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Creditor may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 9.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs.

10.2 Discretion

After the security constituted by this deed has become enforceable, the Creditor may, in its absolute discretion, enforce all or any part of that security at the times, in the

manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

11. ENFORCEMENT OF SECURITY

11.1 Enforcement powers

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
- (b) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 10.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

11.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Creditor and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Debtor, to:

- (a) grant a lease or agreement to lease;
- (b) accept surrenders of leases; or
- (c) grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Debtor, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Creditor or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

11.3 Access on enforcement

- (a) At any time after the security granted by this deed becomes enforceable, the Debtor will allow the Creditor or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Creditor or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Debtor for, or by any reason of, that entry.
- (b) At all times, the Debtor must use its best endeavours to allow the Creditor or its Receiver access to any premises for the purpose of clause 11.3(a)

(including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

11.4 Prior Security

- (a) At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Creditor may:
 - (i) redeem that or any other prior Security;
 - (ii) procure the transfer of that Security to it; and
 - (iii) settle and pass any account of the holder of any prior Security.
- (b) The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Debtor. All monies paid by the Creditor to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Creditor, be due from the Debtor to the Creditor on current account and shall bear interest at the default rate of interest specified in the SPA and be secured as part of the Secured Liabilities.

11.5 Protection of third parties

No purchaser, mortgagee or other person dealing with the Creditor, any Receiver or Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Creditor, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Creditor, any Receiver or any Delegate is to be applied.

11.6 Privileges

Each Receiver and the Creditor is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

11.7 No liability as mortgagee in possession

Neither the Creditor, any Receiver, any Delegate nor any Administrator shall be liable, by reason of entering into possession of a Security Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

11.8 Conclusive discharge to purchasers

The receipt of the Creditor, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Creditor, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

11.9 Right of appropriation

(a) To the extent that:

- (i) the Secured Assets constitute Financial Collateral; and
- (ii) this deed and the obligations of the Debtor under it constitute a Security Financial Collateral Arrangement,

the Creditor shall have the right, at any time after the security constituted by this deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Creditor may, in its absolute discretion, determine.

(b) The value of any Secured Assets appropriated in accordance with this clause shall be:

- (i) in the case of cash, the amount standing to the credit of each of the Debtor's accounts with any bank, financial institution or other person, together with all interest accrued but unposted, at the time the right of appropriation is exercised; and
- (ii) in the case of investments, the price of those investments at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Creditor may select (including independent valuation).

(c) The Debtor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

12. RECEIVER

12.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Debtor, the Creditor may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

12.2 Removal

The Creditor may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or

otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Creditor may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

12.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Creditor under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

12.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Creditor despite any prior appointment in respect of all or any part of the Secured Assets.

12.6 Agent of the Debtor

Any Receiver appointed by the Creditor under this deed shall be the agent of the Debtor and the Debtor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Debtor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Creditor.

13. POWERS OF RECEIVER

13.1 General

- (a) Any Receiver appointed by the Creditor under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 13.2 to clause 13.23.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 13 may be on behalf of the Debtor, the directors of the Debtor (in the case of the power contained in clause 13.16) or himself.

13.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

13.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that he thinks fit.

13.4 Employ personnel and advisers

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Debtor.

13.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.

13.6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Creditor may prescribe or agree with him.

13.7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

13.8 Manage or reconstruct the Debtor's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Debtor.

13.9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he is appointed in any manner (including, without

limitation, by public auction or private sale) and generally on any terms and conditions as he thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

13.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Debtor.

13.11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in any manner, and generally on any terms and conditions, that he thinks fit.

13.12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

13.13 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Debtor and any other person that he may think expedient.

13.14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit.

13.15 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

13.16 Make calls on Debtor members

A Receiver may make calls conditionally or unconditionally on the members of the Debtor in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Debtor on its directors in respect of calls authorised to be made by them.

13.17 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 16, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Debtor under this deed.

13.18 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

13.19 Borrow

A Receiver may, for any of the purposes authorised by this clause 13, raise money by borrowing from the Creditor (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Creditor consents, terms under which that security ranks in priority to this deed).

13.20 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Debtor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

13.21 Delegation

A Receiver may delegate his powers in accordance with this deed.

13.22 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

13.23 Incidental powers

A Receiver may do any other acts and things that he:

- (a) may consider desirable or necessary for realising any of the Secured Assets;
- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or
- (c) lawfully may or can do as agent for the Debtor.

14. DELEGATION

14.1 Delegation

The Creditor or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 18.1).

14.2 Terms

The Creditor and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

14.3 Liability

Neither the Creditor nor any Receiver shall be in any way liable or responsible to the Debtor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

15. APPLICATION OF PROCEEDS

15.1 Order of application of proceeds

All monies received by the Creditor, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Creditor (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Creditor determines; and
- (c) in payment of the surplus (if any) to the Debtor or other person entitled to it.

15.2 Appropriation

Neither the Creditor, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

15.3 Suspense account

All monies received by the Creditor, a Receiver or a Delegate under this deed:

- (a) may, at the discretion of the Creditor, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Creditor and the Debtor; and
- (c) may be held in that account for so long as the Creditor, Receiver or Delegate thinks fit.

16. COSTS AND INDEMNITY

16.1 Costs

The Debtor shall, promptly on demand, pay to, or reimburse, the Creditor and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Creditor, any Receiver or any Delegate in connection with:

- (a) this deed or the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Creditor's, a Receiver's or a Delegate's rights under this deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) in accordance with the SPA.

16.2 Indemnity

The Debtor shall indemnify the Creditor, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (but not any indirect or consequential losses, loss of profit, loss of reputation) and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses suffered or incurred by any of them arising out of or in connection with:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
- (c) any default or delay by the Debtor in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 16.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

17. FURTHER ASSURANCE

17.1 Further assurance

The Debtor shall, at its own expense, take whatever action the Creditor or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Creditor or any Receiver in respect of any Secured Asset,

including, without limitation (if the Creditor or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Creditor or to its nominee) and the giving of any notice, order or direction and the making of any registration.

18. POWER OF ATTORNEY

18.1 Appointment of attorneys

By way of security, the Debtor irrevocably appoints the Creditor, every Receiver and every Delegate separately to be the attorney of the Debtor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (a) the Debtor is required to execute and do under this deed; or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Creditor, any Receiver or any Delegate.

18.2 Ratification of acts of attorneys

The Debtor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 18.1.

19. RELEASE

Subject to clause 26.3, on the expiry of the Security Period (but not otherwise), the Creditor shall, at the request and cost of the Debtor, take whatever action is necessary to:

- (a) release the Secured Assets from the security constituted by this deed; and
- (b) reassign the Secured Assets to the Debtor.

20. ASSIGNMENT AND TRANSFER

20.1 Assignment by Creditor

- (a) The Seller's personal representatives may at any time assign any of the rights and obligations under this guarantee to any beneficiary of the Seller's estate.
- (b) The Creditor may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Debtor, the Secured Assets and this deed that the Creditor considers appropriate.

20.2 Assignment by Debtor

The Debtor may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

21. SET-OFF

21.1 Creditor's right of set-off

Subject to the terms of the SPA and the Corporate Guarantee, the Creditor may at any time set off any liability of the Debtor to the Creditor against any liability of the Creditor to the Debtor, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Creditor may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Creditor of its rights under this clause 21 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

21.2 No obligation to set off

The Creditor is not obliged to exercise its rights under clause 21.1. If, however, it does exercise those rights it must promptly notify the Debtor of the set-off that has been made.

21.3 Exclusion of Debtor's right of set-off

Except where permitted by the SPA, all payments made by the Debtor to the Creditor under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

22. AMENDMENTS, WAIVERS AND CONSENTS

22.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

22.2 Waivers and consents

- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Creditor shall be effective unless it is in writing.

22.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

23. SEVERANCE

23.1 Severance

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

24. COUNTERPARTS

24.1 Counterparts

This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

25. THIRD PARTY RIGHTS

25.1 Third party rights

Except as expressly provided in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

26. FURTHER PROVISIONS

26.1 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Creditor may hold for any of the Secured Liabilities at any time. No prior security held by the Creditor over the whole or any part of the Secured Assets shall merge in the security created by this deed.

26.2 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Creditor discharges this deed in writing.

26.3 Discharge conditional

Any release, discharge or settlement between the Debtor and the Creditor shall be deemed conditional on no payment or security received by the Creditor in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) the Creditor or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Creditor deems necessary to provide the Creditor with security against any such avoidance, reduction or order for refund; and
- (b) the Creditor may recover the value or amount of such security or payment from the Debtor subsequently as if the release, discharge or settlement had not occurred.

26.4 Certificates

A certificate or determination by the Creditor as to any amount for the time being due to it from the Debtor under this deed and the Corporate Guarantee shall be, in the absence of any manifest error, conclusive evidence of the amount due.

26.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

26.6 Small company moratorium

Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by the Debtor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by the Debtor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

- (a) an event under this deed which causes any floating charge created by this deed to crystallise;
- (b) an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by the Debtor; or
- (c) a ground under this deed for the appointment of a Receiver.

27. NOTICES

27.1 Delivery

Each notice or other communication required to be given to a party under or in connection with this deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and
- (c) sent to the recipient at the address specified at the commencement of this document or to any other address or fax number as is notified in writing by one party to the other from time to time.

27.2 Receipt by Debtor

Any notice or other communication that the Creditor gives to the Debtor shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- (c) if sent by fax, when received in legible form.

A notice or other communication given as described in clause 27.2(a) or clause 27.2(c) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

27.3 Receipt by Creditor

Any notice or other communication given to the Creditor shall be deemed to have been received only on actual receipt.

27.4 Service of proceedings

This clause 27 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27.5 No notice by email

A notice or other communication given under or in connection with this deed is not valid if sent by email.

28. GOVERNING LAW AND JURISDICTION

28.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

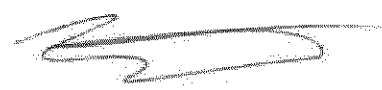
28.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule	Properties subject to legal mortgage
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Executed as a deed by **ACT Safeguard Limited**



Director

acting by Brian Boston a
director

in the presence of:



Signature of witness

Matthew James Ray

Name of witness

archers law.
Archers Law LLP
Lakeside House
Kingfisher Way
Stockton on Tees
TS18 3NB

Address of witness

Trainee Solicitor

Occupation of witness

Executed as a deed by **John Patrick Oddy (formally known as Martin Paul West)**



John Patrick Oddy

in the presence of:



Signature of witness

Matthew James Ray

Name of witness

archers law.
Archers Law LLP
Lakeside House
Kingfisher Way
Stockton on Tees
TS18 3NB

Address of witness

Trainee Solicitor

Occupation of witness

