

MR01

Particulars of a charge

05/3/2/23

Oyez

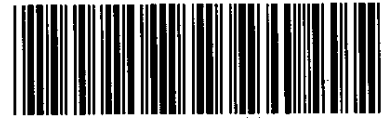


Go online to file this information
www.gov.uk/companieshouse

A fee is payable with this form
Please see 'How to pay'

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where the charge
instrument. Use form M...



A10 *A72MMPWI* 27/03/2018 #53
COMPANIES HOUSE

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

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 1 1 1 1 2 0 1 0
Company name in full C3 CONSTRUCTION GROUP LIMITED

For official use

Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date 2 2 0 3 2 0 1 8

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

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

Name JOEL DENHAM AS SECURITY TRUSTEE

Name

Name

Name

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

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

MR01

Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

Brief description

NONE

5 Other charge or fixed security

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

☒ Yes

☐ No

6 Floating charge

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

☒ Yes Continue

☐ No Go to Section 7

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

☒ Yes

7 Negative Pledge

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

☒ Yes

☐ No

8 Trustee statement ¹

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

☐

¹ This statement may be filed after the registration of the charge (use form MR06).

9 Signature

Please sign the form here.

Signature

Signature

X  X

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

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

HANNAH TESSYMAN

Company name

SPEARING WAITE LLP

Address

34 POCKLINGTONS WALK

Postcode

LE1 1BQ

County/Region

LEICESTERSHIRE

Postcode

L E 1 6 B U

Country

UNITED KINGDOM

DX

DX 10837 LEICESTER 1

Telephone

0116 262 4225



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

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



Where to send

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11112010

Charge code: 1111 2010 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd March 2018 and created by C3 CONSTRUCTION GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th March 2018.

Given at Companies House, Cardiff on 3rd April 2018

P x



Companies House



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

DATED 22 March 2018

C3 CONSTRUCTION GROUP
LIMITED (1)

AND

JOEL DENHAM
as Security Trustee (2)

DEBENTURE

We hereby certify this to be a true copy of the original.
Spearing Waite LLP, 34 Pocklington Walk, Leicester LE1 6BU

Spearing Waite LLP
26.03.18



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THIS DEED IS DATED 22 March 2018

PARTIES

- (1) **C3 CONSTRUCTION GROUP LIMITED** incorporated and registered in England and Wales with company number 11112010 whose registered office is at 11 Merus Court Meridian Business Park, Leicester, Leicestershire, United Kingdom, LE19 1RJ (the **Chargor**); and
- (2) **JOEL DENHAM** of Rogues Barn, Hinckley Fields Farm, Rogues Lane, Hinckley, LE10 3DX as security trustee for the Beneficiaries (the **Security Trustee**).

RECITALS

- (A) Pursuant to a resolution of the board of directors of the Chargor passed on the same date as this Deed, the Chargor has agreed to create £11,100,000 secured fixed rate loan notes.
- (B) The Chargor has agreed to grant the security contained in this Deed to the Security Trustee to secure the obligations of the Chargor under the Loan Note Instrument.

IT IS AGREED AS FOLLOWS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed (including the recitals above):

Administrator

means any administrator of the Chargor appointed by the Security Trustee under paragraph 14 of schedule B1 to the Insolvency Act 1986;

Beneficiaries

means the Loan Note Holders for the time being;

Business Day

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

Charged Property

means, in relation to the Chargor, all assets mortgaged, charged or assigned by the Chargor by this deed;

Debts

means all present and future book and other debts and rights to money and income (other than Rental Income) liquidated and unliquidated due or owing to the

Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

Encumbrance

means any mortgage, charge, assignment by way of security, pledge, lien, trust, any form of distress, attachment, execution or other legal process or any other type of encumbrance or security interest or any other type of arrangement (including any sale and lease back or sale and repurchase arrangement) having or intended to have a similar effect;

Enforcement Event

means the events of default set out in paragraph 3.2 of Schedule 2 of the Loan Note Instrument;

Environmental Law

means any law or requirement, code of practice, circular, guidance note, licence, consent or permission made or given under any law concerning the protection of the environment or human health, the condition of any land or of any place of work or the production, storage, treatment, transport or disposal of any substance capable of causing harm to any living organism or the environment;

Intellectual Property

means all present and future rights of the Chargor in respect of any patent, copyright, trade mark, service mark, invention, design, knowhow, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing;

Investment

means any present and future:

- (a) stock, share, bond or any form of loan capital of or in any legal entity;
- (b) unit in any unit trust or similar scheme;
- (c) warrant or other right to acquire any such investment,

owned by the Chargor and any income, offer, right or benefit in respect of any such investment;

Lease

includes any underlease, tenancy, letting, licence, any document supplemental or collateral to any of them and any agreement to enter into any of them and the expression tenant will be construed accordingly;

Loan Note Holders

means the holders for the time being of the Loan Notes;

Loan Note Instrument

means the instrument made by the Chargor on or around the date of this Deed which constitutes £11,100,000 Secured Fixed Rate Loan Notes (to which C3 Construction Holdings Limited and C3 Construction Limited are parties as guarantors);

Loan Notes

means the loan notes constituted by the Loan Note Instrument;

LPA

means the Law of Property Act 1925;

Permitted Disposal

means:

- (a) disposals of obsolete or redundant assets which are no longer required for the business of the Chargor;
- (b) disposals of assets in exchange for replacement assets comparable or superior as to type, value and quality;
- (c) the disposal of debtors in the normal course of trade including receipt of payments in respect of same and writing off of bad debts in the normal course of trading subject to normal accounting practices.

Permitted Encumbrance

means any and all of the following:

- (a) the security constituted by this Deed or already in existence and registered at the registrar of companies at the date of this Deed; and/or
- (b) a lien arising in the ordinary course of business by operation of law and discharged as soon as possible; and/or
- (c) any other Encumbrances entered into with the prior written consent of the Security Trustee;

Real Property

means all freehold or leasehold property from time to time owned by the Chargor;

Receiver

means any receiver appointed over any Charged Property whether under this deed or by order of the court on application by the Security Trustee and includes a receiver and manager;

Rental Income

means all amounts now or at any time in the future payable to or for the benefit of the Chargor in connection with the occupation of any Real Property including each of the following amounts:

- (a) rent including any increase of rent or interim rent agreed by the Chargor or payable pursuant to any provisions of the Landlord and Tenant Act 1954 and all other amounts payable under any Lease;
- (b) amounts payable from any deposit held as security for performance of any tenant's obligations or by any person who has given a guarantee and/or indemnity or other assurance against loss of those obligations;
- (c) any other money payable in respect of occupation and/or use of such Real Property including any fixture for display or advertisement;
- (d) any profits, damages, compensation, settlement or expenses awarded or agreed as a result of any claim made by the Chargor in respect of such Real Property net of any costs, fees and expenses incurred but not reimbursed to the Chargor in connection with such claim;
- (e) any money payable under any policy of insurance in respect of loss of rent;
- (f) any amount payable or the value of any consideration to be given by or on behalf of a tenant for the surrender or variation of any occupational lease or occupancy agreement;
- (g) any interest payable on any amount referred to above;
- (h) value added tax on any amount referred to above;

Secured Documents

means the Loan Note Instrument and any document amending or varying or supplemental or ancillary to the Loan Note Instrument;

Secured Liabilities

means any and all present and future monies, obligations and liabilities owed by the Chargor to the Beneficiaries, under or in connection with the Secured Documents and this Deed;

Security Period

means the period starting on the date of this Deed and ending on the date on which the Secured Liabilities under the Secured Documents have been unconstitutionally and irrevocably paid and discharged in full;

Unenforceable

means void, voidable, invalid, unenforceable or otherwise irrecoverable (whether or not known to any Beneficiary, the Security Trustee or the Chargor) and **Unenforceability** will be construed accordingly.

1.2 Incorporation

This deed incorporates the terms of the Loan Note Instrument and any side letters between the parties to the extent required to ensure the validity of any purported disposition under this deed of any freehold or leasehold property under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.3 Interpretation

In this deed:

- 1.3.1 references to the **Security Trustee**, the **Chargor** or the **Beneficiaries** includes their permitted successors, assigns and transferees;
- 1.3.2 the expression the **Chargor** includes any person deriving title under the Chargor or entitled to redeem the Encumbrances created by this deed;
- 1.3.3 any reference to an **agreement** or **instrument** is a reference to that agreement or instrument as amended or novated from time to time;
- 1.3.4 any reference to a **provision of law** is a reference to that provision as amended or re-enacted from time to time;
- 1.3.5 the singular includes the plural and vice versa;
- 1.3.6 any reference to **clauses**, **paragraphs** and **schedules** are to the clauses, paragraphs of and schedules to this deed;
- 1.3.7 any reference to **this clause** is to the clause headed by a whole number in which such expression appears and includes each sub-clause with a decimal number beginning with the same whole number;
- 1.3.8 any reference to any gender includes other genders;
- 1.3.9 the words **including** and **in particular** are to be construed as being by way of illustration or emphasis only and are not to be construed so as to limit the generality of any words preceding them;
- 1.3.10 the words **other** and **otherwise** are not to be construed as being limited by any words preceding them;
- 1.3.11 clause and schedule headings are for ease of reference only;
- 1.3.12 references to **liabilities** includes present and future, actual and contingent liabilities;
- 1.3.13 references to **assets** includes present and future property, revenues and rights of every description;
- 1.3.14 references to any asset include any proceeds of sale of any such asset;
- 1.3.15 references to any Real Property include:
 - (a) buildings and fixtures and fixed plant and machinery on such Real Property; and
 - (b) rights under any contract for the purchase of such Real Property and damages payable in respect of any such contract; and
- 1.3.16 any covenant made by or obligation imposed on the Chargor in this deed will continue in force until all the Secured Liabilities have been irrevocably paid in full.

1.4 Covenant to Pay

The Chargor hereby covenants with the Security Trustee (as trustee for the Beneficiaries) that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Beneficiaries when they become due for discharge under and in accordance with the Secured Documents.

2. FIXED SECURITY

As continuing security for the payment of the Secured Liabilities, the Chargor with full title guarantee:

- 2.1 charges to the Security Trustee, as trustee for the Beneficiaries, by way of legal mortgage all freehold or leasehold property owned by the Chargor at the date of this deed;
- 2.2 charges to the Security Trustee, as trustee for the Beneficiaries, by way of equitable mortgage its interest in any freehold or leasehold property acquired by the Chargor after the date of this deed;
- 2.3 assigns to the Security Trustee, as trustee for the Beneficiaries, its interest in all Rental Income payable to or for the benefit of the Chargor; and
- 2.4 charges to the Security Trustee, as trustee for the Beneficiaries, by way of fixed charge its interest in:
 - 2.4.1 all present and future fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property owned by the Chargor;
 - 2.4.2 the Debts owing to the Chargor;
 - 2.4.3 any Investment owned by it;
 - 2.4.4 its present and future goodwill and uncalled capital;
 - 2.4.5 any Intellectual Property;
 - 2.4.6 any present and future insurances in respect of any Charged Property and the proceeds of such insurances; and
 - 2.4.7 all of the rights of the Chargor in all monies standing to the credit of its bank account(s) and the indebtedness represented by it.

3. FLOATING SECURITY

3.1 Creation

As continuing security for the payment of the Secured Liabilities, the Chargor charges to the Security Trustee, as trustee for the Beneficiaries, by way of floating charge with full title guarantee the whole of its undertaking, property, rights and assets whatsoever and *wheresoever both present and future assets to the extent that such undertaking, property, rights and assets are not effectively mortgaged, charged or assigned to the Security Trustee by way of fixed security pursuant to **clause 2 (Fixed Security)**.*

3.2 Conversion

Subject to **clause 3.3**, the Security Trustee may at any time by written notice to the Chargor convert the floating charge created by **clause 3.1** into a fixed charge as regards any assets specified in the notice if:

- 3.2.1 an Enforcement Event has occurred; or

- 3.2.2 in the opinion of the Security Trustee such assets are at risk of becoming subject to any Encumbrance (other than a Permitted Encumbrance) or is otherwise at risk of ceasing to be *within the ownership or control of the Chargor*.

3.3 **Moratorium under 1986 Act**

The Security Trustee shall not be entitled to convert the floating charge created by **clause 3.1** into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and schedule A1 to the Insolvency Act 1986.

3.4 **Qualifying floating charge**

Paragraph 14(2)(a) of schedule B1 to the Insolvency Act 1986 applies to the floating charge created by **clause 4.1** which is a ***qualifying floating charge*** for the purpose of paragraph 14(1) of schedule B1 to the Insolvency Act 1986.

4. **REPRESENTATIONS AND WARRANTIES**

4.1 **Representations and Warranties**

The Chargor represents and warrants to the Security Trustee as set out in this **clause 4**.

4.2 **Duration and Scope**

The representations and warranties set out in this **clause 4** will be deemed to be repeated by the Chargor on each day until the Secured Liabilities have been paid in full in relation to the then existing circumstances.

4.3 **Status**

- 4.3.1 It is a limited liability company duly incorporated and validly existing under the law of England and Wales.
- 4.3.2 It has the power to own its assets and carry on its business in England as it is being conducted.
- 4.3.3 Its centre of main interests for the purposes of Council Regulation (EC) No 1346/2000 of 29 May 2000 on insolvency procedures is in England and Wales.

4.4 **Binding obligations**

The obligations expressed to be assumed by it in this deed are its legal, valid, binding and enforceable obligations subject to any bankruptcy, liquidation, administration, insolvency or other similar law which affects the rights of creditors generally.

4.5 **Non conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this deed do not and will not conflict with:

- 4.5.1 any law or regulation applicable to it;
- 4.5.2 its constitutional documents; or

4.5.3 any agreement or instrument binding upon it or any of its assets.

4.6 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this deed and the transactions contemplated by this deed.

4.7 **Validity and admissibility in evidence**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, registrations and notarisations required or desirable:

4.7.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in this deed; and

4.7.2 to make this deed admissible in evidence in its jurisdiction of incorporation,
have been obtained or effected and are in full force and effect.

4.8 **Encumbrances**

4.8.1 Subject to any bankruptcy, liquidation, administration, insolvency or other similar law which affects the rights of creditors generally, this deed creates valid Encumbrances over the Charged Property.

4.8.2 There is no Encumbrance over any of the Charged Property except for any Permitted Encumbrances.

4.9 **Ownership of Charged Property**

It is the legal and beneficial owner of the Charged Property.

5. NEGATIVE COVENANTS

5.1 **Negative pledge**

The Chargor shall not create or permit to subsist any Encumbrance over any of the Charged Property other than a Permitted Encumbrance.

5.2 **Disposals**

The Chargor shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of:

5.2.1 any of its assets which are expressed to be mortgaged by way of legal or equitable mortgage, assigned by way of security or charged by way of fixed security or charge to the Security Trustee under **clause 2 (Fixed Security)**; nor

5.2.2 any of its other assets other than on arm's length terms in the ordinary course of its trading,
other than pursuant to a Permitted Disposal.

6. COVENANTS RELATING TO THE CHARGED PROPERTY

6.1 Repair

The Chargor shall:

- 6.1.1 keep the Charged Property, which is of a repairable nature, in good and substantial repair and condition; and
- 6.1.2 not, without the prior written consent of the Security Trustee, make any structural alterations or additions to or carry out any development on or make any planning or similar application relating to any of the Real Property.

If the Chargor fails to comply with the covenants in this **clause 6**, the Security Trustee will be entitled to repair and maintain the Charged Property and carry out works of reinstatement at the cost of the Chargor and will for this purpose have the rights of entry set out in this **clause 6**.

6.2 Insurance

- 6.2.1 The Chargor shall, except as provided in **clause 6.2.3** below, keep all Charged Property which is of an insurable nature insured against all risks which a prudent person carrying on a business similar to that of the Chargor would reasonably insure against and against such other risks as the Security Trustee may from time to time specify (acting reasonably):
 - (a) in the case of Charged Property, other than buildings, to its full replacement value; and
 - (b) in the case of buildings, on a full reinstatement basis and against all professional fees, value added tax, demolition and site clearance charges and loss of rental and other income derived from such buildings for at least three years.
- 6.2.2 All such insurances shall be in amount and form and with an insurance office acceptable to the Security Trustee (acting reasonably) and the Chargor shall promptly upon request produce the policy and the last receipt for such insurances to the Security Trustee and shall apply all monies received by virtue of such insurances in making good the loss or damage in respect of which the monies were received. If the Chargor fails to comply with this **clause 6**, the Security Trustee will be entitled to effect any relevant insurance at the cost of the Chargor.
- 6.2.3 If the Real Property includes any leasehold property of which the Chargor is the tenant and the landlord under the lease (or any superior landlord) is responsible for the insurance of any buildings on such Real Property and if the terms of such insurance are satisfactory to the Security Trustee (acting reasonably) and the Chargor:
 - (a) procures that the interest of the Security Trustee is noted on every relevant policy; and
 - (b) provides a full copy of every relevant policy to the Security Trustee once in every year together with a copy of the receipt for that year's premium,

then such insurance will be deemed to have been accepted by the Security Trustee in satisfaction of the obligation of the Chargor in this deed to insure the relevant buildings.

6.3 **Proprietorship**

The Chargor shall not permit any person:

- 6.3.1 to be registered as proprietor under the Land Registration Act 2002 of any Real Property nor create or permit to arise any overriding interest (as defined in such Act) affecting such Real Property; or
- 6.3.2 to become entitled to any proprietary right or interest which might affect the value of such Real Property.

6.4 **Notification of acquisitions and disposals**

The Chargor shall promptly notify the Security Trustee of any proposal, contract, conveyance, option, transfer or other disposition involving the acquisition by the Chargor of any interest in freehold or leasehold property or any disposal by the Chargor of an interest in any Real Property.

6.5 **Powers of leasing**

The Chargor's statutory and any other powers of entering into Leases and accepting or agreeing to accept surrenders of Leases are excluded and shall not be exercisable by the Chargor in relation to any Real Property and the Chargor shall not without the prior written consent of the Security Trustee:

- 6.5.1 part with possession or occupation of, confer any licence or right to occupy nor confer any interest in any Real Property;
- 6.5.2 grant any permission to assign, underlet or part with possession or occupation of any Real Property;
- 6.5.3 agree or permit any amendment to or waiver of the terms of any Lease under which the Chargor is landlord); or
- 6.5.4 exercise any power to determine any Lease under which the Chargor is landlord.

6.6 **Power of entry**

The Chargor shall permit the Security Trustee, its agents and contractors at reasonable times and upon reasonable notice (or at any time without notice after the occurrence of an Enforcement Event) to enter into or upon any Real Property without becoming liable as mortgagee in possession:

- 6.6.1 to view the state and condition of or to value it (at its own expense);
- 6.6.2 to comply with or object to any direction or notice or other matter served upon the Chargor; and
- 6.6.3 to carry out at the expense of the Chargor any repairs or maintenance or to take any action which the Security Trustee considers necessary or desirable in connection with such Real Property to procure compliance with any covenant or obligation set out in this deed.

6.7 **Compliance with obligations**

The Chargor shall in respect of each Real Property charged by it under this deed:

- 6.7.1 pay all rents, rates, outgoings and other sums payable and observe and comply with any covenants, stipulations and conditions binding on the Chargor;
- 6.7.2 enforce all tenant's obligations under any Lease over any of such Real Property;
- 6.7.3 comply with all obligations under any law and produce to the Security Trustee within seven days of receipt every notice, order or proposal given or made by any competent authority and make any obligations and representations against it as the Security Trustee may require or approve;
- 6.7.4 not commit any waste which injures or lessens the value of such Real Property; and
- 6.7.5 not detach or allow any fixture to be detached from such Real Property except for the purpose of replacing it by another of at least equal value.

6.8 **Environmental Law**

The Chargor shall properly discharge all duties of care and responsibilities placed upon it by Environmental Law and observe and perform all the requirements of Environmental Law both in the conduct of its general business and in the management possession or occupation of each Real Property charged by it under this deed and shall apply for and obtain all authorizations, licences and consents necessary to ensure that it does not breach Environmental Law.

7. **ENFORCEMENT OF SECURITY**

7.1 **Powers arising**

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

7.2 **Possession**

The Security Trustee shall be entitled by notice to the Chargor to end the Chargor's right to possession of all or any part of the Charged Property and enter into possession of all or such part of the Charged Property immediately upon or at any time after an Enforcement Event has occurred.

7.3 **Powers exercisable**

The power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will be exercisable immediately upon or at any time after an Enforcement Event has occurred.

7.4 **Appointment of Receiver**

- 7.4.1 At the request of the Chargor or, subject to **clause** 7.4.4 below, at any time after the occurrence of an Enforcement Event the Security Trustee may appoint by writing a receiver and/or manager of any Charged Property upon such terms as to remuneration and otherwise as the Security Trustee thinks fit.

7.4.2 Any Receiver will be the agent of the Chargor for all purposes and the Chargor will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Security Trustee.

7.4.3 Where two or more persons are appointed as Receivers under or pursuant to this deed any act authorised to be done by the Receivers may be done by all of them acting jointly or by any one or more of them acting severally.

7.4.4 The Security Trustee shall not be entitled to appoint a Receiver as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and schedule A1 to the Insolvency Act 1986.

7.5 **Removal of Receiver**

The Security Trustee may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Security Trustee appoints any other person as Receiver in his place.

7.6 **Appointment of administrator**

At any time after the occurrence of an Enforcement Event, the Security Trustee may appoint an administrator of the Chargor in accordance with schedule B1 to the Insolvency Act 1986.

8. **POWERS OF RECEIVER AND SECURITY TRUSTEE**

8.1 **Statutory powers**

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by the Insolvency Act 1986.

8.2 **Additional powers**

By way of addition to and without limiting any other powers referred to in this **clause 8** a Receiver shall have power (both before and after the commencement of any liquidation of the Chargor) to do every act and thing and exercise every power:

8.2.1 which the Chargor would have been entitled to do or exercise if no Receiver had been appointed; and

8.2.2 which such Receiver in his absolute discretion considers necessary or desirable for *maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Encumbrances created by this deed or the realisation of any Charged Property,*

and may use the name of the Chargor in connection with any exercise of such powers.

8.3 **Exercise of powers by Security Trustee**

After the occurrence of an Enforcement Event, all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act 1986 may be exercised by the Security Trustee whether or not the Security Trustee goes into possession as mortgagee.

8.4 Prior encumbrances

At any time after the occurrence of an Enforcement Event, the Security Trustee may redeem any prior Encumbrance against any Charged Property or procure a transfer of such Encumbrance to itself and may agree the accounts of the person entitled to that Encumbrance and any accounts so agreed will be binding on the Chargor. Any money paid by the Security Trustee in connection with a redemption or transfer of a prior Encumbrance will form part of the Secured Liabilities.

9. DELEGATION OF POWERS BY SECURITY TRUSTEE OR RECEIVER

9.1 Delegation

The Security Trustee or any Receiver may from time to time delegate by power of attorney or in any other manner to any person the powers, authorities and discretions which are for the time being exercisable by the Security Trustee or a Receiver under this deed in relation to any Charged Property and any such delegation may be made upon such terms as the Security Trustee or such Receiver may think fit. Neither the Security Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or damage arising from any act or omission on the part of any such delegate.

9.2 Possession

If the Security Trustee, any Receiver or any delegate of the Security Trustee or any Receiver enters into possession of any Charged Property any of them may from time to time go out of possession.

10. EXCLUSION OF LIABILITY

10.1 Liability to account

The Security Trustee will not in any circumstances, by reason of it taking possession of any Charged Property or for any other reason whatever and whether as mortgagee in possession or on any other basis whatever, be liable to account to the Chargor for anything except the Security Trustee's own actual receipts or be liable to the Chargor for any loss or damage arising from any realisation of any Charged Property or from any act, default or omission of the Security Trustee in relation to any Charged Property or from any exercise or non-exercise by the Security Trustee of any power, authority or discretion conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA unless such loss or damage is caused by the Security Trustee's own fraud.

10.2 Losses on enforcement

Upon the sale of any Charged Property on enforcement of the Encumbrances created by this deed, the Chargor will not have any right or claim against the Security Trustee in respect of any loss arising out of such sale however such loss may have been caused and whether or not a better price could or might have been obtained on the sale of such Charged Property by either deferring or advancing the date of such sale or for any other reason.

10.3 **No obligation to recover**

The Security Trustee is not under any obligation to take action to collect any money or enforce any rights comprised in any Charged Property.

10.4 **Application to Security Trustee and Receiver**

The provisions of this **clause** 10 will apply in relation to the liability of any Receiver and any delegate of the Security Trustee or any Receiver in all respects as though every reference in this **clause** 10 to the Security Trustee were reference to such Receiver or (as the case may be) to such delegate.

11. **REIMBURSEMENT AND INDEMNITY**

11.1 **Reimbursement**

Any sums paid or expended by the Security Trustee or any Receiver either:

- 11.1.1 as a result of the Security Trustee or any Receiver taking action which the Security Trustee or any Receiver considers necessary or desirable in connection with any Charged Property or to procure compliance with any covenant or obligation on the part of the Chargor contained in this deed or the Secured Documents; or
- 11.1.2 which is in respect of any action or thing expressed in this deed to be done at the cost of the Chargor,

and all costs, fees, taxes and expenses incurred by the Security Trustee or any Receiver under or in connection the enforcement of this deed and/or the preservation of the Security Trustee's rights under it shall be reimbursed by the Chargor to the Security Trustee on demand.

11.2 **Indemnity**

The Chargor shall indemnify the Security Trustee (whether or not acting as mortgagee in possession) and any Receiver against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including any liability of the Security Trustee or any Receiver under any Environmental Law) which may at any time be incurred by either of them (or by any person for whom they may be vicariously liable) in connection with this deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this deed.

11.3 **Secured Liabilities**

All monies payable by the Chargor under this **clause** 11 will form part of the Secured Liabilities and if unpaid will bear interest (both before and after judgment) at a rate equal to the default rate specified in the Loan Note Instrument and will form part of the Secured Liabilities.

11.4 **Administrators**

All expenses, sums payable and liabilities (together **Administrator's Expenses**) and remuneration of an Administrator which are charged on and payable out of property within

the custody and control of an Administrator pursuant to paragraph 99 of schedule B1 to the Insolvency Act 1986 will form part of the Secured Liabilities.

12. APPLICATION OF SUMS REALISED

Subject to claims having priority to the Encumbrances created by this deed, all monies received by the Security Trustee or any Receiver will be applied in the following order:

- 12.1 in payment of all costs, fees, taxes and expenses incurred by the Security Trustee or any Receiver in or pursuant to the exercise of the powers set out in this deed, any Administrator's Expenses and all other outgoings properly payable by any Receiver or any Administrator;
- 12.2 in payment of remuneration to any Receiver or Administrator;
- 12.3 in or towards payment of the Guaranteed Obligations;
- 12.4 in or towards payment of any other sums due under this deed; and
- 12.5 the balance (if any) will be applied as required by law.

13. PROTECTION OF PERSONS DEALING WITH SECURITY TRUSTEE OR RECEIVER

No person dealing with the Security Trustee or any Receiver will be concerned to enquire:

- 13.1 whether any event has happened upon which any of the powers contained in this deed may have arisen or be exercisable;
- 13.2 otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or
- 13.3 whether any Secured Liabilities remain owing.

14. FURTHER ASSURANCE

14.1 Execution of further documents

As and when required by the Security Trustee or any Receiver the Chargor shall (and shall procure that every party to this deed or the Secured Documents shall):

- 14.1.1 execute such further legal or other mortgages, fixed or floating charges or assignments in favour of the Security Trustee as the Security Trustee or any Receiver from time to time requires over any Charged Property to secure the Secured Liabilities such further mortgages, charges or assignments to be prepared at the cost of the Chargor and to contain a power of sale which arises immediately upon execution, a clause excluding section 93 of the LPA and the restrictions contained in section 103 of the LPA and such other clauses for the benefit of the Security Trustee as the Security Trustee may reasonably require;

- 14.1.2 execute and do all such assurances, deeds, documents, acts and things as the Security Trustee or any Receiver may require for perfecting or protecting the mortgages, charges and assignments created by this deed; and
- 14.1.3 upon or with a view to assisting in any enforcement of any mortgage, charge or assignment created by this deed convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Security Trustee or any Receiver may reasonably require.

15. POWER OF ATTORNEY BY CHARGOR

The Chargor irrevocably and by way of security appoints each of the Security Trustee, any person authorised in writing by or on behalf of the Security Trustee and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which the Chargor is entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property or which the Chargor is obliged to execute or do under this deed or the Secured Documents or which the Security Trustee or the Receiver (or any substitute or delegate) may in their absolute discretion consider appropriate:

- 15.1 the Chargor is entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property; or
- 15.2 the Chargor is obliged to execute or do under this deed but has failed to do.

16. PROTECTIVE CLAUSES

16.1 Waiver of defences

The obligations of the Chargor under this deed and the security constituted by this deed will not be affected by an act, omission, matter or thing which, but for this **clause 16**, would reduce, release or prejudice any of such obligations or security including (whether or not known to it or any Beneficiary or the Security Trustee):

- 16.1.1 any time, waiver or consent granted to, or composition with the Chargor or any other person;
- 16.1.2 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over property of any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 16.1.3 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- 16.1.4 the existence of any claim, set-off or other rights which the Chargor may have at any time against any Beneficiary, whether in connection with the Secured Documents or otherwise;

- 16.1.5 any novation, amendment (however fundamental) or replacement of any document or security;
- 16.1.6 any Unenforceability of any obligation of any person under the Secured Documents, this deed or any other document or security; or
- 16.1.7 any insolvency or similar proceedings.

16.2 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Security Trustee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this deed.

16.3 **Appropriations**

Until the Secured Liabilities have been irrevocably paid in full, the Security Trustee may:

- 16.3.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- 16.3.2 hold any money received under this deed in an interest bearing suspense account.

17. **DISCHARGE OF SECURITY**

17.1 **Discharge conditional**

Any discharge of the Chargor made by the Security Trustee in reliance on a payment or Encumbrance given by another person will be of no effect if that payment or Encumbrance is avoided, reduced or invalidated for any reason and the Security Trustee will be entitled to recover from the Chargor on demand the amount of such payment or the value of any such Encumbrance.

17.2 **Retention of Security**

Following any discharge of the Chargor made by the Security Trustee in reliance on a payment or security document given by another person the Security Trustee may retain the security constituted by this deed until the expiry of the maximum period within which such payment or security document can be avoided, reduced or invalidated for any reason provided that if such other person goes into liquidation or administration within that period the Security Trustee may retain the security constituted by this deed for as long as it thinks fit.

- 17.3 Subject to clause 17.1, upon the expiry of the Security Period (but not otherwise) the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted by this Deed.

18. CONTINUING SECURITY

This Deed shall remain in full force and effect as continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever unless and until the Security Trustee discharges this Deed in writing.

19. COMMUNICATIONS

19.1 Delivery

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

- 19.1.1 in writing;
- 19.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service or (if the notice is to be served by post outside of the country from which it is sent) sent by airmail; and

- 19.1.3 sent to:

- (a) the Chargor at:

C3 Construction Group Limited, 2 Dominus Way, Leicester LE19 1RP

Attention: Mark Adams

- (b) the Security Trustee at:

2 Dominus Way, Leicester LE19 1RP

Attention: Joel Denham

or to any other address as is notified in writing by one party to the other from time to time.

19.2 Receipt

Any notice or other communication that that is given by one party to the other shall be deemed to have been received:

- 19.2.1 if delivered by hand, at the time it is left at the relevant address;
- 19.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- 19.2.3 in the case of airmail, on the tenth Business Day after posting.

A notice or other communication given as described in clause 19.2.1 or clause 19.2.3 on a day which is not a Business Day, or after 5:30pm on a Business Day in the place it is received, shall be deemed to have been received on the next Business Day.

19.3 Service of Proceedings

This clause 19 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.

19.4 **No Notice By Email**

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

20. **ASSIGNMENT AND TRANSFER**

20.1 **Security Trustee**

The Security Trustee may at any time, without the consent of the Chargor, assign or transfer the whole of the Security Trustee's rights under this deed to any successor to the Security Trustee as agent and security trustee under the Loan Note Instrument.

20.2 **Chargor**

The Chargor 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 these rights or obligations passing to another person.*

21. **PAYMENTS TO SECURITY TRUSTEE**

All payments to be made by the Chargor in respect of this deed shall be made to the Security Trustee in immediately available funds to the credit of such account as the Security Trustee may designate.

22. **MISCELLANEOUS**

22.1 **Security Trustee**

The Security Trustee enters into this deed as security trustee for the Beneficiaries.

22.2 **Possession**

The Chargor shall be entitled to possession of the Charged Property until termination of such right by the Security Trustee under **clause 7.2**.

22.3 **Certificates and Determinations**

Any certification or determination by the Security Trustee of the amount of the Secured Liabilities is, *in the absence of manifest error, conclusive evidence of such amount.*

22.4 **Illegality**

If, at any time, any provision of this deed is or becomes illegal, invalid or Unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

22.5 **Rights and remedies of Security Trustee and Beneficiaries**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee or Beneficiaries, any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

22.6 **Counterparts**

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

22.7 **Third Party Rights**

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

22.8 **Continuing Security**

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of monies due to the Security Trustee or the Beneficiaries.

22.9 **Other Security**

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Security Trustee or any other person of any other security at any time held by the Security Trustee.

22.10 **Consolidation**

The restrictions on the right of consolidating mortgage securities contained in section 93 of the LPA will not apply to this deed.

22.11 **Land Registry Consent**

By executing this deed the Chargor consents to the entry of the following restriction against any registered titles (and any unregistered properties subject to compulsory first registration) which are at any time subject to this deed:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of Joel Denham as Security Trustee referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer."

23. **LAW AND JURISDICTION**

23.1 **Law**

This deed and any non-contractual obligations arising out of or in connection with this deed shall be governed by English law.

23.2 Jurisdiction of English courts

- 23.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) (a **Dispute**).
- 23.2.2 The Security Trustee and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.

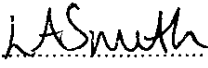
This deed has been executed and delivered as a deed on the date shown at the beginning of this deed.

The Chargor

Executed as a deed by **C3 CONSTRUCTION GROUP LIMITED** acting by a Director


.....
Director

In the presence of a witness:

Witness signature.....

Witness name**LOUISE SMITH**

Witness address**SPEARING WAITE LLP**
Solicitors

.....**34 Pocklington's Walk**
Leicester LE1 6BU

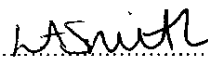
Witness occupation**TRAINEE SOLICITOR**

The Security Trustee

Executed as a deed by the said **JOEL DENHAM**


.....

In the presence of a witness:

Witness signature.....

Witness name**LOUISE SMITH**

Witness address**SPEARING WAITE LLP**
Solicitors

.....**34 Pocklington's Walk**
Leicester LE1 6BU

Witness occupation**TRAINEE SOLICITOR**