



**Registration of a Charge**

Company Name: **BAMFORD CONTRACT SERVICES HOLDINGS LIMITED**

Company Number: **13799174**



Received for filing in Electronic Format on the: **10/02/2022**

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**Details of Charge**

Date of creation: **31/01/2022**

Charge code: **1379 9174 0001**

Persons entitled: **STEPHEN BERRY**

Brief description: **ALL PRESENT AND FUTURE ESTATES OR INTERESTS OF HOLDINGS IN, OR OVER, ANY FREEHOLD OR LEASEHOLD PROPERTY AND THE BENEFIT OF ALL OTHER CONTRACTS RELATING TO EACH ANY SUCH PROPERTY INCLUDING THE RIGHT TO DEMAND AND RECEIVE ALL MONIES WHATEVER PAYABLE TO OR FOR ITS BENEFIT UNDER OR ARISING FROM ANY SUCH CONTRACTS FOR DETAILS OF ANY MORE LAND, SHIP, AIRCRAFT OR INTELLECTUAL PROPERTY CHARGED PLEASE REFER TO THE INSTRUMENT.**

**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: **WE CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GLAISYERS SOLICITORS LLP**



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

Company number: 13799174

Charge code: 1379 9174 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st January 2022 and created by BAMFORD CONTRACT SERVICES HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th February 2022 .

Given at Companies House, Cardiff on 11th February 2022

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** 31st January **2022**

**BAMFORD CONTRACT SERVICES HOLDINGS LIMITED**

**AND**

**STEPHEN BERRY**

**DEBENTURE**



One St James's Square  
Manchester M2 6DN  
DX 14364 Manchester  
Tel: 0161 8324666  
Ref: 146980-1

## DEBENTURE

THIS DEBENTURE is made the

day of January 2022.

### **BETWEEN**

- (1) **BAMFORD CONTRACT SERVICES HOLDINGS LIMITED** incorporated and registered in England and Wales with company number 13799174 whose registered office is at 17 Cheetham Street, Rochdale, Lancashire OL16 1DG ("**Holdings**"); and
- (2) **STEPHEN BERRY** of [REDACTED] ("**SB**").

### BACKGROUND

- (A) On or around the date of this Debenture, SB (amongst others) entered into an agreement ("**SPA**") for the sale of his shares in Bamford Contract Services Limited, company number 2560711 ("the **Company**") to Holdings (the "**Shares**").
- (B) Pursuant to the terms of the SPA, Holdings has agreed to pay SB the sum of £370,000, as deferred consideration for the sale of his Shares ("Deferred Consideration"), with such Deferred Consideration being payable in Tranches as set out in the Schedule.
- (C) Holdings has agreed to enter into this Debenture as security to SB in respect of all amounts owing to him by Holdings in respect of the Deferred Consideration.

### IT IS AGREED:

#### **1. DEFINITIONS AND INTERPRETATION**

##### **1.1 Definitions**

"Administrator"	means an administrator appointed to manage the affairs, business and property of Holdings pursuant to Clause 8.6.
"Background"	the section of this Debenture headed "Background".
"Book Debts"	means all present and future book and other debts, and monetary claims due or owing to Holdings, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by Holdings in relation to any of them.
"Business Day"	means 9am to 5pm Monday to Friday (inclusive) other than on public holidays in England.
"Clause"	means a clause of this Debenture.
"Debenture"	means this debenture.
"Deferred Consideration"	as defined in the Background.
"Delegate"	means any person appointed by SB or any Receiver pursuant to Clause 17 and any person appointed as attorney of SB, Receiver or Delegate.

<b>"Environment"</b>	means 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.
<b>"Environmental Law"</b>	means all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal so far as they relate to or apply to the Environment.
<b>"Environmental Licence"</b>	any authorisation, permit or licence necessary under Environmental Law in respect of any of the Secured Assets.
<b>"Equipment"</b>	means all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property owned by Holdings or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions.
<b>"Event of Default"</b>	means any of the following events: <ul style="list-style-type: none"> <li>(a) default is made in the payment of any amounts payable by Holdings under Clause 2;</li> <li>(b) default is made by Holdings in the due performance or observance of any covenant, undertaking or obligation (other than any payment obligations within (a) above) on its part contained in this Debenture and which continues for 15 Business Days or more after the date on which written notice of any such default is received by Holdings from SB;</li> <li>(c) Holdings suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business;</li> <li>(d) Holdings commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its debts other than for the sole purpose of a scheme for a solvent amalgamation of Holdings with one or more other companies or the solvent reconstruction of Holdings;</li> <li>(e) a moratorium is declared in respect of any financial indebtedness of Holdings;</li> <li>(f) any action, proceedings, procedure or step is taken for: <ul style="list-style-type: none"> <li>i. the suspension of payments, a moratorium of financial indebtedness of Holdings or the winding up, dissolution, administration or reorganisation of Holdings (other than for the sole purpose of a scheme for a solvent amalgamation of Holdings with one or more other companies or the solvent reconstruction Holdings);</li> <li>ii. the composition, compromise, assignment or arrangement with any creditor of Holdings; or</li> </ul> </li> </ul>

- iii. the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of Holdings or any of its assets;
- (g) an encumbrancer takes possession or a receiver is appointed of the whole or the major part of the assets or undertaking of Holdings or if distress, execution or other legal process is levied or enforced or sued out on or against the whole or the major part of the assets of Holdings and is not discharged, paid out, withdrawn or removed within 10 Business Days;
- (h) the sale, transfer or disposal of any of the issued share capital of the Company, or the business and undertaking (or a substantial part of the business and undertaking) of the Company;
- (i) the sale, transfer or disposal of any part of the issued share capital of Holdings, or of the business and undertaking (or a substantial part of the business and undertaking) of Holdings.

<b>"Financial Collateral Regulations"</b>	means the Financial Collateral Arrangements (No 2) Regulations 2003 ( <i>SI 2003/3226</i> ).
<b>"Insurance Policy"</b>	means each contract and policy of insurance effected or maintained by Holdings 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).
<b>"Intellectual Property"</b>	means Holdings present and future patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how) 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.
<b>"Interest"</b>	interest on the Secured Liabilities pursuant to Clause 2.2.
<b>"Month"</b>	a calendar month;
<b>"LPA 1925"</b>	means the Law of Property Act 1925.
<b>"Property"</b>	has the meaning given in Clause 3.1.1.1.
<b>"Receiver"</b>	means a receiver, receiver and manager or administrative receiver appointed by SB under Clause 11.

<b>Schedule"</b>	the schedule to this Debenture.
<b>"Secured Assets"</b>	means all the assets, property and undertaking of Holdings which are, or are expressed to be, subject to the Security created by, or pursuant to, this Debenture (and references to the Secured Assets shall include references to any part of them).
<b>"Secured Liabilities"</b>	means the obligations of Holdings to SB to pay the Deferred Consideration, together with any other sums due to SB under this Debenture (including, by way of illustration and not limitation, Interest).
<b>"Security"</b>	means 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.
<b>"Security Period"</b>	means the period starting on the date of this Debenture and ending on the date on which SB 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.
<b>"Shares"</b>	as defined in the Background.
<b>"SPA"</b>	has the meaning given in the Background to this Debenture.
<b>"Tranche"</b>	an instalment of the Deferred Consideration as set out in the Schedule.
<b>"VAT"</b>	means value added tax or any equivalent tax chargeable in the UK or elsewhere.

## 1.2 Interpretation

In this Debenture:

- 1.2.1 Clause headings shall not affect the interpretation of this Debenture;
- 1.2.2 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);
- 1.2.3 unless the context otherwise requires, the singular includes the plural and vice versa;
- 1.2.4 unless the context otherwise requires, a reference to one gender includes a reference to the other genders;



- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Debenture shall be binding on, and enure to the benefit of, the parties to this Debenture and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.8 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.2.9 the Background and the Schedule form part of this Debenture for all purposes.

### 1.3 **Clawback**

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

### 1.4 **Perpetuity period**

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

## 2. **SECURED LIABILITIES**

- 2.1 The Secured Liabilities must be paid in accordance with the terms of the SPA and the Schedule. SB may demand payment of the Secured Liabilities at any time when they fall due under the SPA and the Schedule and Holdings has agreed to enter into this Debenture to afford SB security for the payment of the Secured Liabilities.
- 2.2 Interest shall accrue on the Secured Liabilities at the rate of 4% (compounded and calculated daily) from the date when such Secured Liabilities become due until payment in full of such Secured Liabilities (including the Interest thereon).

## 3. **GRANT OF SECURITY**

- 3.1 As a continuing security for the payment and discharge of the Secured Liabilities, Holdings with full title guarantee, charges to SB:

### 3.1.1 by way of a fixed charge:

- 3.1.1.1 all present and future estates or interests of Holdings in, or over, any freehold or leasehold property and the benefit of all other contracts relating to each any such property including the right to demand and receive all monies whatever payable to or for its benefit under or arising from any such contracts ("**Property**");
- 3.1.1.2 all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;

- 3.1.1.3 all its present and future goodwill;
- 3.1.1.4 all the Equipment;
- 3.1.1.5 any and all certified shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of Holdings;
- 3.1.1.6 all the Intellectual Property;
- 3.1.1.7 all its rights in respect of each Insurance Policy, including the proceeds of all claims;
- 3.1.1.8 all the Book Debts;
- 3.1.1.9 all the monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, together with all right accruing or arising in connection with each account (including, but not limited to, entitlement and interest).
- 3.1.2 by way of first floating charge all the undertaking, property, rights and assets of Holdings both present and future of any kind whatsoever and wherever situated not otherwise effectively charged under Clause 3.1.1.
- 3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.1.2.
- 3.3 The floating charge created by Clause 3.1.2 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge:
  - 3.3.1 on an Event of Default;
  - 3.3.2 if Holdings creates, or attempts to create, without the prior written consent of SB, a Security or a trust in favour of another person over all or any part of the Secured Assets;
  - 3.3.3 if Holdings disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets which are subject to the floating charge whilst it remains uncrystallised), without the prior written consent of SB.
- 3.4 Any asset acquired by Holdings after any crystallisation of the floating charge created under this Debenture that, but for that crystallisation, would be subject to a floating charge under this Debenture, shall (unless SB confirms otherwise to Holdings in writing) be charged to SB by way of fixed charge.

#### 4. **LIABILITY OF HOLDINGS**

##### 4.1 **Liability not discharged**

Holdings' liability under this Debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, SB that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

- 4.1.2 SB concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
  - 4.1.3 any termination, amendment, variation, replacement or supplement of or to any of the Secured Liabilities;
  - 4.1.4 any act or omission by SB or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against Holdings or any other person;
  - 4.1.5 any grant of time, indulgence, waiver or concession to Holdings or any other person;
  - 4.1.6 the death, incapacity or bankruptcy of SB;
  - 4.1.7 any insolvency, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of Holdings or any other person;
  - 4.1.8 any other act or omission that, but for this Clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of Holdings.
- 4.2 Holdings waives any right it may have to require SB to enforce any security or other right, or claim any payment from, or otherwise proceed against, any person before enforcing this Debenture against Holdings.

## **5. REPRESENTATIONS AND WARRANTIES**

Holdings warrants and represents to SB on the date of this Debenture that:

- 5.1 it is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets;
- 5.2 the Secured Assets are free from any Security (other than any liens arising as a matter of law) other than any Security approved in writing by SB and the Security created by this Debenture;
- 5.3 no Security expressed to be created under this Debenture is liable to be avoided, or otherwise set aside, on the liquidation or administration of Holdings or otherwise; and
- 5.4 this Debenture constitutes and will constitute the legal, valid, binding and enforceable obligations of Holdings, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

## **6. GENERAL COVENANTS**

### **6.1 Negative pledge and disposal restrictions**

Holdings shall not at any time, except with the prior written consent of SB:

- 6.1.1 create, purport to create or permit to subsist any Security (other than liens arising as a matter of law) on, or in relation to, any Secured Asset other than any Security created by this Debenture;
- 6.1.2 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);

- 6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party;
- 6.1.4 dispose of any capital asset with a value in excess of £10,000;
- 6.1.5 acquire any subsidiary, undertaking, business or legal entity;
- 6.1.6 dispose of any of the Shares, or any of the other shares Holdings may hold from time to time in the capital of the Company;
- 6.1.7 increase, subdivide or otherwise alter the share capital of Holdings, or of the Company;
- 6.1.8 issue or allot any new shares in the capital of Holdings, or of the Company;
- 6.1.9 dispose of all, or a substantial part, of the business and undertaking of Holdings, or of the Company; or
- 6.1.10 do anything (whether by act or omission) which is likely to be prejudicial to the ability of Holdings or the Company to repay the Deferred Consideration in accordance with the terms of the SPA and the Schedule.

## **6.2 Compliance with laws and regulations**

Holdings shall:

- 6.2.1 comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- 6.2.2 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
- 6.2.3 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.

## **6.3 Notice of misrepresentation and breaches**

Holdings shall, promptly on becoming aware of any of the same, notify SB in writing of:

- 6.3.1 any representation or warranty set out in this Debenture that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- 6.3.2 any breach of any covenant set out in this Debenture.

## **6.4 Insurance**

- 6.4.1 Holdings 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:
- 6.4.1.1 loss or damage by fire or terrorist acts, including any third party liability arising from such acts; and
  - 6.4.1.2 other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as Holdings.
- 6.4.2 Holdings shall, if requested by SB, produce to SB each policy, certificate or cover note relating to any insurance as is required by Clause 6.4.1.
- 6.4.3 Holdings shall promptly pay all premiums in respect of each Insurance Policy do all other things necessary to keep that Insurance Policy in full force and effect.
- 6.4.4 Holdings 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.

## **6.5 Information**

Holdings shall:

- 6.5.1 give SB such reasonable and lawful information concerning the location, condition, use and operation of the Secured Assets as SB may reasonably require;
- 6.5.2 following reasonable prior written notice and during a Business Day, permit SB 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;
- 6.5.3 promptly notify SB in writing of any material 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, Holdings' proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand;
- 6.5.4 provide SB with regular financial information concerning both Holdings and the Company, in such format as SB shall require. Without prejudice to the generality of the foregoing, the financial information shall consist of Monthly management accounts for both Holdings and the Company, together with any other financial information provided to the funders or bankers of Holdings and/or the Company.

## **6.6 Payment of outgoings**

Holdings 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 SB.

## **7. PROPERTY COVENANTS**

7.1 Holdings shall observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subject, and (if SB so requires) produce to SB evidence sufficient to satisfy them (acting reasonably) that those covenants, stipulations and conditions have been observed and performed.

7.2 Holdings shall in respect of each Property:

7.2.1 comply in all material respects with all the requirements of Environmental Law; and

7.2.2 obtain and comply in all material respects with all Environmental Licences.

7.3 Holdings shall permit SB, any Receiver and any person appointed by him to enter on and inspect any Property following reasonable prior written notice and during a Business Day.

## 8. **POWERS OF SB**

### 8.1 **Power to remedy**

8.1.1 SB shall be entitled (but shall not be obliged) to remedy, at any time, a breach by Holdings of any of its obligations contained in this Debenture.

8.1.2 Holdings irrevocably authorises SB and his agents to do all things that are necessary or desirable for the purpose referred to in Clause 8.1.1.

8.1.3 Any monies reasonably expended by SB in remedying a breach by Holdings of its obligations contained in this Debenture shall be reimbursed by Holdings to SB in accordance with Clause 15.1.

### 8.2 **Exercise of rights**

The rights of SB under Clause 8.1 are without prejudice to any other rights of SB under this Debenture.

### 8.3 **Power to dispose of chattels**

8.3.1 At any time after the security constituted by this Debenture has become enforceable, SB or any Receiver may, as agent for Holdings, dispose of any chattels or produce found on any Property.

8.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under Clause 8.3.1, Holdings shall indemnify SB or any Receiver against any liability arising from any disposal made under Clause 8.3.1.

### 8.4 **SB has Receiver's powers**

To the extent permitted by law, any right, power or discretion conferred by this Debenture (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Debenture has become enforceable, be exercised by SB in relation to any of the Secured Assets whether or not they have taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

## **8.5 Indulgence**

SB may, at his discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Debenture (whether or not any such person is jointly liable with Holdings) in respect of any of the Secured Liabilities, without prejudice either to this Debenture or to the liability of Holdings for the Secured Liabilities.

## **8.6 Appointment of an Administrator**

- 8.6.1 SB may, without notice to Holdings, appoint any one or more persons to be an Administrator of Holdings pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Debenture becomes enforceable.
- 8.6.2 Any appointment under this Clause 8.6 shall:
  - 8.6.2.1 be in writing signed by SB; and
  - 8.6.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- 8.6.3 SB may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this Clause 8.6 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

## **9. WHEN SECURITY BECOMES ENFORCEABLE**

### **9.1 Security becomes enforceable on Event of Default**

The security constituted by this Debenture shall become immediately enforceable if an Event of Default occurs or any of the other matters listed in Clause 3.3 occur. SB agrees to notify Holdings if he intends to waive any right of action on the occurrence of any Event of Default, within a reasonable time after such occurrence. However, the giving of such notification is not a condition of SB's ability to exercise and enforce all right and remedies available to him under this Debenture.

### **9.2 Discretion**

After the security constituted by this Debenture has become enforceable, SB may, in his absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms he thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

## **10. ENFORCEMENT OF SECURITY**

### **10.1 Enforcement powers**

- 10.1.1 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 Debenture.

10.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Debenture) shall be immediately exercisable at any time after the security constituted by this Debenture has become enforceable under Clause 9.1.

10.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this Debenture.

## **10.2 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 SB and any Receiver, at any time after the security constituted by this Debenture has become enforceable, whether in its own name or in that of Holdings, to:

10.2.1 grant a lease or agreement for lease;

10.2.2 accept surrenders of leases; or

10.2.3 grant any option in respect 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 Holdings, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as SB or Receiver think fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

## **10.3 Access on enforcement**

10.3.1 While an Event of Default is continuing, Holdings will allow SB or his Receiver, without further notice or demand, immediately to exercise all their 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 SB or a Receiver reasonably believe a Secured Asset to be situated) without incurring any liability to Holdings for, or by any reason of, that entry.

10.3.2 At all times, Holdings must use all reasonable endeavours to allow SB or his Receiver following reasonable prior written notice and during a Business Day access to any premises for the purpose of Clause 10.3.1 (including obtaining any necessary consents or permits of other persons) and shall use reasonable endeavours to ensure that its employees and officers do the same.

## **10.4 Redemption of prior Security**

10.4.1 At any time after the security constituted by this Debenture has become enforceable, or after any powers conferred by any Security having priority to this Debenture shall have become exercisable, SB may:

10.4.1.1 redeem any prior Security over any Secured Asset; or

10.4.1.2 procure the transfer of that Security to himself.



- 10.4.2 Holdings shall pay to SB all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Debenture as part of the Secured Liabilities.

**10.5 Protection of third parties**

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

- 10.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 10.5.2 whether any power SB, a Receiver or Delegate are purporting to exercise has become exercisable or is being properly exercised; or
- 10.5.3 how any money paid to SB, any Receiver or any Delegate is to be applied.

**10.6 Privileges**

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

**10.7 No liability as mortgagee in possession**

Neither SB nor any Receiver or Delegate shall be liable, by reason of entering into possession of a Secured 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, default or omission for which a mortgagee in possession might be liable.

**10.8 Conclusive discharge to purchasers**

The receipt of SB, 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, SB, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that he thinks fit.

**10.9 Right of appropriation**

- 10.9.1 To the extent that:

10.9.1.1 the Secured Assets constitute Financial Collateral (having the meaning given to that expression in the Financial Collateral Regulations); and

10.9.1.2 this Debenture and the obligations of Holdings under it constitute a Security Financial Collateral Arrangement (having the meaning given to that expression in the Financial Collateral Regulations),

SB shall have the right, at any time after the security constituted by this Debenture 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 SB may, in his absolute discretion, determine.

- 10.9.2 The value of any Secured Assets appropriated in accordance with this Clause shall be in the case of cash, the amount standing to the credit of each of

Holdings' accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised.

- 10.9.3 Holdings agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

## **11. RECEIVER**

### **11.1 Appointment**

At any time after the security constituted by this Debenture has become enforceable, or at the request of Holdings, SB 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.

### **11.2 Removal**

SB 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 him and may, whenever he thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### **11.3 Remuneration**

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

### **11.4 Power of appointment additional to statutory powers**

The power to appoint a Receiver conferred by this Debenture shall be in addition to all statutory and other powers of SB 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.

### **11.5 Power of appointment exercisable despite prior appointments**

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

### **11.6 Agent of Holdings**

Any Receiver appointed by SB under this Debenture shall be the agent of Holdings and Holdings 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 Holdings goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of SB.

## **12. POWERS OF RECEIVER**

### **12.1 General**

- 12.1.1 Any Receiver appointed by SB under this Debenture shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in Clause 12.2 to Clause 12.23.
- 12.1.2 A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- 12.1.3 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Debenture individually and to the exclusion of any other Receiver.
- 12.1.4 Any exercise by a Receiver of any of the powers given by Clause 12 may be on behalf of Holdings, the directors of Holdings (in the case of the power contained in Clause 12.16) or itself.

## **12.2 Repair and develop Properties**

A Receiver may undertake or complete any works of repair, alteration, 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.

## **12.3 Grant or accept surrenders of leases**

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.

## **12.4 Employ personnel and advisers**

- 12.4.1 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 it thinks fit.
- 12.4.2 A Receiver may discharge any such person or any such person appointed by Holdings.

## **12.5 Make and revoke VAT options to tax**

A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.

## **12.6 Remuneration**

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

## **12.7 Possession**

A Receiver may take immediate possession of, get in and realise any Secured Asset.

## **12.8 Manage or reconstruct Holdings' 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 Holdings.

#### **12.9 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 it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it 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.

#### **12.10 Sever fixtures and fittings**

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

#### **12.11 Sell Book Debts**

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

#### **12.12 Valid receipts**

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

#### **12.13 Make settlements**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who claims to be a creditor of Holdings or relating in any way to any Secured Asset.

#### **12.14 Legal action**

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

#### **12.15 Improve the Equipment**

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

#### **12.16 Make calls on Holdings members**

A Receiver may make calls conditionally or unconditionally on the members of Holdings 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 Holdings on its directors in respect of calls authorised to be made by them.

#### **12.17 Insure**

A Receiver may, if it thinks fit, but without prejudice to the indemnity in Clause 15, 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 Holdings under this Debenture.

#### **12.18 Subsidiaries**

A Receiver may form a subsidiary of Holdings and transfer to that subsidiary any Secured Asset.

#### **12.19 Borrow**

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if SB consents, terms under which that security ranks in priority to this Debenture).

#### **12.20 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 Holdings, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

#### **12.21 Delegation**

A Receiver may delegate its powers in accordance with this Debenture.

#### **12.22 Absolute beneficial owner**

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

#### **12.23 Incidental powers**

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

12.23.1 may consider desirable or necessary for realising any of the Secured Assets;

12.23.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Debenture or law; or

12.23.3 lawfully may or can do as agent for Holdings.

### **13. DELEGATION**

#### **13.1 Delegation**

SB 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 them by this Debenture (including the power of attorney granted under Clause 17.1).

#### **13.2 Terms**

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

#### **13.3 Liability**

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

## **14. APPLICATION OF PROCEEDS**

### **14.1 Order of application of proceeds**

All monies received or recovered by SB, a Receiver or a Delegate under this Debenture or in connection with the realisation or enforcement of all or part of the security constituted by this Debenture (other than sums received under any Insurance Policy), 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 (but without prejudice to SB's right to recover any shortfall from Holdings):

- 14.1.1 in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of SB (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Debenture, and of all remuneration due to any Receiver under or in connection with this Debenture;
- 14.1.2 in or towards payment of the Secured Liabilities in any order and manner that SB determines; and
- 14.1.3 in payment of the surplus (if any) to Holdings or other person entitled to it.

### **14.2 Appropriation**

Neither SB, 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.

### **14.3 Suspense account**

All monies received by SB, a Receiver or a Delegate under this Debenture (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- 14.3.1 may, at the discretion of SB, Receiver or Delegate, be credited to a suspense account;
- 14.3.2 shall bear interest, if any, at the rate agreed in writing between SB and Holdings; and
- 14.3.3 may be held in that account for so long as SB, Receiver or Delegate thinks fit.

## **15. COSTS AND INDEMNITY**

### **15.1 Costs**

Holdings shall promptly pay to, or reimburse, SB all reasonable and properly incurred costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by SB in connection with the preservation, or exercise and enforcement, of any rights under or in connection with this Debenture or any attempt so to do.

### **15.2 Indemnity**

- 15.2.1 Holdings shall indemnify SB, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, 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:

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

## **16. FURTHER ASSURANCE**

### **16.1 Further assurance**

16.2 Holdings shall promptly, at its own expense, take whatever action SB or any Receiver may reasonably require for:

- 16.2.1 creating, perfecting or protecting the security created or intended to be created by this Debenture;
- 16.2.2 facilitating the realisation of any Secured Asset; or
- 16.2.3 facilitating the exercise of any right, power, authority or discretion exercisable by SB or any Receiver in respect of any Secured Asset,

including, without limitation the execution of any mortgage, 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 SB or to his nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, SB may consider necessary or desirable.

## **17. POWER OF ATTORNEY**

### **17.1 Appointment of attorneys**

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

- 17.1.1 Holdings is required to execute and do under this Debenture; or
- 17.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Debenture or by law on SB, any Receiver or any Delegate.

### **17.2 Ratification of acts of attorneys**

Holdings 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 17.1.

18. **RELEASE**

Subject to Clause 21.3, at the end of the Security Period, SB shall, at the request and cost of Holdings, promptly (and in any event within 20 Business Days) take whatever action is necessary to:

18.1 release the Secured Assets from the security constituted by this Debenture; and

18.2 reassign the Secured Assets to Holdings.

19. **ASSIGNMENT AND TRANSFER**

19.1 **Assignment by SB**

19.1.1 At any time SB may assign or transfer any or all of his rights and obligations under this Debenture to any person(s) to whom the Secured Liabilities have been transferred in accordance with the terms of the SPA.

19.1.2 SB may disclose to any actual or proposed assignee or transferee any information in his possession that relates to Holdings, the Secured Assets and this Debenture that SB considers appropriate.

19.2 **Assignment by Holdings**

Holdings may not assign any of its rights, or transfer any of its rights or obligations, under this Debenture.

20. **SET-OFF**

20.1 **SB's right of set-off**

SB may at any time set off any liability of Holdings to SB against any liability of SB to Holdings, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Debenture. Any exercise by SB of his rights under this Clause 20 shall not limit or affect any other rights or remedies available to him under this Debenture or otherwise.

20.2 **Exclusion of Holdings' right of set-off**

All payments made by Holdings to SB under this Debenture 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).

20.3 **Rights and remedies**

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

21. **FURTHER PROVISIONS**

21.1 **Independent security**

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



## **21.2 Continuing security**

The security constituted by this Debenture 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 SB discharges this Debenture in writing or the Secured Liabilities have been discharged in full (whichever is the earlier) at which point this Debenture shall automatically cease to have legal force and effect.

## **21.3 Discharge conditional**

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

21.3.1 SB or his nominee may retain this Debenture and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that SB deems necessary to provide SB with security against any such avoidance, reduction or order for refund; and

21.3.2 SB may recover the value or amount of such security or payment from Holdings subsequently as if the release, discharge or settlement had not occurred.

## **21.4 Consolidation**

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

## **21.5 Small company moratorium**

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

21.5.1 an event under this Debenture which causes any floating charge created by this Debenture to crystallise;

21.5.2 an event under this Debenture which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by Holdings; or

21.5.3 a ground under this Debenture for the appointment of a Receiver.

## **22. GENERAL**

22.1 Any reference to Deferred Consideration or the Secured Liabilities to repay the Deferred Consideration means the amount of the Deferred Consideration unredeemed and outstanding at the relevant time.

22.2 Any amendment to this Debenture shall be in writing and signed by or on behalf of each party.

- 22.3 A waiver of any right or remedy under this Debenture or by law, or any consent given under this Debenture, is only effective if given in writing and signed 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. No delay or failure to exercise any right under this Debenture shall operate as a waiver of that right.
- 22.4 Rights and remedies under this Debenture are cumulative and do not exclude any rights or remedies provided by law or otherwise.
- 22.5 Except where stated to the contrary, a person who is not a party to this Debenture 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 Debenture. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- 22.6 If any provision (or part of a provision) of this Debenture 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 Debenture.
- 22.7 Any notice or other communication given to a party under or in connection with this Debenture shall be in writing to the relevant address given in this Debenture and any such notice shall be deemed to have been received at the time it is left at the relevant address, if delivered by hand, and on the second business day after posting, if posted by any next working day delivery service. This Clause does not apply to the service of any proceedings or other documents in any legal action.
- 22.8 This Debenture may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- 22.9 This Debenture 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. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction over any such dispute or claim.

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

## **THE SCHEDULE**

### **Payment Intervals**

### **Tranche Payable**

1. The period of 12 Months from the completion of the Acquisition ("Completion Date") £10,000 per Month, payable on the last business day of that Month.
2. The period of 12 Months from the first anniversary of the Completion Date £6,250 per Month, payable on the last business day of that Month.
3. The period of 12 Months from the second anniversary of the Completion Date £6,250 per Month, payable on the last business day of that Month.
4. The period of 12 Months from the third anniversary of the Completion Date £6,250 per Month, payable on the last business day of that Month.
5. The period of 12 Months from the fourth anniversary of the Completion Date £6,250 per Month, payable on the last business day of that Month, plus a final payment of £25,000, payable on the last business day of that period.

**SIGNED and DELIVERED** as a **DEED** by )  
**BAMFORD CONTRACT SERVICES** )  
**HOLDINGS LIMITED** )  
acting by **DANIEL JAMES CALVERT** )  
a director, in the presence of: )

[Redacted Signature]

Director

Witness [Redacted]  
Signature: [Redacted]  
Name: IAN FARRELL  
Address: [Redacted]  
[Redacted]  
[Redacted]

**SIGNED and DELIVERED** as a **DEED** by )  
**STEPHEN BERRY** )  
in the presence of: )  
..... )

[Redacted Signature]

Witness [Redacted]  
Signature: [Redacted]  
Name: IAN FARRELL  
Address: [Redacted]  
[Redacted]  
[Redacted]

