

# MR01

## Particulars of a charge

V083436/13



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


**You can use the WebFiling service to file this form online.**  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **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 there is no  
instrument. Use form MR08

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

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 the form is 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 scanned and placed on the public record



LD2 23/07/2013 #6  
COMPANIES HOUSE

TUESDAY

### 1 Company details

Company number 00222915

Company name in full RICARDO PLC

3 For official use

→ **Filing 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 01/06/2007

### 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 RICARDO PENSION SCHEME (TRUSTEES) LIMITED

Name

Name

Name

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

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

**MR01**

Particulars of a charge

**4****Description**

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

**Continuation page**

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

Description

**Schedule 1****Property**

<b>Tenure</b>	<b>Owner</b>	<b>Address</b>	<b>Title Number</b>
Freehold	Ricardo Plc	Shoreham Technical Centre, Shoreham-by-Sea, West Sussex BN43 5FG	WSX155939

**5****Fixed charge or fixed security**

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

☒ **Yes**☐ **No****6****Floating charge**

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

☐ **Yes** Continue☒ **No** Go to **Section 7**

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

☐ **Yes****7****Negative Pledge**

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

☒ **Yes**☐ **No**

MR01

Particulars of a charge

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 CMS Cameron McKenna LLP X

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

MR01

Particulars of a charge



**Presenter information**

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

Contact name KASN/KAFR/131822 00001

Company name CMS Cameron McKenna LLP

Address Mitre House

160 Aldersgate Street

London

Post town

County/Region

Postcode E C 1 A 4 D D

Country

DX DX 135316 BARBICAN 2

Telephone 020 7367 3161



**Certificate**

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



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



**Important information**

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



**How to pay**

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

Make cheques or postal orders payable to 'Companies House'



**Where to send**

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

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

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

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



**Further information**

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**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



**FILE COPY**

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

Company number: 222915

Charge code: 0022 2915 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th July 2013 and created by RICARDO PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd July 2013.

Dx

Given at Companies House, Cardiff on 26th July 2013



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Dated 16 JULY 2013

CERTIFIED TO BE A TRUE AND  
COMPLETE COPY OF THE ORIGINAL

*CMS Cameron McKenna LLP*

DATE *23-07-2013*

CMS Cameron McKenna LLP  
Mitre House, 160 Aldersgate Street  
London EC1A 4DD

## MORTGAGE DEED

created by

**RICARDO PLC**

in favour of

**RICARDO PENSION SCHEME (TRUSTEES) LIMITED**

Linklaters

One Silk Street  
London EC2Y 8HQ

Telephone (44-20) 7456 2000  
Facsimile (44-20) 7456 2222

Ref EC/SBM

This Mortgage Deed ("Deed") is made on 16 JULY 2013 between.

- (1) RICARDO PLC (Company No. 222915) whose registered office is at Shoreham Technical Centre, Shoreham-by-Sea, West Sussex BN43 5FG (the "Chargor"), and
- (2) RICARDO PENSION SCHEME (TRUSTEES) LIMITED (Company No 2376569) whose registered office is at Shoreham Technical Centre, Shoreham-by-Sea, West Sussex BN43 5FG (the "Trustee"),

and together, the "Parties".

**WHEREAS**

- (A) The Chargor is the present principal employer in relation to the Ricardo Group Pension Fund (the "Scheme"). The Trustee is the present trustee in relation to the Scheme
- (B) The Scheme is governed by a consolidating deed and rules dated 17 November 2008 as amended from time to time in which are set out the provisions governing the Scheme.
- (C) The Trustee and the Chargor agree that it was clearly the intention of both Parties to introduce a uniform normal pension age for all active members of the Scheme on and from 6 April 1992. This change was notified to relevant members by announcement on 9 March 1992 (the "Announcement") and the Trustee has administered the Scheme to date on the basis that normal pension ages were validly equalised for all active members of the Scheme on and from 6 April 1992
- (D) The Trustee and the Chargor acknowledge that there is some uncertainty as to whether the courts would find that a uniform normal pension age was validly introduced for all active members of the Scheme on and from 6 April 1992. This uncertainty stems from the fact that the documentation governing the Scheme in 1992 required amendments to be made by deed and no deed of amendment effecting this change was executed until a deed dated 28 March 1996 took effect on 31 March 1996
- (E) Having reviewed matters, the Trustee and the Chargor consider that the courts could nevertheless take the view that a uniform normal pension age was validly introduced for all active members of the Scheme on and from 6 April 1992 on the basis that the Announcement established a uniform normal pension age in accordance with a mechanism set out in the definition of "Normal Retirement Date" in the Scheme's governing documentation. This definition provides that Normal Retirement Date can mean "*such age as is notified in writing to the Member by the Employer as being his Normal Retirement Date for the purposes of the Scheme*" if "*it is expected that a Member will retire from Service at a different age*" than 65 (men) or 60 (women)
- (F) The Trustee also notes that members' expectations are likely to accord with the Announcement and that no member has ever queried whether a uniform normal pension age was introduced for all active members of the Scheme with effect on and from 6 April 1992.
- (G) The Trustee and the Chargor have concluded that the cost of obtaining a court order to conclusively determine the answer to this issue would be disproportionate and that in view of the points above, the Scheme should be administered on the basis that a uniform normal pension age was introduced for all active members of the Scheme with effect on and from 6 April 1992

- (H) In return for the Trustee administering the Scheme on this basis, the Chargor has agreed to enter into a settlement deed with the Trustee dated on or around the date of this Deed (the "**Settlement Deed**") whereby the Chargor agrees that
- (i) in the event that there is a Final Determination (as defined in the Settlement Deed) that a uniform normal pension age was not in fact introduced for all active members of the Scheme on and from 6 April 1992, the Chargor will make payment into the Scheme in terms set out in the Settlement Deed, and
  - (ii) in the event that and notwithstanding any payment described at (i) above, the Trustee incurs any liability as a result of having administered the Scheme on the basis that a uniform normal pension age was introduced for all active members of the Scheme with effect on and from 6 April 1992, the Chargor will indemnify the Trustee (and in the case of a corporate body acting as the Trustee, the directors of the Trustee) in the terms set out in the Settlement Deed
- (I) In addition, the Chargor has also agreed to the creation of a legal mortgage over the Property (as defined below) in favour of the Trustee under the terms set out herein, by way of security in the event that the Chargor fails to meet its obligations under the Settlement Deed

**IT IS HEREBY AGREED AS FOLLOWS:**

**1 Interpretation**

**1.1 Definitions**

In this Deed, except to the extent that the context requires otherwise

"**Administration**" means administration under Part II of the Insolvency Act as amended from time to time;

"**Business Day**" means a day (other than a Saturday or a Sunday) on which the banks are open for general business in London,

"**Charged Assets**" means all assets, property and undertaking of the Chargor for the time being subject to the Charge created by this Deed,

"**Charge**" means all or any of the security created by or pursuant to this Deed,

"**Delegate**" has the meaning given in Clause 8 2 (*Delegations*),

"**Encumbrance**" means any mortgage, charge, pledge, lien, hypothecation or other security interest of any kind, and any right of set-off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having a similar effect to the provision of security, other than liens arising by operation of law in the ordinary course of the Chargor's business,

"**Enforcement Event**" has the meaning given to it in Clause 6 2 (*Enforcement Events*),

"**Fixtures**" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and apparatus of any kind,

"**Insolvency Act**" means the Insolvency Act 1986;

"**LPA**" means the Law of Property Act 1925,



**"Person"** includes any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, state or agency of a state (in each case whether or not having separate legal personality);

**"Perfection Requirements"** means the making of the appropriate registrations of this Deed with the Registrar of Companies (if applicable), the Financial Services Authority (if applicable) and any other registrations, filings and notices that are deemed appropriate by the Trustee for the perfection of the security constituted by this Deed,

**"Property"** means the property described in Schedule 1 (including the buildings and services to which the valuation at Schedule 2 relates) and any part or parts thereof including all Rights from time to time attached or appurtenant thereto and all buildings and Fixtures from time to time therein or thereon,

**"Receiver"** means any receiver (including, but not limited to, a receiver and manager, and an administrative receiver) appointed under this Deed in respect of all or any of the Charged Assets and where more than one receiver has been appointed each of them,

**"Rents"** means any sum payable to the Chargor (and any right to recover any such sum)

- (i) by way of rent, service charge or otherwise under any lease of the Property or part thereof, or as mesne profits, licence fee, or otherwise howsoever for the use or occupation of or trespass upon the Property, or other income arising from the Property; and
- (ii) by way of rent or otherwise for or in connection with the possession or use of, or in respect of any trespass to or conversion of, any chattel except in so far as the same is effectively charged under the legal mortgage at Clause 3 1 1 below;

**"Rights"** means rights, authorities, discretions, remedies, liberties, powers, easements, quasi-easements and appurtenances (in each case, of any nature whatsoever),

**"Secured Liabilities"** means all money, liabilities and obligations now or in the future owed or incurred by the Chargor to the Trustee of any kind, however arising and in any currency, whether or not immediately payable, whether certain or contingent, whether sole or joint, whether as principal or as surety, whether or not the Trustee was the original creditor in respect thereof, and including (without limitation) interest, commission, costs, charges and expenses charged by the Trustee at rates agreed between them and the Chargor or, in the absence of express agreement, in accordance with the Trustee's normal practice for the time being,

**"Settlement Documents"** means the Settlement Deed, this Deed and any other debenture, guarantee or security document entered into by any Person and at any time in respect of the Chargor's obligations under any Settlement Document in favour of the Trustee, and **"Settlement Document"** shall mean any of them, and

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

## **1.2 Other Interpretation**

In this Deed unless the context otherwise requires

- 1.2.1 Assets**, a reference to "assets" includes present and future properties, revenues and rights of every description,

- 1.2.2 **Clauses.** a reference to a "Clause" or a "Schedule" is a reference to a Clause of, or a Schedule to, this Deed;
- 1.2.3 **Companies Act.** words and phrases defined in the Companies Act 2006 have the same meanings in this Agreement but the word "company" includes any body corporate,
- 1.2.4 **General** general words shall not be given a restrictive meaning by reason of the fact they are followed by particular examples intended to be embraced by the general words,
- 1.2.5 **Headings** headings are for reference purposes only and shall not affect the construction of anything in this Deed,
- 1.2.6 **Indebtedness:** any reference to "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
- 1.2.7 **Interest** references to any rate of interest shall be construed as meaning that rate as from time to time in force, calculated from day to day, and compounded on the last day of every month, both before and after judgment;
- 1.2.8 **Plurals** the singular includes the plural and vice versa, and reference to any gender includes the other genders,
- 1.2.9 **Statute** any reference to any statute or statutory instrument or any section or part thereof includes any enactment (present or future) replacing or amending it or any instrument, order or regulation made under it and also includes any past statutory provisions (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced,
- 1.2.10 **Trustee.** references to the "Trustee" shall be construed so as to include its successors in title as trustee of the Scheme and any director of a corporate body acting as a trustee of the Scheme, and
- 1.2.11 **Winding-up** reference to "winding-up" of a Person also includes the amalgamation, reconstruction, reorganisation, dissolution, liquidation, merger or consolidation of that Person, and any equivalent or analogous procedure under the law of any jurisdiction (and references to the commencement of any of the foregoing include a reference to the presentation of a petition to a court of competent jurisdiction or the passing of a valid resolution for or with a view to any of the foregoing)

## **2 Chargor's obligations**

### **2.1 Secured Liabilities**

The Chargor shall pay, perform and discharge the Secured Liabilities to the Trustee when due in accordance with the terms of the Settlement Documents or, if no time is specified for payment, immediately on demand

### **2.2 Default Interest**

- 2.2.1 If the Chargor fails to pay any amount payable by it under a Settlement Document on its due date, interest shall accrue on the overdue amount from the due date up

until the date of actual payment (both before and after judgment, liquidation, winding-up or administration of any person) at a rate equal to the sum of 2 per cent over the rate (whatever called) then published by Lloyds TSB Bank PLC as its base rate for advances in the relevant currency calculated for successive interest periods, each of a duration selected by Lloyds TSB Bank PLC (acting reasonably). Any interest accruing under this Clause 2.2.1 shall be immediately payable by the Chargor on demand by the Trustee

- 2.2.2 Default interest under Clause 2.2.1 arising on an overdue amount will (if unpaid) be compounded with the overdue amount at the end of each interest period applicable to that overdue amount but will remain immediately due and payable

### **3 Security**

#### **3.1 Charges**

The Chargor with full title guarantee and as security for the payment, performance and discharge of all Secured Liabilities hereby charges in favour of the Trustee:

- 3.1.1 by way of legal mortgage, the Property, and  
3.1.2 by way of fixed charge, the Rents (if any)

#### **3.2 Assignment**

The Chargor with full title guarantee and as security for the payment and discharge of all Secured Liabilities hereby assigns to the Trustee the benefit of all Rights (save to the extent mortgaged by Clause 3.1.1 above) to which the Chargor is now or may hereafter become entitled in relation to the Property and/or any buildings now or hereafter standing thereon including in particular (but without prejudice to the generality of the foregoing) the benefit of all insurances in relation thereto and all Rights against all past present and future tenants and undertenants of the whole or any part or parts of the Property and their respective guarantors or sureties subject to the provision for re-assignment hereinafter contained

### **4 Chargor Covenants and Restrictions**

#### **4.1 Encumbrances**

The Chargor covenants not, without the prior written consent of the Trustee, to create (otherwise than in favour of the Trustee) any Encumbrance, or to allow any Encumbrance to arise or continue, on or over the whole or any part of the Charged Assets.

#### **4.2 Disposal**

- 4.2.1 Subject to Clause 4.2.2, and 4.2.3 the Chargor shall not (nor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, sub-licence, transfer or otherwise dispose of its interest (whether whole or in part) in or grant any Rights over the Charged Assets or part thereof without the prior written consent of the Trustee
- 4.2.2 The Chargor may without the prior written consent of the Trustee:
- (i) undertake a sale and leaseback (or a lease and leaseback) exercise in respect of the whole or any part of the Property, and/or

- (ii) lease, licence, sub-licence, transfer, accept surrenders of any leases or otherwise dispose of any interest or grant any Rights (or agree to any of the foregoing) in respect of the whole or any part of the Property,

provided that, in the opinion of a chartered surveyor experienced in the valuation of property similar to the Property, the open market value of the Chargor's resulting interest in the Property immediately after completion of the relevant transaction exceeds six million pounds (£6,000,000)

- 4.2.3 The Trustee and the Chargor agree that Clause 4.2.2 may apply more than once, so that any number of disposals or grant of Rights may be undertaken without the consent of the Trustee so long as the proviso to Clause 4.2.2 is satisfied in each case

#### **4.3 Documents of title**

The Chargor shall deposit with the Trustee and during the continuance of the Charge the Trustee shall be entitled to hold all deeds and documents of title relating to the Property

#### **4.4 Registered Land**

Where the Property is registered at the Land Registry, the Chargor shall

- 4.4.1 promptly apply to the Land Registry to register the legal mortgage created by Clause 3.1.1,
- 4.4.2 promptly submit to the Land Registry the duly completed Form RX1 requesting a restriction be entered on the register of the title of the Property in standard Form P in Schedule 4 to the Land Registration Rules 2003; and
- 4.4.3 promptly pay all appropriate registration fees,

or, if the Trustee gives notice to the Chargor that the Trustee will submit the relevant forms to the Land Registry, the Chargor shall promptly provide the Trustee with all duly completed forms reasonably requested by the Trustee and all appropriate registration fees

#### **4.5 Title Information Document**

On completion of the registration of the legal mortgage pursuant to this Clause 4, the Chargor shall promptly supply to the Trustee a certified copy of the relevant Title Information Document issued by the Land Registry

#### **4.6 Insurance**

- 4.6.1 The Chargor shall maintain, or procure the maintenance of, insurances to full reinstatement value in respect of the Property and to full replacement value in respect of the other Charged Assets with a reputable insurance office or underwriters, either in the name of the Chargor with the interest of the Trustee noted or, at the option of the Trustee (and the Trustee is named as sole loss payee), in the joint names of the Chargor and the Trustee, against loss or damage by fire and such other risks as required by the Trustee (on terms that the insurer shall not avoid, cancel or fail to renew any such policy for non-payment of premium without first giving not less than 21 days' prior notice to the Trustee, and on such other terms as the Trustee may from time to time require)

- 4.6.2 The Chargor shall pay all premiums and other moneys necessary to effect and keep up such insurances in Clause 4.6.1 within one month of the same becoming due, on demand produce to the Trustee a brokers' letter confirming that the policy or policies of such insurance are in place and produce the receipt for every payment due under the policy or policies, comply at all times with all the requirements of any such insurance policy, and not do or omit to do anything, or allow anything to occur or continue, which will or may cause any such insurance policy to become void or voidable, or allow the insurer to refuse any indemnity under it.

#### **4.7 Condition of Charged Assets**

The Chargor shall keep the Property in good and substantial repair and all other Charged Assets in good working order and condition.

#### **4.8 Compliance with Covenants**

The Chargor shall

- 4.8.1 at all times observe and perform (and ensure that any other Person at any time occupying any part of the Property also observes and performs) all material restrictive and other covenants to which the Property or any part of it may from time to time be subject, all material obligations on the part of the Chargor in any lease or tenancy agreement, and all building regulations and all restrictions, conditions and stipulations for the time being affecting the Property or any part of it or the use or enjoyment of the Property,
- 4.8.2 promptly, and in any event within 7 days deliver to the Trustee a copy of any notice or proceedings served on the Chargor and relating to any alleged breach of any of the above,
- 4.8.3 at all times keep the Property in a safe condition for all Persons foreseeably likely to be present on any part of it;
- 4.8.4 pay all rents, rates, Taxes and outgoings payable by virtue of its ownership or occupation of the Property,
- 4.8.5 not without the consent of the Trustee enter into any negotiations with any competent authorities with regard to the compulsory acquisition of the Property or consent to the compulsory acquisition of the Property and, if so requested by the Trustee, it will permit the Trustee or its representatives to conduct such negotiations or give such consent on its behalf,
- 4.8.6 observe and perform the material terms on its part contained in any lease or agreement for lease comprised within the Property,
- 4.8.7 duly and punctually perform and observe and indemnify the Trustee for any material breach of any covenants, stipulations and obligations (restrictive or otherwise) affecting the Property, and
- 4.8.8 not enter into any onerous or restrictive covenants affecting the Property

#### **4.9 Information**

The Chargor shall

- 4.9.1** notify the Trustee of the occurrence of any Enforcement Event or any event or circumstance which would (with the expiry of any applicable grace period or the giving of notice) be an Enforcement Event (and of the steps, if any, being taken to remedy it) promptly upon becoming aware of it;
- 4.9.2** provide the Trustee with a copy of each valuation which is completed after the date of this Deed in relation to the Property (whether such valuation is in relation to the whole or part of the Property) within one month of the completion of such valuation, and
- 4.9.3** promptly deliver to the Trustee such further information regarding the financial condition, business and operations of it as the Trustee may reasonably request.

#### **4.10 Authorisations**

The Chargor shall promptly

- 4.10.1** obtain, comply with and do all that is necessary to maintain in full force and effect, and
- 4.10.2** supply certified copies to the Trustee of,  
any authorisation required by applicable law to enable it to perform its obligations under the Settlement Documents and to ensure the legality, validity, enforceability or admissibility in evidence of the Settlement Documents in any relevant jurisdiction.

#### **4.11 Perfection requirements**

The Chargor shall promptly comply with the Perfection Requirements

#### **4.12 No other prejudicial conduct**

The Chargor shall not do, or permit to be done, anything which could prejudice the Charge

### **5 Further Assurance**

The Chargor shall promptly do whatever the Trustee or Receiver requires

- (a) to perfect or protect the Charge or the priority of the Charge, or
- (b) facilitate the exercise of any rights, powers and remedies of the Trustee or any Receiver or Delegate provided by or pursuant to this Deed or by law; or
- (c) to facilitate the realisation of the Charged Assets or the exercise of any rights vested in the Trustee,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Assets (whether to the Trustee or its nominees or otherwise), making any registration and giving any notice, order or direction

## **6 Enforcement**

### **6.1 Exercise of Rights**

The statutory power of sale and of appointing a Receiver conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall be deemed to arise on the date hereof and shall in favour of any purchaser (as defined in Section 205 of the LPA) or any Person dealing in good faith with the Trustee or any Receiver or Delegate be deemed to be exercisable on and from the date of this Deed but as between the Chargor and the Trustee (but not so as to affect or concern such purchaser, Person, Receiver or Delegate as aforesaid) shall be exercisable after the occurrence of an Enforcement Event (whether or not the Enforcement Event is continuing at the relevant time) Section 103 of the LPA shall not apply to this Deed

### **6.2 Enforcement Events**

The occurrence at any time and for any reason, whether within or beyond the control of any party to this Deed, of any of the following events shall constitute an "Enforcement Event"

- 6.2.1 the Chargor does not pay any of the Secured Liabilities immediately upon it becoming due at the place and in the currency in which it is expressed to be payable;
- 6.2.2 the Chargor fails to observe or perform any of the covenants and restrictions in Clause 4 (*Chargor Covenants and Restrictions*) where either (a) the failure is not capable of being remedied or (b) the failure is not remedied within 10 Business Days of the Trustee serving notice on the Chargor requiring the same or the Chargor becoming aware of the failure;
- 6.2.3 the Chargor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness,
- 6.2.4 the value of the assets of the Chargor is less than its liabilities,
- 6.2.5 any corporate action, legal proceedings or other procedure or step is taken in relation to.
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, Administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor,
  - (ii) a composition, assignment or arrangement with any creditor of the Chargor, or
  - (iii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Chargor or any of its assets,or any analogous procedure or step is taken in any jurisdiction,
- 6.2.6 any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Chargor,

6.2.7 another creditor takes possession of the Property or exercises (or attempts to exercise) any power of sale over the Property,

6.2.8 this Deed becomes void, voidable or unenforceable or any guarantee or other security for the obligations of the Chargor ceases to apply with full force and effect.

## **7 Appointment and Rights of Receivers**

### **7.1 Appointment of Receivers**

Where entitled under Clause 6.1 (*Exercise of Rights*), or if otherwise requested by the Chargor, or if an application is presented for the making of an administration order in relation to the Chargor or any person who is entitled to do so gives written notice of its intention to appoint an administrator of the Chargor or files such a notice with the court, the Trustee may

7.1.1 appoint free from the restrictions imposed by Section 109(1) of the LPA either under seal or in writing under its hand any one or more persons to be a Receiver of the whole or any part or parts of the Charged Property in like manner in every respect as if the Security Trustee had become entitled under the LPA to exercise the power of sale conferred under the LPA,

7.1.2 remove any Receiver and appoint any Person instead of any Receiver; and

7.1.3 if the Trustee appoints more than one Person as Receiver of the Charged Assets, the Trustee may give the relevant Persons power to act either jointly or severally. The appointment of a Receiver shall be in writing and may be signed by any director or employee on behalf of the Trustee

### **7.2 Scope of appointment**

Any Receiver may be appointed as Receiver of all of the Charged Assets or Receiver of a part of the Charged Assets specified in the appointment.

### **7.3 Rights of Receivers**

The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until the Chargor goes into liquidation, whereafter he shall act as principal and shall not become the agent of the Trustee. The Receiver shall have and be entitled to exercise in relation to the Chargor all the powers set out in the Insolvency Act 1986 Schedule 1 (whether or not he is an administrative receiver) and in applying that Schedule

7.3.1 the words "he" and "him" refer to the Receiver; and

7.3.2 references to the "property of the company" are to the Charged Assets over which the Receiver is appointed,

and, in particular, by way of addition to but without limiting such powers (and without prejudice to the Trustee's powers), the Receiver shall have power to do the following things, namely

7.3.3 power to carry on or join with any Person in carrying on any business (whether or not carried on by the Chargor prior to his appointment); and



- 7.3.4 power to maintain, repair, make safe, improve and develop the Charged Assets, and to do all such other things as may in his opinion be necessary or desirable for maintaining or enhancing the value or marketability of any Charged Asset

#### **7.4 Remuneration**

The Trustee may from time to time determine the remuneration of any Receiver (without any restriction imposed by Section 109(6) of the LPA) and direct payment of such remuneration out of moneys accruing to him as Receiver but the Chargor alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver. The remuneration of the Receiver shall be a debt secured by this Deed, which shall be due and payable immediately upon its being paid by the Trustee.

### **8 The Trustee's Rights**

#### **8.1 Rights of Receiver**

Any Rights conferred by this Deed (either expressly or impliedly) upon a Receiver may be exercised by the Trustee (after such Rights have become exercisable as provided in Clause 6.1 (*Exercise of Rights*)) irrespective of whether the Trustee shall have taken possession or appointed a Receiver of the Charged Assets.

#### **8.2 Delegation**

The Trustee may delegate in any manner to any Person any of the Rights which are for the time being exercisable by the Trustee under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Trustee may think fit. Any delegate or sub-delegate shall each be referred to as a "Delegate" for the purposes of this Deed.

#### **8.3 Insurance**

If the Chargor fails on demand to produce copies of insurance policies, premium receipts and such other evidence as the Trustee may require which prove to the satisfaction of the Trustee that the Chargor is complying with Clause 4.6 (*Insurance*), the Trustee shall be entitled to effect such insurances of the Charged Assets as they think fit.

#### **8.4 Continuation of Accounts**

At any time following the Trustee receiving notice (either actual or otherwise) of any subsequent Encumbrance affecting the Charged Assets, the Trustee may open a new account in the name of the Chargor with the Trustee (whether or not they permit any existing account to continue). If the Trustee does not open such a new account, they shall nevertheless be treated as if they had done so at the time when the notice of the subsequent Encumbrance was received or was deemed to have been received. No moneys thereafter paid into any account, whether new or continuing, shall discharge or reduce the amount recoverable pursuant to the Charge.

#### **8.5 Set-off**

The Chargor authorises the Trustee to apply (without prior notice) any credit balance (whether or not then due) to which the Chargor is at any time beneficially entitled on any account at any office of the Trustee in or towards satisfaction of all or any part of the Secured Liabilities which are due and unpaid (regardless of the place of payment, booking

branch or currency of either obligation) and, for that purpose, to convert one currency into another. The Trustee shall not be obliged to exercise any of their Rights under this Clause, which shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which they are at any time otherwise entitled (whether by operation of law, contract or otherwise).

## **8.6 Extension of Statutory Powers of Leasing**

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Trustee, any Receiver or Delegate, at any time after an Enforcement Event has arisen (whether or not continuing), whether in its own name or in that of the Chargor, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Chargor, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium, as the Trustee, Receiver or Delegate thinks fit without the need to comply with any restriction imposed by sections 99 and 100 of the LPA.

## **9 No Liability of the Trustee, Receivers and Delegates**

### **9.1 Possession**

If the Trustee, any Receiver or any Delegate shall take possession of the Charged Assets, they may at any time relinquish such possession. The Trustee shall not become liable as a mortgagee in possession by viewing the state of repair of or repairing the Charged Assets or for any other reason.

### **9.2 No Liability to Account**

None of the Trustee, any Receiver or Delegate or any officer, employee or agent of the Trustee, any Receiver or Delegate shall in any circumstances (either by reason of taking possession of the Charged Assets or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever):

- 9.2.1 be liable to account to the Chargor or any other Person for anything except the Trustee's own actual receipts which have not been distributed or paid to the Chargor or the Persons entitled or at the time of payment honestly and reasonably believed by the Trustee to be entitled thereto,
- 9.2.2 be liable to the Chargor or any other Person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any realisation of the Charged Assets or from any act, default, omission or misconduct of the Trustee, any Receiver, any Delegate, or any of their respective officers, employees or agents in relation to the Charged Assets or from any exercise or purported exercise or non-exercise by the Trustee or any Receiver or Delegate of any power, authority or discretion provided by or pursuant to this Deed or by law or for any other loss of any nature whatsoever in connection with the Charged Assets or the Settlement Documents in connection with this Deed except to the extent that they shall be caused by the Trustee's own fraud, negligence or wilful misconduct or that of its officers or employees or agents, or
- 9.2.3 by virtue of this Clause 9.2 owe any duty of care or other duty to any Person which it would not owe in the absence of this Clause 9.2.

### **9.3 Indemnity from the Chargor**

The Chargor shall indemnify and keep indemnified the Trustee, every Receiver, and any Person who acts as the servant, agent, delegate or attorney of any of them, against all claims, costs, expenses and liabilities which any of them may suffer or incur arising in any way out of the taking or holding of this Deed, the exercise or purported exercise of any Right, power, authority or discretion given by it, or any other act or omission in relation to this Deed or the Charged Assets. The provisions of this Clause 9 shall continue in full force and effect notwithstanding any release or discharge of this Deed, or the discharge of any Receiver from office.

## **10 Power of Attorney**

### **10.1 Appointment**

The Chargor by way of security irrevocably appoints the Trustee, every Receiver and every Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time after the Rights conferred by this Deed have become exercisable as provided in Clause 6.1 (*Exercise of Rights*) and in such manner as the attorney may think fit.

10.1.1 to do anything which the Chargor is obliged to do (but has not done) under this Deed including, without limitation, to execute charges over, transfers or assignments of, and other instruments relating to, the Charged Assets, and

10.1.2 generally to exercise all or any of the rights conferred on the Trustee, any Receiver or any Delegate in relation to the Charged Assets or under this Deed or by law (including the exercise of any right of an absolute legal or beneficial owner of the Charged Assets)

### **10.2 Ratification**

The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of the power of attorney in Clause 10.1 above.

## **11 Protection of Third Parties**

No Person dealing with the Trustee, any Receiver or any Delegate shall be concerned to enquire whether any event has happened upon which any of the Rights conferred by or pursuant to this Deed are or may be exercisable, whether any consents, regulations, restrictions or directions relating to such Rights have been obtained or complied with or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such Rights or as to the application of any money borrowed or raised. All the protection to purchasers contained in Sections 104 and 107 of the LPA, Section 42(3) of the Insolvency Act or in any other legislation for the time being in force shall apply to any Person purchasing from or dealing with the Trustee, any Receiver or any Delegate.

## **12 Payments**

**12.1** All amounts from time to time received or recovered by the Trustee or any Receiver or Delegate under or in respect of this Deed shall, subject to the discharge of any liabilities having priority to the Secured Liabilities, be applied as follows

**12.1.1** in or towards the payment of all costs, charges, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of his Rights including his remuneration and all outgoings paid by him,

**12.1.2** in or towards the payment of such of the Secured Liabilities in such order as the Trustee in its absolute discretion may from time to time determine (save that the Trustee may credit the same to, and require the same to be paid to them for crediting to, a suspense account for so long and in such manner as the Trustee may determine and save that the Receiver may retain the same for so long and in such manner as he and the Trustee may determine), and

**12.1.3** in payment of any surplus to the Chargor or other Person entitled to it

**12.2** Clause 12.1 (*Payments*) will overrule any appropriation made by the Chargor

## **13 Discharge of Security**

### **13.1 Continuing Security**

Subject to Clause 13.4 (*Final Redemption*), the Charge is continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part, and shall be in addition to any other security, guarantee or indemnity now or hereafter held by the Trustee or any other Person in respect of the Secured Liabilities

### **13.2 Waiver of defences**

Neither the obligations of the Chargor under this Deed nor the Charge will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Settlement Document or the Charge (without limitation and whether or not known to it or the Trustee) including:

**13.2.1** any time, waiver or consent granted to, or composition with, the Chargor or any other Person,

**13.2.2** the release of the Chargor or any other Person under the terms of any composition or arrangement with any creditor of the Chargor or any such Person,

**13.2.3** 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 assets of, the Chargor or 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,

**13.2.4** any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other Person,

**13.2.5** any amendment or replacement of a Settlement Document or any other document or security,

13.2.6 any unenforceability, illegality or invalidity of any obligation of any Person under any Settlement Document or any other document or security, or

13.2.7 any insolvency or similar proceedings

### **13.3 Immediate recourse**

The Chargor waives any right it may have of first requiring the Trustee (or any trustee or agent on their behalf) to proceed against or enforce any other rights or security or claim payment from any Person or file any proof or claim in any insolvency, administration, winding up or liquidation proceedings relating to any person before claiming from the Chargor under this Deed

### **13.4 Final Redemption**

Subject to Clause 13.5 (*Retention of security*), if the Trustee is satisfied that all the Secured Liabilities have been irrevocably paid in full, the Trustee shall at the request and cost of the Chargor release, reassign or discharge (as appropriate) the Charged Assets from the Charge.

### **13.5 Retention of security**

If the Trustee considers that any amount paid or credited to them under any Settlement Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid

### **13.6 Consolidation**

Section 93 of the LPA dealing with consolidation of mortgages shall not apply to the Charge.

### **13.7 Reinstatement**

If any payment by the Chargor or any discharge given by the Trustee (whether in respect of the obligations of any Person or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

13.7.1 the liability of the Chargor and the Charge shall continue and be reinstated as if the payment, discharge, avoidance or reduction had not occurred, and

13.7.2 the Trustee shall be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred

## **14 Communications**

Any demand for payment, and any other notice to be given by the Trustee under this Deed, shall be in writing and may be signed by any official of the Trustee, and may be served on any place of business of the Chargor or at its registered office:

(a) by delivering it to any such place, or

(b) by sending it by first class post to any such place (in which case it shall be deemed received at noon on the next Business Day after posting, and proof of posting shall be proof of delivery), or

- (c) by sending it by fax to any of the Chargor's fax numbers (in which case it shall be deemed received when sent, and proof of sending shall be proof of receipt)

## **15 Rights, amendments and waivers**

### **15.1 Ambiguity**

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to this Deed, the terms of this Deed shall prevail

### **15.2 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Trustee, Receiver or Delegate 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 additional to any rights or remedies provided by law

### **15.3 Amendments and waivers**

Any term of this Deed may be amended or waived only with the consent in writing of the Trustee and the Chargor

### **15.4 Assignment**

**15.4.1** The Trustee may assign or transfer the whole or any part of the Trustee's rights under this Deed to any Person at any time

**15.4.2** 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 those rights or obligations passing to another Person.

## **16 Partial invalidity**

If any part of this Deed should be held or deemed to be held void, illegal, invalid or unenforceable under any applicable enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Deed and the validity, legality and enforceability of the remainder of this Deed shall not in any way be affected or impaired and shall remain in full force and effect.

## **17 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

## **18 Successors to the Trustee**

This Deed shall be binding on and continue for the benefit of the Trustee and to the extent permitted by law, their successors in title as trustee of the Scheme.

## **19 Third parties**

Save to the extent required to give effect to the provision in Clauses 12.10 and 18 (*Successors to the Trustee*) above, a person who is not a party to this Deed shall not have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term (express or implied) of this Deed

## **20 Governing Law and Jurisdiction**

20.1.1 This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law

20.1.2 All the Parties irrevocably agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any proceedings arising out of or in connection with this Deed shall be brought in such courts

**Schedule 1**  
**Property**

<b>Tenure</b>	<b>Owner</b>	<b>Address</b>		<b>Title Number</b>
Freehold	Ricardo plc	Shoreham Technical Centre, Shoreham-by- Sea, West Sussex BN43 5FG		WSX155939



**Schedule 2**  
**Insurance Valuation of the Buildings and Services of the Property,**  
**February 2004**

RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX

INSURANCE VALUATION  
  
OF THE  
  
BUILDINGS AND SERVICES

FEBRUARY 2004

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## **CONTENTS**

- 1                    The Instruction**
- 2                    Valuation**
- 3                    General Comments and Observations**
- 4                    General Conditions and Caveats**
- 5                    Complaints Procedure**

## **SCHEDULES**

- Schedule 1           Insured Value – Buildings and Services**
- Schedule 2           Summary of Value**

## **APPENDICES**

- Appendix 1           Definition**
- Appendix 2           Plant and Machinery Normally Included in the Valuation of  
Land and Buildings and Services**

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 **Edward Rushton**

JPH/CAC/kg/PAM2305



INTERNATIONAL PLANT & MACHINERY CONSULTANTS

27 February 2004

**PRIVATE AND CONFIDENTIAL**

The Directors  
Ricardo plc  
Bridge Works  
Shoreham-by-Sea  
West Sussex  
BN43 5FG

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Manchester M2 2EE

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FAX +44 (0)161 839 0152

DIRECT LINE 0161 238 6242  
christopher.cottam@edwardrushton.co.uk

Dear Sirs

**INSURANCE VALUATION – RICARDO PLC  
BRIDGE WORKS, SHOREHAM-BY-SEA**

We have pleasure in presenting our insurance valuation report in connection with the above company located at Bridge Works, Shoreham-by-Sea.

**1 THE INSTRUCTION**

- 1.1 We have prepared our valuation in accordance with your instructions of 12 January 2004 and in accordance with our 'Terms of Engagement' sent to you on 23 October 2003. We have agreed to value the buildings and services of the above named company, but excluding the Company's interest in any land.
- 1.2 We understand that you require the valuation for insurance purposes.
- 1.3 We can confirm that we have no material interest in the assets that form the subject matter of this valuation. We have undertaken this valuation as external valuers.
- 1.4 We inspected the assets between 9 February 2004 and 11 February 2004.

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## **2 VALUATION**

- 2.1 The valuation has been prepared on the basis of day one reinstatement with new and no provision for inflation has been made, either for the policy year or for the post-loss reinstatement period.

The full definition of the basis of value is provided in **Appendix 1**.

- 2.2 The schedule of insurance advices indicates the amount for which we advise insurance cover to be affected in accordance with the terms and conditions of the insurance policy.
- 2.3 The valuation of the buildings and services includes an allowance for the foundations, the costs necessarily incurred in complying with public and local authority requirements, architects, surveyors and other associated professional fees and the cost of demolition and debris removal consequent upon a loss by an insured peril.
- 2.4 No specific deduction has been made in respect of any statutory grants, whether available or received, in connection with the assets valued.
- 2.5 We have not undertaken a sub-soil survey and therefore have no information regarding the stability of the soil, its suitability for building or information regarding the foundations of existing or former buildings and constructions and, therefore, cannot comment on the feasibility of rebuilding on the subject site.

- 
- 2.6 For the purposes of this engagement, we have excluded the following items from our valuation:

Plant and machinery items forming part of the industrial or commercial process  
Stock and materials-in-trade  
Work in Progress  
Assets in the course of construction or installation  
Assets acquired after 11 February 2004  
Assets located at remote sites  
Value Added Tax and other recoverable taxes and duties.  
Goodwill

- 2.7 The plant and machinery items included in this valuation are those items forming part of the building services installations are shown in **Appendix 2** and are in accordance with the practice statements in the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual (5<sup>th</sup> Edition).

- 2.8 In addition to the exclusions detailed at 2.6 above, we have also excluded the following from our valuation.

Hard and soft landscaping  
Disused former air raid shelters  
Air conditioning plant installed for process purposes only  
Lifting beams and craneage  
Intruder alarms  
Mezzanine floor in Main Stores Building (Ref No. 11 on plan)  
Plant housing on roof of Building 27  
The jack-leg cabins which are about to be removed from site.

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2.9 No allowance has been made in our valuation for any value added tax liability that might be incurred in any transaction affecting the assets. If the value added tax status of the person owning the assets does not enable total recovery to be made to all value added tax paid on any reinstatement expenditure, a sum equal to the amount of value added tax which the insured will be unable to recover should be added to the sum insured.

2.10 We have not commissioned engineers' reports into the condition of any of the machinery listed in **Appendix 2** and neither have detailed operational checks been made. No guarantee or assurance should therefore be inferred from the inclusion of any item that it is free from defect.

2.11 We have assumed that the company have established procedures to comply with legislation relating to environmental matters, and that any such matters identified receive appropriate attention. Unless we have been provided with information (which is referred to in this report) to the contrary, we have assumed that the buildings and services are not, and are not likely to be, affected by contamination.

Where we have received evidence from the company regarding contamination, we have reflected this in our valuation but, unless otherwise stated, have assumed that the cost of any decontamination work would be immaterial. We are unable to provide an assessment of environmental or land contamination risk relating to the buildings and services but are able to recommend specialist companies who can provide such advice, if required, at additional cost.

2.12 An allowance is also provided for any party wall obligations in accordance with the Party Wall etc. Act 1996, other neighbourly issues (oversail licences etc), access difficulties to the individual sites and where provision for special foundations is required.

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 **Edward Rushton**

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- 2.13 The valuation makes no allowance for business interruption loss or loss of rent receivable or for alternative premises during reinstatement. No provision has been made for loss that may be caused by failure or insolvency of the Building Contractor or any sub-contractor.

### 3 GENERAL CONDITIONS AND CAVEATS

- 3.1 We have assumed that the buildings and services and the operation carried out by the Company meet current health, safety and environmental legislation. We have not been advised of any other immediate problems that might occur.
- 3.2 In preparing our valuation we have relied not only on the evidence of our own inspections, but also upon the full disclosure of information provided by officers/employees of the Company. We have proceeded on the basis that where such information has been provided it is accurate and that there has been full disclosure of all material facts, which could affect the valuations.
- 3.3 This report with its contents and enclosures is private and confidential although it may be made available to other professional advisers assisting you, it shall not be disclosed to any other third party, nor reproduced in any published document or circular without our prior written consent. If in breach of this condition, no responsibility can be accepted to any third party for any of the statements or advice contained within this report. Neither the whole, nor any part of this document nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without our written approval of the form and context in which it will appear.

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 **Edward Rushton**



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**4 COMPLAINTS PROCEDURE**

We have a formal complaints procedure in accordance with the requirements of the Royal Institution of Chartered Surveyors. A copy is available on request.

Yours faithfully

**COPY**

C A Cottam  
Associate  
For Edward Rushton

---

 **Edward Rushton**

**SCHEDULE OF  
INSURANCE ADVICES**

**SCHEDULE ONE**

**RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX**

**Day One  
Reinstatement  
Insurance  
Values  
February 2004**

<b>On the buildings including landlord's fixtures and fittings therein and thereon</b>		
<b>Item No.</b>	<b>Description</b>	<b>£</b>
1	Ricardo plc Bridge Works Shoreham-by-Sea West Sussex BN43 5FG	22,601,000
		<hr/>
		22,601,000
		<hr/>

This schedule forms part of and should be read in conjunction with the remainder of this report and should not be considered in isolation.

 **Edward Rushton**

**SUMMARY  
OF VALUES**

**SCHEDULE TWO**

**RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX**

**Insurance Value  
Value  
February 2004**

<b>Ricardo Plan Ref.</b>	<b>Description</b>	<b>£</b>
1	No. 1 Test Shop	340,000
3	No. 3 Test Shop	55,000
4	Chemistry Laboratory	70,000
5	No. 5 Test Shop	57,000
6	Prototype Manufacturing & Assembly Workshop	95,000
7	No. 7 Test Shop	59,000
8 & 57	No. 8 Test Shop, Anechoic Chamber and Emissions Lab	260,000
9	Powertrain Facility (installations)	525,000
10	No. 10 Test Shop	30,000
11	Main Stores	104,000
In open Nr		
11	Control Cabinet Room	12,000
12	No. 12 Test Shop	400,000
13	No. 13 Test Shop	450,000
14	No. 14 Test Shop	280,000
15	No. 15 Test Shop	1,200,000
16	Refinement Offices	1,040,000
17	No. 17 Test Shop	1,050,000
18	No. 18 Test Shop	27,000
19	Library	305,000
20	Powertrain Facilities (To be removed)	-
21	Publications Department	110,000
22	P.M. & A Department (M/C)	185,000
23	Accounts Department	85,000
23A&B	Demolished	-
24	P.M. & A Department (ASSY)	330,000
25	Chemistry Laboratory	220,000
26	RTS Build Area	150,000
27	Emissions Laboratory	275,000
28	Project and Powertrain Facilities Store	50,000

**Edward Rushton**

**SUMMARY  
OF VALUES**

**SCHEDULE TWO**

**RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX**

**Insurance Value  
Value  
February 2004**

<b>Ricardo Plan Ref.</b>	<b>Description</b>	<b>£</b>
29	Main Offices	600,000
30	Inspection Department	100,000
31	Engine and Plant Store	120,000
32	No. 32 Test Shop & Electricians	95,000
33	Garage	180,000
34	Maintenance and Joiners Workshops	50,000
35	Staff Restaurant	525,000
36	Board Room and Admin Offices	365,000
37	Demolished	-
38	Site Office	110,000
Adj 38	Control Cabinet Room	6,000
Part 39	Office, Stores, Fire Water Tank and Pump House	90,000
40	Cold Test Facility	80,000
41	Fire Fighting Equipment Store	4,000
42	Site Services Office and Smoking Room	31,000
43	Client Project Office	290,000
44	Laboratory, Offices, Store, Workshop etc	53,000
46	Jack-leg Cabin (to be removed)	-
47	Removed	-
48	Removed	-
49	Chemistry Laboratory and Offices	66,000
	Mechanical Test Laboratory and Business Development	
50	Offices	390,000
51A	Client Project Office	24,000
51B	To be removed	-
51C	To be removed	-
52	Oil Separator (included with external works)	-
53	Office (that part only that is to be retained)	19,000
54	Jack-leg Cabin (to be removed)	-
55	Social Club and Car Park Security	110,000

**Edward Rushton**

**SUMMARY  
OF VALUES**

**SCHEDULE TWO**

**RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX**

Ricardo Plan Ref.	Description	Insurance Value
		Value February 2004 £
56	Site Management Office & 1st Aid	21,000
57	Anechoic Chamber & Emissions Lab (included with 8 above)	-
58A	Demolished	-
58B	Client Project Office	80,000
59	Print Room etc	110,000
60	Gatehouse	11,000
61	Staff Car Park (included with external works)	-
62	Reception Building	148,000
63	Vehicle Acoustic Test Facility	300,000
64	Client Offices	130,000
66	Design and Computing Centre	3,700,000
67	Boat Club	27,000
68	Inner Vehicle Compound (included with external works)	-
69	Purchasing Offices	180,000
70	Test Shop Offices	155,000
71	Test Shop Offices	340,000
72	Test Shop Offices	280,000
73	Fuel Store (Plant only)	-
74	Store (former Offices)	28,000
75	Boiler House	22,000
76	Sewage Treatment Plant (included throughout, with external works)	-
77	Client Project Office	155,000
78	Maintenance and Paint Store	8,000
79	Demolished	-
80	Demolished	-
81	Archive Stores (to be removed)	-
82	Offices	23,000

 **Edward Rushton**

# SUMMARY OF VALUES

## SCHEDULE TWO

**RICARDO PLC  
BRIDGE WORKS  
SHOREHAM-BY-SEA  
WEST SUSSEX**

**Insurance Value  
Value  
February 2004**

<b>Ricardo Plan Ref.</b>	<b>Description</b>	<b>£</b>
83	Sub Station No. 1	17,000
85	Sewage Pump House	14,000
86	Sub Station No. 3	19,000
87	Motor Cycle Shelter	33,000
88	Site Office	48,000
89	Removed	-
90	Transformer in open. (Plant only)	-
91	Sub Station No. 5	8,000
92	Cycle Sheds	3,000
93	Gas Cylinder Store	13,000
95	Anechoic ADC	300,000
96	Former Anechoic ADC	66,000
97	Demolished	-
98	Library Stores and Archive	45,000
99	Demolished	-
On site of 45, 65, 89 & 94	4 No. Former 6m Freight Containers, 2 No. Portastors. External Works	15,000 1,850,000
	Base Value	19,221,000
	Demolition and Debris Removal	770,000
	Professional Fees	2,610,000
		<hr/> 22,601,000 <hr/>

 **Edward Rushton**

**DAY ONE REINSTATEMENT**

The definition of Day One Reinstatement is:

the cost of Reinstatement of the property insured at the level of costs applying at the inception of the Period of Insurance (ignoring inflationary factors which may operate subsequently) including insofar as the insurance by the item provides due allowance for:

- a) the additional cost of Reinstatement to comply with Public Authorities' requirements
- b) professional fees
- c) debris removal costs

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**PLANT AND MACHINERY NORMALLY INCLUDED IN THE VALUATION  
OF LAND AND BUILDINGS AND SERVICES**

The following list though not comprehensive, indicates those items of plant and machinery usually included in valuations of land and buildings, on the basis that they form part of the building services installations.

**(a) Electricity**

Mains supply cables, transformers switchgear, stand-by generating plant and wiring installed for non-process purposes. Electrical equipment primarily installed in connection with the industrial or commercial processes should be valued with the plant and machinery.

**(b) Gas**

Gas mains up to and within meter houses and distribution piping within the premises for non-process purposes.

**(c) Water**

Reservoirs, wells and boreholes together with pumps, water treatment plants, storage tanks and distribution piping within the premises that have been installed for non-process purposes.

**(d) Space Heating and Hot Water**

Boilers and associated plant, fuel tanks and distribution piping where primarily installed for space heating and other non-process purposes, together with radiators, radiant panels, unit fan heaters and similar environmental heating appliances.



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Independent space heating units, domestic water boilers and similar items in the nature of 'landlord's fittings'.

**(e) Air Conditioning and Ventilation**

Air conditioning plant, trunking, fans and ventilators, except where primarily serving industrial or commercial processes.

**(f) Fire and Security**

Hydrants, pumps and mains, sprinkler systems, smoke detectors fire alarm and burglar alarm systems.

**(g) Drainage**

Surface water and foul water drains and sewers.

Sewage disposal plants not primarily concerned with treating water and trade effluents.

**(h) Lifts and Gentries**

Passenger and goods lifts, escalators and travelators installed to benefit the general occupation of the building.

Gentries and supports for overhead travelling cranes where forming an integral part of the structure of a building.

(Note: Overhead travelling cranes would normally be included in the plant and machinery valuations)

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(i) **Structures**

The decision upon how structures should be classified will depend upon the practice adopted by individual industries and the circumstances of each case.

Among the relevant criteria will be the degree of attachment, permanence and size. Structures, which are necessary for the provision of building service, or have been, installed other than for industrial or commercial processes, will normally be included in the valuation of land and buildings. Such items might include the following:

- . chimney;
- . plant housings;
- . pits;
- . stagings and mezzanine floors;
- . internal buildings;
- . permanent partitions;
- . railway track;
- . bridges and housings for conveyors; and
- . fences

Structures, which are ancillary to, or form part of an item of process plant and machinery, will normally be valued separately as plant and machinery.

IN WITNESS WHEREOF this document has been executed as a Deed and delivered by or on behalf of the Parties on the date stated at the beginning

**CHARGOR**

THE COMMON SEAL of  
RICARDO PLC  
was put on this Deed in the  
presence of

}



Director

*[Signature]*

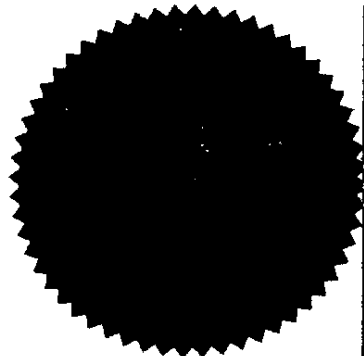
Director/Secretary

*[Signature]*

**TRUSTEE**

THE COMMON SEAL of  
RICARDO PENSION SCHEME  
(TRUSTEES) LIMITED  
was put on this Deed in the  
presence of:

}



Director

*[Signature]*

T. HARGREAVES

Director/Secretary

*[Signature]*

J. Mills