



Registration of a Charge

Company name: **RUSSELL DUCTILE CASTINGS LIMITED**

Company number: **00324456**



X34BCGIY

Received for Electronic Filing: **24/03/2014**

Details of Charge

Date of creation: **24/03/2014**

Charge code: **0032 4456 0003**

Persons entitled: **HSBC ASSET FINANCE (UK) LTD
HSBC EQUIPMENT FINANCE (UK) LTD**

Brief description:

Contains fixed charge(s).

Notification of addition to or amendment of charge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SHARMILA CHAMPANERI**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 324456

Charge code: 0032 4456 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th March 2014 and created by RUSSELL DUCTILE CASTINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th March 2014 .

Given at Companies House, Cardiff on 25th March 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Particulars:

Dated	24/3/2014
The Chargor	Full Name: Russell Ductile Castings Limited Registered Number: 00324456 Registered in England and Wales. Registered Office Address: Chuckery Road, Walsall, WS1 2DU.
The Company	HSBC EQUIPMENT FINANCE (UK) LIMITED registered in England with number 1503727; and HSBC ASSET FINANCE (UK) LIMITED registered in England with number 229341, each of whose registered office is at 8 Canada Square, London, E14 5HQ, as trustees for themselves and each other member of the HSBC Group (as defined herein).

Insurance	The Goods are insured in accordance with clause 7 overleaf.	
	Asset Protection Risks	Third Party Liability Risk (if different insurer)
Name of Insurer	Glen Insurance Ltd	
Name of Insurance Broker		
Address of Insurance Company Branch/Broker	Temple Point, 7th Floor 1 Temple Row, Birmingham, B2 5TB	
Cover Note/Policy number	Y0452670860114A	
Renewal Date	31/3/2015	

EXECUTED AS A DEED by THE CHARGOR
 acting by a director and the secretary or by two directors.

Director [Signature]

Director/Secretary [Signature]

- (For use by a Company with:
- two or more Directors with no Company Secretary or
 - one Director and a Company Secretary)

OR

EXECUTED AS A DEED by THE CHARGOR
 acting by a director in the presence of a witness

Signature _____ Director

Name in full _____
 (Block letters)

In the presence of:
 Full name of Witness _____
 (Block letters)

Signature of witness _____

Address _____

Occupation _____

- (For use by a Company with only one Director and no Company Secretary)

The Schedule

The Equipment

CELL 1

Integrated Sand Systems TS2

Vertical Sand Mixing System with Auger

Twin Door Electric Drying Oven

Twin Door Electric Drying Oven

Vertical Bandsaw, Make Unknown

Coating Tank and Pump

Baker Perkins Articulating Screen Mixing System
Serial No. 940213

Foundry Machinery Spares Triton TS10

Single Screen Sand Mixer with Auger
Serial No. SMS1710 Year 2012

FMS Triton TAJ0BC

Articulated Twin Screen / Twin Speed Sand Mixer
Serial No. FMS1691 Year 2012

Coating Tank with Gantry Rail Support

Electric Tilting Furnaces To Include

Inductotherm 2 tonne 1.2 megawatt Furnace

Radique 1.2 tonne 0.8 megawatt Furnace

Together with All Associated Equipment

To include Tilting Crucibles, Evaporative Coolers, Hydraulic Pumps and Transformers

Mechanical Sand Breaker Unit / Shaker with Cooler / Classifier (15 tons / hour Capacity)

Pangborn Twin Door Pre-Fabricated

Welded Mild Steel Walk-in Shot Blasting Cabinet

Together with All Associated Equipment

To include Extraction and Ducting

Spencer & Halswood Rotary Table,

Heavy Duty Shot Blast Cabinet, (9ft Table)

Together with All Associated Equipment

To include Extraction and Ducting

9" Electric Hand Grinders and Polishing Units,

Together with All Associated Equipment

To include Power Inverter

Panel Grinders / Hand Filing Units

Atlas Copco Circular Cut-off Wheels

Pre-fabricated Filing Tables

(All Situated Throughout Facility)

Spencer & Halswood

Heavy Duty Shot Blast Cabinet with 4ft Rotary Table, Together with All Associated Equipment

To include Extraction and Ducting

Pre-fabricated Paint Booth

Pre-fabricated Cast Iron Marking Out Table

LABORATORY



ATM Brilliant 201 Circular Disc
Bench Top Cutting Machine

Struers Kawath Rotor 3
Bench Top Centrifugal Polisher

Barnstead Thermolyne 47500 Furnace

Kinsdale Bench Top Swingometer Test Machine

Olympus Binocular Microscope

Vickers Binocular Microscope

SPECTROGRAPH ROOM

Spectramat 400 Glow Discharge Spectrometer

PATTERN SHOP CELL 1

Wadkin Double Ended 30" Diameter Disc Sander

Sodgwick TA315 Circular Rip Saw

Sodgwick Thicknessers Planer with
Single Bag Dust Extraction

Wadkin Bobbing Sander

Draper Stainless Steel Pedestal Drill

Wadkin Vertical Bandsaw

Wadkin Woodworkers Lathe

Bauer 5" Double Bench Grinder

Sundry Loose Items To Include
Small Tools, Hand Tools and Power Tools

CELL 2

FMS TSE High Speed Sand Mixer with Auger
Serial No. FMS1434 Year 2007

Cell 2 Loop Moulding Line To Include

FEL Rotating Arm Sand Mixer with Auger
Serial No. 143673 Year 2007

Roller Feed Conveyor Carousel with
Vibratory Compaction Table

Roller Feed Moulding Assembly Tables with
2 Gantry Type Hydraulic Manipulators / Rollers with Pendant Control Hoist,
2,000kg Capacity

Cooling Rail Tracks with 84 Pallet Bogeys and Return

Cooling Tracks with Powered Lift Transfer Carts

Omega Hydraulic Push-off Unit

Omega Knockout

Omega Cooler Classifier with Vibratory Elevator

FURNACE AREA

Inductotherm Electric Induction Tilted Furnaces,
1: with Inverter, 2.5 Megawatts Capacity, with
Power Changeover Switch, Complete with
Cooling Towers, Hydraulics and
Tilting Crucibles / Ladles (12 in Total)

FETTLING AREA

Make Unknown Through Feed Shot Blast Cabinet with Continuous Feed
Overhead Rail System,
Overhead Extraction Cabinet and 2: Rotating Wheels

Make Unknown Pre-Fabricated Cut-Off Cabinet with Roller Feed Conveyor

Grinding Tables with Extraction

Self-Enclosed Grinding Booths with Extraction

LABORATORY

Hilger Analytical Polyvac 2000 Spectrometer
Serial No. 333

PATTERN SHOP CELL 2

Wadkin SV607
Double Ended 30" Diameter Disc Sander
Serial No. 64619

Striebig Company Wall Mounted Panel Saw

Wadkin Rutergren Vertical Resaw

Zimmerman Vertical Band Limisher

Wadkin Vertical Table Drill

Colchester Student 1800 Cap Bed Centre Lathe

Marking Out Table on Pre-fab Stand

Sundry Loose Items To Include
Small Tools, Hand Tools and Power Tools

CELL 3

Omega Screen Sand Mixing Machine with Auger

Make Unknown Articulated
Cold Box Vertical Core Moulding Machine with
Control Panel, Generator, Dryer,
Batch Mixer on Pre-Fabricated Steel Gantry with
Control Panel Together with All Associated Equipment, To Include Cooler /
Heated Air Dryer

Single Hopper Dust Extraction Unit

Hopper / Storage Tank on
Pre-Fabricated Steel Platform
(Located Outside)

Handwritten signature and initials in black ink, located on the right side of the page. The signature appears to be 'H. S. Man' and the initials are 'W'.

Make Unknown Corn Mould Knockout System.
Together with All Associated Equipment

COMPRESSORS/GENERATOR

HPC DSD171 Packaged Air Compressor
Serial No. 1145

CDA Dryer

Together with All Associated Equipment,
To Include Pipework, Valves and Filters

Himelco EST-1M3 Standby Generator
(50kva Capacity)
Serial No. 9810001604 Year 1998
(Located Outside)

Alup Alhigha 90 Packaged Air Compressor (95 bar)
Serial No. AP1211134 Year 2011

Hi-Line Dryer,
Together with All Associated Equipment
To Include Pipework, Valves and Filters Etc.

MAINTENANCE SHOP

Victoria Progress 4E Single Spindle Pedestal Drill with Rise and Fall Table

6" Double Ended Bench Grinder

Kenippi Mig Welding Set with Wire Feed

Murex Mig Welding Set with Wire Feed

Kasto Mechanical Hacksaw

Sundry Loose Items
To Include Small Tools, Hand Tools and Power Tools

CELL 1 YARD

Fabricated Extraction Plants To Include
Twin Bag Extraction Cabinet, Cyclone Fans, Motors, Extraction, Ducting and
Chimney Stack

Sand Blowing System To Include
Sand Tanks, Mixers and Extraction,
Cooler Classifier and Knockout, with
Twin Hopper Dust Extraction

CELL 2 YARD

Sand System To Include
Pre-Fabricated Platform with 2: 30 tonne Sand Silos, Together with All
Associated Equipment

Extraction System Cell 2 Knockout

Extraction Cooler Classifier

New & Return Sand System for Cell 2 on
Pre-Fabricated Platform with 2: Silos

B.A.C. Cooling System for Cooler Classifier

CELL 3 YARD



Sand System To Include
Evapco A1492 Twin Fan Cooler Classifier
Serial No. EHC1498 with
2- Single Unit Extraction Plants for
Cooler Classifier and Knockout, Together with
Sand Holding Silo on Pre-Fabricated Steel Platform

YARD

Large Quantity of Cast Iron and Steel Moulding Boxes, Approx. 300 Pairs
(Situated Throughout Facility)

INTERNAL TRANSPORT

Bulicat T620 Wheeled Loading Shovel

Genie Boom 360/34 Wheeled Cherry Picker

Scarb Minor Hydraulic Road Sweeper
(As Is; Not in Use)

Komatsu FD45T-8 Diesel Forklift Truck

Serial No. 110930 Year 2003

Komatsu 30 FD301-16R Diesel Forklift Truck

Serial No. 7030932 Year 2006

 KEN

Terms and Conditions

1 This Chattels Mortgage is made on the date and between the Chargor and the Company as shown in the Particulars on Page 1 (all the information in which forms part of this Chattels Mortgage).

It is agreed:

2 Definitions

In this Chattels Mortgage:

- 2.1 Unless the context otherwise requires all references to legislation or any law include references to any changes to it and any replacements of it; the singular includes the plural and vice versa; and the masculine includes the feminine and vice versa.
- 2.2 "Agreement" includes a bailment agreement, mortgage, legal charge, loan agreement, hire purchase agreement, conditional sale agreement or any other agreement for financial accommodation whether made before or on or after the date hereof;
- "Chargor" includes successors in title of the Chargor and all other persons deriving title under the Chargor or claiming any interest in the Equipment through the Chargor;
- "Company" includes its successors and assigns;
- "Default Interest" means interest charged at the highest rate of interest or default interest payable under any document governing or evidencing the terms of the Indebtedness;
- "Equipment" means the plant, machinery, goods, chattels or other equipment (whether already acquired or to be acquired) specified in the schedule to this Chattels Mortgage (including all engines, appliances, parts, spare parts, instruments, appurtenances, accessories and other equipment of any kind installed on, or in, such goods or chattels) and any and all substitutions, alterations, replacements, renewals and additions made for or, in or to the same or any part of the same after the date of this Chattels Mortgage and, where the context so permits, any part or parts of them;
- "HSBC Group" means HSBC Holdings plc, its Subsidiaries and any associated and/or affiliated companies;
- "Indebtedness" means all monies and liabilities which now are or shall at any time hereafter be due owing or incurred to the Company or any member of the HSBC Group by the Chargor whether actually or contingently and whether presently or in the future and whether solely or jointly with any other person and whether as principal or surety upon any account or under any Agreement or in any other way whatsoever and also the amount of notes or bills discounted or paid and including (as well as before any demand made or judgement obtained) interest, commission, discount and other lawful charges and expenses (including legal charges occasioned by or incident to this or any other security held by or offered to the Company for the Indebtedness or the enforcement of any such security) computed and compounded from time to time in accordance with the terms agreed between the Chargor and the Company relating thereto or in the absence thereof according to the then current practice of the Company;
- "Markings" means labels, plates or markings;
- "Receiver" means any one or more receivers, managers or administrative receivers appointed pursuant to this Chattels Mortgage in respect of the Chargor or over all or any of the Equipment and an administrative receiver shall have (in addition to the powers in clause 8 (Appointment of Receiver)) all the powers conferred upon him by Schedule 1 of the Insolvency Act 1986;
- "Security" means any mortgage, charge, pledge, assignment, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect;
- "Security Period" means the period beginning on the date of this Chattels Mortgage and ending on the date when the Indebtedness has been irreversibly and unconditionally repaid in full and the Chargor has ceased to be under any further, actual or contingent, liability to the Company under or in connection with this Chattels Mortgage;
- "Subsidiary" has the meaning given to it by Section 736 of the Companies Act 1985 (as the same may be replaced by Section 1159 of the Companies Act 2006);
- "VAT" means value added tax payable pursuant to Value Added Tax Act 1994 or any replacement or amending legislation of a similar nature and/or any replacement tax in respect thereof and/or any other taxes payable in respect of supply or sale of goods from time to time in the relevant jurisdiction, and related words and expressions are to be construed accordingly.

2.3 Clause headings are for convenience only and are not to affect the construction of this Chattels Mortgage.

3 Covenant to pay

The Chargor covenants to pay to the Company and discharge the Indebtedness when it becomes due for payment and discharge.

4 Charging clause

- 4.1 The Chargor charges and assigns absolutely and unconditionally to the Company with full title guarantee, by way of a specific first charge, all of its right, title and interest in and to the Equipment, together with the benefit of:
- (i) any and all obligations, guarantees and warranties given by any manufacturer or supplier of the Equipment;
 - (ii) any and all obligations, guarantees and warranties given by any other party in respect of the Equipment to or in favour of the Chargor; and
 - (iii) the benefit of all maintenance agreements and all copyrights, patents, trade marks and other intellectual property rights relating to the Equipment entered into between the Chargor and any such third party.
- 4.2 Following the expiry of the Security Period the Company shall, upon the request and at the cost and expense of the Chargor, reassign the Equipment to the Chargor, to the extent then still subsisting and capable of reassignment.

5 Representations

The Chargor represents and warrants to the Company:

- (i) that it is the absolute legal and beneficial owner of the Equipment free from any Security, (except for any liens arising by operation of law, in the ordinary course of the Chargor's business); and
- (ii) that this Chattels Mortgage does not contravene any of the provisions of the memorandum and articles of association of the Chargor and has been duly authorised and assented.

6 Covenants

The Chargor covenants with the Company that, throughout the Security Period, it will:

- (i) promptly upon demand by the Company, execute such legal or other mortgages, charges, assignments or securities as the Company shall require (upon terms and conditions acceptable to the Company, at the expense of the Chargor) of and on all the Chargor's estate and interest in the Equipment (including any vendor's lien) to secure all monies and liabilities agreed to be paid or intended to be secured under this Chattels Mortgage;
- (ii) subject to the rights of any prior mortgagee, deposit with the Company all invoices, documents of title, guarantees, insurance policies, maintenance agreements and ancillary documents relating to the Equipment;
- (iii) punctually pay:
 - (A) the rent, rates, assessments, charges, impositions, outgoings and taxes in respect of all premises of the Chargor; and
 - (B) all licence fees, duties, registration charges and all outgoings in respect of the Equipment and keep or cause the Equipment to be kept from being distrained for recovery or from being taken under any execution and shall at all times on demand produce or cause to be produced to the Company or its authorised agents the receipt for such payments and in default it shall be lawful (but not obligatory) for the Company to pay and discharge such sums which at any time may be or become due, assessed or payable in respect of the premises or the Equipment and the Chargor shall repay the same to the Company on demand, together with Default Interest;
- (iv) keep the Equipment permanently in its sole and exclusive possession at the location specified in the schedule or at such other premises as the Company shall authorise in writing and shall not in any event take the Equipment out of England and Wales;
- (v) affix to or engrave upon the Equipment such Markings as the Company shall require and not allow such Markings to be concealed, altered or removed.

- (vi) produce promptly to the Company the original of any order, direction, requisition, permission, notice, proceedings or matter whatsoever affecting or likely to affect the Equipment and/or any premises of the Chargor, served upon the Chargor by any third party, together with full particulars of such notice. The Chargor shall promptly, at its own cost, comply with the same and shall, if so required by the Company, at the Chargor's own cost, make or join in making such objections or representations against or in respect of the contents of any such notice as the Company may deem expedient or desirable;
- (vii) permit the Company or any person nominated by it to enter on any premises of the Chargor:
 - (A) to inspect the Equipment, including any Markings;
 - (B) to effect such repairs as the Company shall consider necessary or desirable; and
 - (C) generally to do all such acts as the Company considers necessary or desirable, in connection with this Chattels Mortgage;
- (viii) keep the Equipment in good and substantial repair and condition and in working order and will replace any parts of the Equipment as may be destroyed, damaged or worn out with new parts of at least similar quality and of at least equal value. The Chargor shall carry out such repairs to or replacement of the Equipment as the Company shall consider necessary or desirable;
- (ix) pay to the Company on demand the amount of any VAT which may be payable in respect of any sums payable by the Chargor to the Company under or secured by this Chattels Mortgage or pursuant to the exercise by the Company of any of its rights under this Chattels Mortgage and the Chargor shall pay to the Company on demand an amount equal to any VAT or other sums payable or incurred by the Company under or pursuant to the Value Added Tax Act 1994 or any regulations made thereunder or otherwise in consequence of its having entered into this Chattels Mortgage or any transaction secured by this Chattels Mortgage or exercising any of its rights under this Chattels Mortgage. The Chargor shall indemnify the Company against any liability in respect of VAT;
- (x) indemnify and hold each of the Company and any Receiver harmless against any and all claims, demands and liabilities howsoever caused relating to or arising out of the design, manufacture, possession, use, operation, redelivery or removal of the Equipment including those based upon infringement of any patent or other intellectual property rights;
- (xi) at any time after the Company shall have demanded payment of the Indebtedness or if the Chargor defaults in the performance of any of its obligations under this Chattels Mortgage allow the Company, without further notice or further demand, immediately to put into force and exercise all rights, powers and remedies possessed by it and in particular (but without limitation) to take possession of the Equipment and for that purpose to enter upon any land or buildings where the Equipment are or are reasonably thought to be situated without being liable to the Chargor for or by reason of such entry;
- (xii) not use or permit the Equipment to be used for any purpose for which they are not designed or reasonably suited;
- (xiii) not, without the Company's prior written consent, make or suffer to be made any alteration or addition of a substantial nature in or to the Equipment other than for the purpose of effecting repairs in accordance with clause 6(viii);
- (xiv) not, without the Company's prior written consent, sell, attempt to sell, assign, charge, hire, lease, part with, share possession, dispose of, permit or suffer any distress or execution to be levied upon the Equipment;
- (xv) not, without the Company's prior written consent, use nor permit the Equipment to be used in any way contrary to law and shall comply with the requirements of any law so far as the same relates to or affects the Equipment or their user and shall promptly execute or cause to be executed all works that are required by law to be executed upon or in connection with the Equipment;
- (xvi) not, without the Company's prior written consent, in any manner or by any means cause the value of the Equipment to lessen or suffer them to be lessened, fair wear and tear excepted;
- (xvii) not, without the Company's prior written consent, create or permit to subsist or arise any further Security (other than a lien arising by operation of law in the ordinary course of the Chargor's business) ranking in priority to or pari passu with this Chattels Mortgage upon the Equipment or on the interest of the Chargor in the Equipment; and
- (xviii) not, without the Company's prior written consent, annex the Equipment to any premises of the Chargor if the result of such annexure is that the Equipment would or might become a fixture or fixtures.

7 Insurance

7.1 The Chargor shall ensure that:

- (i) the following are maintained at all times with reputable insurers:
 - (A) insurance of the Equipment to its full replacement value under a standard form of all risks policy including, in particular but without limitation, full cover against acts of terrorism;
 - (B) insurance against liability of all kinds to third parties which arises directly or indirectly from the use, possession or existence of the Equipment, in a sum consistent with a high degree of prudence or such other sum as the Company may from time to time require;
 - (C) any other insurance relating to the Equipment and required to be taken out by the Chargor or the Company by the law of any part of the UK or any other relevant jurisdiction;
- (ii) in relation to each such insurance:
 - (A) the terms of the policy shall provide for all monies payable under the policy (except those payable to third parties) to be paid to the Company; and
 - (B) the policy at all times remains valid and covers all uses to which the Goods are put;
- (iii) unless the Equipment is motor vehicles, the policies referred to in clause 7.1(i) are in the joint names of the Company and the Chargor;

7.2 The Chargor shall pay all premiums under the policies and, on demand, shall produce to the Company each of the policies and such other evidence as the Company may require to show that the Chargor is complying with its obligations under this Chattels Mortgage. If the Chargor does not do this, the Company may effect all or any of the above insurances itself and the Chargor shall repay to the Company on demand all premiums paid by the Company and all costs and expenses incurred by the Company in effecting the same;

7.3 The Chargor will inform the Company in writing promptly of any event which may give rise to a claim under any of the insurance policies and irrevocably authorises the Company to make any such claim, take over the conduct of any claim already made, settle any claim and give a good receipt for any Insurance Proceeds (as defined in clause 7.4); and

7.4 All monies payable under the policies referred to in clause 7.1(i) ("Insurance Proceeds") shall be held on trust for the Company;

7.5 All Insurance Proceeds shall be applied first towards payment of the Indebtedness and any other amounts payable pursuant to this Chattels Mortgage. The Chargor will then be entitled to receive any excess.

8 Appointment of Receiver

8.1 At any time after the Company shall have demanded payment or discharge of all or any part of the Indebtedness, the Company may appoint any person to be a Receiver of the Equipment and remove (subject, in the case of an administrative receiver, to the sanction of the Court) any Receiver so appointed and appoint another in his place and a Receiver so appointed shall have power in the name of or on behalf and at the cost of the Chargor or at his option (but only with the prior written consent of the Company) in the name of the Company or at his option in his own name (and in any case notwithstanding the liquidation of the Chargor) to do or omit to do anything which the Charge could do or omit to do in relation to the Equipment and in particular, but without prejudice to the generality of the foregoing, any such receiver shall have power to:

- (i) take possession of or collect and get in the Equipment and for that purpose to take any proceedings in the name of the Chargor or otherwise as may seem expedient and for that purpose to enter upon any premises of the Chargor and sever, dismantle and remove the Equipment, without being liable for any loss or damage thereby occasioned (other than through negligence);
- (ii) raise or borrow any monies that may be required upon the security of the Equipment;
- (iii) forthwith and without the restriction imposed by either section 103 or section 93 LPA 1925, sell, convert into money and realise all or any part of Equipment by public auction or private contract and generally in such manner and on such terms and conditions as he shall think proper;
- (iv) make any arrangement or compromise which he shall think expedient;
- (v) make and effect all repairs, renewals and any improvements of the Equipment as he may determine;

- (vi) maintain or renew all insurances;
 - (vii) appoint managers, agents, officers, and workpeople for any of these purposes at such salaries and for such periods as he may determine;
 - (viii) lease, let on hire purchase, store, alter or improve all or any part of the Equipment for such term and at such rent and on such other terms as he may think proper and accept a surrender of any lease or tenancy thereof;
 - (ix) give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Equipment;
 - (x) use the name of the Charger for all or any of the purposes used in any legal proceedings with full power to convey any property sold in the name of the Charger; and
 - (xi) do all such other acts and things as may be considered to be incidental or conducive to any of these matters or powers and which he lawfully may or can do as agent for the Charger.
- 8.2 A Receiver or Receivers so appointed shall be entitled to charge such amount for his remuneration as shall be agreed between such Receiver and the Company.
- 8.3 All monies received by such Receiver shall be applied:
- (i) first in payment of his remuneration and the costs of realisation;
 - (ii) secondly in providing for the matters specified in the first three paragraphs of section 8 or section 109 LPA 1925 and for the purposes aforesaid; and
 - (iii) thirdly in or towards satisfaction of the Indebtedness and all the foregoing provisions shall take effect as and by way of variation and extension of the provisions of sections 99 to 109 inclusive LPA 1925 which provisions so varied and extended shall be regarded as incorporated in this Chattels Mortgage.
- Any Receiver so appointed shall be deemed to be the agent of the Charger and the Charger shall be solely responsible for his acts or defaults and remuneration.
- 9 **Company authorised to execute documents**
The Charger hereby irrevocably appoints the Company and any Receiver appointed by the Company under this Chattels Mortgage to be its attorney for it and in its name and on its behalf and as its act, deed or otherwise to sign, seal and deliver and otherwise perfect any such legal or formal mortgage as aforesaid or any deed, assurance or act which may be required or may be deemed proper on any sale, lease or disposition by the Company or by such receiver of the Equipment under any power of sale, leasing or other applicable disposition thereto.
- 10 **Other charges**
Subject to clause 6(c)(iv), if the Charger creates Security in relation to the Equipment or any premises of the Charger, the Charger shall promptly notify the Company of the same and if requested so by the Company shall procure from any mortgagee, charges or debenture holder or other person having an interest (whether legal or equitable) in the Equipment or any premises of the Charger a waiver in such form as the Company may require of all rights which the holder of such interest might otherwise be entitled to claim in the Equipment.
- 11 **Notices**
Any notice or demand by the Company to the Charger shall be validly given if served personally on the Charger or sent to it by first class prepaid post or left at its registered office for the time being or its last known or usual place of business.
- 12 **Continuing security**
This Chattels Mortgage shall be a continuing security and shall extend to cover the ultimate balance due from the Charger to the Company notwithstanding there may have been from time to time or at any time a balance to the credit of the Charger on any account between the Charger and the Company or any other matter or thing whatsoever and shall be in addition to and without prejudice to any other securities or remedies now or at any time held by the Company including (without prejudice to the generality of the foregoing) any Security, deposit, guarantee, indemnity, set off or any other form of security whatsoever and no assurance, Security or payment which may be avoided under any enactments relating to liquidation and no release, settlement or discharge which may have been given or made on the faith of any such assurance, security or payment shall prejudice or affect the rights of the Company against the Charger under this Chattels Mortgage.
- 13 **Subsequent Security**
13.1 If the Company receives notice of any other subsequent Security or other interest affecting all or any of the Equipment it may open a new account or accounts for the Charger in its books. If it does not do so then, unless it gives express written notice to the contrary to the Charger, as from the time of receipt of such notice by the Company, all payments made by the Charger to the Company shall be treated as having been credited to a new account of the Charger and not as having been applied in reduction of the Indebtedness.
- 13.2 The Company shall have in addition to any general lien or similar right to which it may be entitled by law the right at any time and from time to time, either with or without notice to the Charger, (as well before as after any demand under this Chattels Mortgage or otherwise) to combine or consolidate all or any of the then existing accounts with and liabilities to the Company of the Charger and/or to set off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Charger to the Company on any other account or in any other respect, whether such liabilities be actual, contingent, primary, collateral, several or joint.
- 14 **Retention of Security**
The Company shall be entitled to retain the Security created by this Chattels Mortgage (including any documents relating to this Chattels Mortgage or deposited or held under this Chattels Mortgage) for a period of 25 months after the expiry of the Security Period notwithstanding any reassignment pursuant to clause 4.2 or any other release, settlement, discharge or arrangement given or made by the Company provided that if at any time within the period of 2 years after the expiry of the Security Period:
- (a) an administration order shall be made in relation to the Charger; or
 - (b) a petition shall be presented to a competent court for an order for the winding up of the Charger; or
 - (c) the Charger shall commence to be wound up voluntarily,
- the Company shall be at liberty to continue to retain such Security or any part (including any documents aforesaid) for and during such further period as the Company in its absolute discretion may determine, in which event such Security shall be deemed to have continued at all times to have been held by the Company as security for the payment and discharge of the Indebtedness or any sums which shall or may become due and owing to the Company either by virtue of the provisions hereof or as a consequence of any order made under or by virtue of sections 238 to 243 (inclusive) Insolvency Act 1986.
- 15 **Contracts (Rights of Third Parties) Act 1999**
The parties to this Chattels Mortgage do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any persons not a party to it. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that act.
- 16 **Performance**
The Charger shall remain liable to perform all the obligations assumed by it in relation to the Equipment. The Company shall be under no obligation of any kind in respect thereof nor under any liability in the event of any failure by the Charger to perform, or breach by the Charger of, any of those obligations.
- 17 **English law**
This Chattels Mortgage will be governed by and construed in accordance with English law and all claims and disputes (including non-contractual claims and disputes) arising out of or in connection with this Agreement, its subject matter, negotiation or formation will be determined in accordance with English law. Both the Company and the Charger submit to the non-exclusive jurisdiction of the courts of England and Wales in relation to all claims, disputes, differences or other matters (including non-contractual claims, disputes, differences or other matters) arising out of or in connection with this Chattels Mortgage.

18 **Northern Ireland**

In Northern Ireland, for references in this *Chattel's Mortgage* to the *Law of Property Act 1925* and the *Insolvency Act 1986* there shall be substituted the corresponding or appropriate provisions applicable in Northern Ireland, whether in the *Conveyancing and Law of Property Act 1881*, the *Conveyancing Act 1911*, the *Companies (Northern Ireland) Order 1986* or otherwise and the words "The *Chargor* charges and assigns absolutely and unconditionally to the *Company* with full title guarantee..." in clause 3 above shall be replaced with the words "The *Chargor* as beneficial owner charges and assigns to the *Company*"

Executed as a deed by the parties or their duly authorised representatives on the front page of this *Chattel's Mortgage* on the date of this *Chattel's Mortgage*.