



**Registration of a Charge**

Company Name: **LINPAC PACKAGING LIMITED**

Company Number: **00949597**



Received for filing in Electronic Format on the: **11/03/2022**

XAZKLQM2

**Details of Charge**

Date of creation: **11/03/2022**

Charge code: **0094 9597 0023**

Persons entitled: **AAA TRUSTEE LIMITED AS TRUSTEE OF THE LINPAC & ALLIBERT PENSION SCHEME**

Brief description: **ALL THAT FREEHOLD PROPERTY KNOWN AS BRINDLEY ROAD, REGINALD ROAD INDUSTRIAL ESTATE, ST HELENS, WA9 4HY REGISTERED AT HM LAND REGISTRY UNDER TITLE NUMBER LA188250 AND FOR MORE DETAILS OF LAND, SHIP, AIRCRAFT OR INTELLECTUAL PROPERTY CHARGED PLEASE REFER TO THE INSTRUMENT**

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**HARRISON CLARK RICKERBYS**



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

Company number: 949597

Charge code: 0094 9597 0023

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th March 2022 and created by LINPAC PACKAGING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th March 2022 .

Given at Companies House, Cardiff on 15th March 2022

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



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

**C L I F F O R D  
C H A N C E**

**CLIFFORD CHANCE LLP**

EXECUTION VERSION

LINPAC PACKAGING LIMITED  
AS CHARGOR  
IN FAVOUR OF  
AAA TRUSTEE LIMITED  
AS THE TRUSTEE OF  
THE LINPAC & ALLIBERT PENSION SCHEME

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LINPAC DEBENTURE

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THIS DEBENTURE is made on 11 March 2022

BY:

- (1) **LINPAC PACKAGING LIMITED** (registered number 00949597) whose registered office is at Linpac Wakefield Road, Featherstone, Pontefract, West Yorkshire, WF7 5DE (the "**Chargor**")

in favour of:

- (2) **THE TRUSTEE of the occupational pension scheme now known as the LINPAC & Allibert Pension Scheme** (the "**Scheme**"), being established by a trust deed dated 23 February 2016 and in respect of which the present trustee is **AAA TRUSTEE LIMITED** (registered number 09073121) whose registered office is at 4 Spring Bank Meadow, Ripon, North Yorkshire, United Kingdom, HG4 1HQ.

**BACKGROUND:**

- (A) Following the completion of a debt package refinancing in February 2021, the Group is seeking to provide security to the Trustee to mitigate the impact of the refinancing on the Scheme's covenant.
- (B) Pursuant to the above, the Chargor has agreed to enter into this Debenture in favour of the Trustee, to take effect from the date written at the start of this Deed. On or about the date of this Debenture, the Chargor will also enter into a related security framework agreement with the Trustee covering certain of its secured obligations.

**IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Debenture:

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

"**Charged Property**" means all the assets and undertaking of the Chargor which from time to time are the subject of the Relevant Security;

"**Collateral Rights**" means all rights, powers and remedies of the Trustee provided by or pursuant to this Debenture or by law;

"**Definitive Deed**" means the definitive trust deed relating to the Scheme dated 23 February 2016 as amended from time to time;

"**Insolvency Event**" means any of the following events, namely:

- (a) the obtaining of a moratorium or a composition, assignment or similar arrangement with any of the creditors of the Chargor;
- (b) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor (by way of voluntary arrangement, scheme of arrangement or otherwise); or
- (c) an administrator is appointed in respect of the Chargor or a Receiver is appointed in respect of the whole or a substantial part of the assets of the Chargor; or
- (d) the receipt by the Pension Protection Fund of an application or notification from the Trustee or the Pensions Regulator that an employer in relation to the Scheme is unlikely to continue as a going concern, which is purported to be made in accordance with Section 129 of the Pensions Act 2004 or regulations made from time to time thereunder;

**"Inventory"** means any and all goods supplied to the Chargor in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by the Chargor;

**"Klockner Debenture"** means the debenture dated on or about the date of this Deed granted by Klockner Pentaplast Limited in favour of the Trustee;

**"Klockner Security Framework Agreement"** means the security framework agreement titled "Klockner Security Framework Agreement" dated on or about the date of this Deed and made between Klockner Pentaplast Limited and the Trustee;

**"LINPAC Security Framework Agreement"** means the security framework agreement titled "LINPAC Security Framework Agreement" dated on or about the date of this Deed and made between the Chargor and the Trustee;

**"Real Property"** means (including as provided in Clause 1.5) the property listed at Schedule 1 (*Real Property*);

**"Receiver"** means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment;

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset;

**"Relevant Security"** means the Security created or expressed to be created in favour of the Trustee pursuant to this Debenture;

**"Secured Obligations"** has the meaning given in the LINPAC Security Framework Agreement, which are all of the obligations covenanted to be discharged by the Chargor in Clause 2.1 (*Covenant to Pay*);

**"Security"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**"Security Cap"** has the meaning given in the LINPAC Security Framework Agreement;

**"Tangible Moveable Property"** means any plant or machinery (excluding any for the time being forming part of the Chargor's stock in trade or work in progress); and

**"Trustee"** means the Trustee for the time being of the Scheme.

## **1.2 Terms defined in the LINPAC Security Framework Agreement**

Unless defined in this Debenture, or the context otherwise requires, a term defined in the LINPAC Security Framework Agreement has the same meaning in this Debenture or any notice given under or in connection with this Debenture.

## **1.3 Construction**

In this Debenture:

- 1.3.1 the rules of interpretation contained in sub-clauses 1.2.1 to 1.2.4 and clause 1.3 of the LINPAC Security Framework Agreement shall apply to the construction of this Debenture; and
- 1.3.2 references in this Debenture to any Clause, sub-Clause or Schedule shall be to a clause, sub-clause or schedule contained in this Debenture (unless otherwise specified).

## **1.4 Third Party Rights**

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

## **1.5 Real Property**

- (a) A reference in this Debenture to any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.
- (b) The terms of the LINPAC Security Framework Agreement are incorporated into this Debenture to the extent required for any purported disposition of any Real Property contained in this Debenture to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.



## **2. PAYMENT OF SECURED OBLIGATIONS**

### **2.1 Covenant to Pay**

The Chargor covenants with the Trustee to discharge all obligations which it may have to the Trustee under or pursuant to the LINPAC Security Framework Agreement; and **provided that** neither such covenant nor the Relevant Security shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or the Relevant Security to be unlawful or prohibited by any applicable law.

### **2.2 Limited Recourse**

2.2.1 The Trustee shall have recourse in respect of any claim against the Chargor under this Debenture only to the Charged Property held by the Chargor and amounts received or receivable upon enforcement of the Relevant Security granted by the Chargor. If the Trustee has realised the same, and the net proceeds are insufficient to discharge all amounts which, but for the effect of this Clause 2.2, would then be due from that Chargor, the relevant Chargor will be under no further liability, and the Trustee shall have no further rights, under this Debenture. The Trustee, or anyone acting on its behalf, shall not be entitled to take any further steps or exercise any rights which would otherwise be available against the Chargor under this Debenture. For the avoidance of doubt, the Trustee shall have no claim against any director or officer of the Chargor as a result of the limitation of any claim they may have against the Chargor as a result of this Clause 2.2 (or otherwise under this Debenture) unless the actions are founded on fraudulent or wilful action of the relevant director or officer of that Chargor.

2.2.2 Notwithstanding any other provision of this Debenture, the total aggregate amount the Trustee shall be entitled to recover under or pursuant to the exercise of its rights under this Debenture, the Klockner Debenture, the LINPAC Security Framework Agreement and the Klockner Security Framework Agreement shall be limited to the Security Cap.

## **3. FIXED SECURITY**

### **3.1 Fixed charge over Real Property**

The Chargor charges by way of first fixed charge in favour of the Trustee as security for the payment and discharge of the Secured Obligations, all of its rights, title and interest from time to time in and to all its Real Property and all Related Rights.

### **3.2 Fixed charge over Tangible Moveable Property**

The Chargor charges, by way of first fixed charge in favour of the Trustee as security for the payment and discharge of the Secured Obligations, all of its rights, title and interest from time to time in and to its Tangible Moveable Property and all Related Rights.

### **3.3 Fixed charge over Inventory**

The Chargor charges, by way of first fixed charge in favour of the Trustee as security for the payment and discharge of the Secured Obligations, all of its rights, title and interest from time to time in and to its Inventory and all Related Rights.

#### **4. FLOATING CHARGE**

##### **4.1 Floating charge**

4.1.1 The Chargor charges by way of first floating charge in favour of the Trustee as security for the payment and discharge of the Secured Obligations all of its rights, title and interest from time to time in and to such Tangible Moveable Property and Inventory as is not subject to a fixed charge under clauses 3.2 and 3.3.

4.1.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 4 (*Floating Charge*).

##### **4.2 Crystallisation: By Notice**

4.2.1 The Trustee may, by prior written notice to the Chargor, convert the floating charge created by sub-Clause 4.1 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) the Chargor fails to pay any amount due under the LINPAC Security Framework Agreement within 30 days of the Chargor receiving the Trustee's written demand for payment of such amount; or
- (b) it is necessary to do so in order to protect the priority of the Security created in favour of the Trustee under this Debenture over the Charged Property where the Chargor fails to comply with its obligations under Clause 6.1 (Negative Pledge) by creating or purporting to create Security over the Charged Property, save where the Chargor is not prohibited from creating such Security under the Security Framework Agreement or where the Trustee has given prior written consent (acting reasonably), and (if capable of remedy) such failure to comply is not remedied within 45 days of the earlier of:
  - (i) the Trustee giving notice to the Chargor; or
  - (ii) the Chargor becoming aware of such failure to comply.

##### **4.3 Crystallisation: Automatic**

Notwithstanding Clause 4.2 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge (with the effect described in sub-Clause 4.2.1 above) as regards all the assets subject to the floating charge if an Insolvency Event occurs and is continuing.

## **5. FURTHER ASSURANCE**

### **5.1 Further Assurance: General**

5.1.1 The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-Clause 5.1.2 below.

5.1.2 The Chargor shall as soon as reasonable practicable and at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may reasonably specify (and in such form as the Trustee may reasonably require in favour of the Trustee or its nominee(s)):

(a) to perfect the Relevant Security or for the exercise of the Collateral Rights; and

(b) to facilitate the realisation of the Charged Property.

### **5.2 Necessary Action**

The Chargor hereby consents to an application being made to HM Land Registry to enter the following restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property:

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

### **5.3 Implied Covenants for Title**

The obligations of the Chargor under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

## **6. GENERAL UNDERTAKINGS**

### **6.1 Negative Pledge**

6.1.1 Except as permitted under the LINPAC Security Framework Agreement and clause 6.2, the Chargor shall not create or permit to subsist any Security over any of the Charged Property or otherwise deal with any part of the Charged Property.

6.1.2 Sub-Clause 6.1.1 does not apply to any Security listed below:

(a) the Relevant Security; and

(b) any lien arising by operation of law and in the ordinary course of trading.

## 6.2 Disposals

The Chargor may, at any time prior to the conversion of the floating charge pursuant to Clause 4.1, without the consent of the Trustee:

- 6.2.1 dispose of or deal with Inventory in the ordinary course of business in such manner as the Chargor sees fit; and
- 6.2.2 remove or otherwise deal with any or all of the Tangible Moveable Property for the purposes of replacement and repair.

## 7. REPRESENTATIONS

On the date of this Debenture and by reference to the facts and circumstances existing on the date of this Debenture, the Chargor makes the following representations and warranties to the Trustee:

- 7.1.1 The Chargor is duly incorporated and validly existing under the laws of England and Wales. It has the power to own the Charged Property and to carry on its business as it is being conducted.
- 7.1.2 The Chargor has the power to enter into and perform the obligations assumed under this Debenture and has taken all necessary action to authorise the entry into and performance of this Debenture.
- 7.1.3 Subject to any general principles of law limiting its obligations, this Debenture constitutes the Chargor's legally binding, valid and enforceable obligations.
- 7.1.4 The entry into and performance by the Chargor of, and the transactions contemplated by, this Debenture do not conflict to a material extent with:
  - (a) any law or regulation applicable to it in any material respect; nor
  - (b) its constitutional documents in any material respect.

## 8. ENFORCEMENT OF SECURITY

### 8.1 Enforcement

- 8.1.1 Subject to sub-Clauses 8.1.2 and 8.1.3 below, at any time after the conversion of the floating charge pursuant to Clause 4.2 (*Crystallisation: By Notice*) or Clause 4.3 (*Crystallisation: Automatic*) or if the Chargor requests the Trustee to exercise any of their powers under this Debenture, the Relevant Security is immediately enforceable and the Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion:
  - (a) enforce all or any part of the Relevant Security (at the times, in the manner and on the terms they think fit) and take possession of and hold or dispose of all or any part of the Charged Property; and
  - (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act

1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

8.1.2 The Trustee shall not be permitted to dispose of all or any part of the Charged Property unless an amount or amounts are due and payable under the LINPAC Security Framework Agreement, the Klockner Security Framework Agreement or this Debenture (such amount or amounts not having been paid by Klockner Pentaplast Limited or the Chargor within 30 days of Klockner Pentaplast Limited or the Chargor receiving the Trustee's written demand for payment of such amount in accordance with the terms of the LINPAC Security Framework Agreement, the Klockner Security Framework Agreement or this Debenture (as applicable)).

8.1.3 The Trustee shall not be permitted to dispose of all or part of the Charged Property for the purposes of meeting the Secured Obligations in respect of the Klockner Security Framework Agreement unless it has commenced enforcement action pursuant to this Clause 8 (*Enforcement of Security*).

## **8.2 No Liability as Mortgagee in Possession**

Neither the Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

## **8.3 Effect of Moratorium**

The Trustee shall not be entitled to exercise their rights under Clause 8.1 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of an Insolvency Event occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Part A1 of the Insolvency Act 1986.

# **9. EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925**

## **9.1 Extension of Powers**

The power of sale or other disposal conferred on the Trustee and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture.

## **9.2 Restrictions**

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Trustee of its right to consolidate all or any of the Relevant Security with any other security in existence at any time or to its power of sale, which powers may be exercised by the Trustee without notice to the Chargor on or at any time after the Relevant Security has become enforceable in accordance with Clause 8.1 (*Enforcement*).

### **9.3 Power of Leasing**

The statutory powers of leasing may be exercised by the Trustee at any time on or after the Relevant Security has become enforceable in accordance with Clause 8.1 (*Enforcement*) and the Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

## **10. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **10.1 Appointment and Removal**

After the Relevant Security has become enforceable in accordance with Clause 8.1 (*Enforcement*) or if a petition or application is presented for the making of an administration order in relation to the Chargor or if 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 or if requested to do so by the Chargor, the Trustee may by deed or otherwise (acting through an authorised officer of the Trustee), without prior notice to the Chargor:

- 10.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- 10.1.2 appoint two or more Receivers of separate parts of the Charged Property;
- 10.1.3 remove (so far as it is lawfully able) any Receiver so appointed;
- 10.1.4 appoint another person(s) as an additional or replacement Receiver(s); or
- 10.1.5 appoint one or more persons to be an administrator of the Chargor.

### **10.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 10.1 (*Appointment and Removal*) shall be:

- 10.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;
- 10.2.2 for all purposes deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Trustee; and
- 10.2.3 entitled to remuneration for his services at a rate to be fixed by the Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

### **10.3 Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Trustee under the Law of Property Act 1925 (as extended

by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Trustee in respect of any part of the Charged Property.

## **11. POWERS OF RECEIVER**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor):

- 11.1.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- 11.1.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 11.1.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do; and
- 11.1.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (c) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Property.

## **12. APPLICATION OF MONIES**

All monies received or recovered by the Trustee or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Trustee (notwithstanding any purported appropriation by the Chargor) in satisfaction of the Secured Obligations.

## **13. PROTECTION OF PURCHASERS**

### **13.1 Consideration**

The receipt of the Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

### **13.2 Protection of Purchasers**

No purchaser or other person dealing with the Trustee or any Receiver shall be bound to inquire whether the right of the Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Trustee or such Receiver in such dealings.

## **14. POWER OF ATTORNEY**

The Chargor by way of security irrevocably appoints the Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider (acting reasonably) to be required for enabling the Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the Relevant Security has become enforceable in accordance with Clause 8.1 (*Enforcement*), the exercise of any right of a legal or beneficial owner of the Charged Property).

## **15. EFFECTIVENESS OF SECURITY**

### **15.1 Continuing Security**

15.1.1 The Relevant Security shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Trustee.

15.1.2 No part of the Relevant Security will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

### **15.2 Cumulative Rights**

The Relevant Security and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Trustee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Trustee (whether in its capacity as Trustee or otherwise) over the whole or any part of the Charged Property shall merge into the Relevant Security.

### **15.3 No Prejudice**

The Relevant Security and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Trustee (whether in its capacity as Trustee or otherwise) or by any variation of the terms of the trust upon which the Trustee hold the Relevant Security or by any other thing which might otherwise prejudice the Relevant Security or any Collateral Right.

### **15.4 Remedies and Waivers**

No failure on the part of the Trustee to exercise, nor any delay on their part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right or



constitute an election to affirm this Debenture. No election to affirm this Debenture shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

#### **15.5 No Liability**

None of the Trustee, its nominees or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

#### **15.6 Partial Invalidity**

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Relevant Security is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Relevant Security.

#### **15.7 Waiver of defences**

The obligations of the Chargor under this Debenture and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Debenture (without limitation and whether or not known to it or the Trustee) including:

- 15.7.1 any time, waiver or consent granted to, or composition with, the Chargor or other person;
- 15.7.2 the release of any other person under the terms of any composition or arrangement with any creditor;
- 15.7.3 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, 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;
- 15.7.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- 15.7.5 any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of the LINPAC Security Framework Agreement or any other document or security or of the Secured Obligations;
- 15.7.6 any unenforceability, illegality or invalidity of any obligation of any person under the LINPAC Security Framework Agreement or any other document or security or of the Secured Obligations; or

15.7.7 any insolvency or similar proceedings.

## **16. RELEASE OF SECURITY**

### **16.1 Redemption of Security**

16.1.1 Upon the Secured Obligations being discharged in full or if the LINPAC Security Framework Agreement is terminated, the Trustee shall immediately release and cancel the Relevant Security, in each case subject to Clause 16.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Trustee or any of its nominees.

16.1.2 Notwithstanding sub-Clause 16.1.1 above, upon a disposal of any of the Charged Property by the Chargor:

- (a) pursuant to the enforcement of the Relevant Security by a Receiver or the Trustee; or
- (b) if that disposal is permitted under this Debenture,

the Trustee shall, at the request and cost of the Chargor, release that Charged Property from the Relevant Security given by the Chargor.

### **16.2 Avoidance of Payments**

If the Trustee consider that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Debenture and the Relevant Security shall continue and such amount shall not be considered to have been irrevocably paid.

## **17. SET-OFF**

The Chargor authorises the Trustee (but the Trustee shall not be obliged to exercise such right), after the Relevant Security has become enforceable in accordance with Clause 8.1 (*Enforcement*), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Trustee to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Trustee in accordance with Clause 12 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

## **18. SUBSEQUENT SECURITY INTERESTS**

If the Trustee (acting in its capacity as Trustee or otherwise) at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture, all payments thereafter by or on behalf of the Chargor to the Trustee (whether in its capacity as Trustee or otherwise) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Trustee received such notice.

## **19. ASSIGNMENT AND TRANSFER**

### **19.1 Limitation**

Neither the Chargor nor the Trustee shall assign or transfer any of their rights and obligations under this Debenture other than with the prior written consent of the other parties (such consent not to be unreasonably withheld).

### **19.2 Pension Protection Fund**

The Chargor acknowledges that the rights and obligations of the Trustee under this Debenture may be transferred to the Pension Protection Fund as a result of the operation of section 161 of, and schedule 6 to, the Pensions Act 2004.

## **20. NOTICES**

### **20.1 Trustee**

20.1.1 Any demand or other communication on the part of the Trustee under this Debenture at any time may be made by the Trustee or the Secretary to the Trustee on its behalf.

20.1.2 Without prejudice to its rights under this Debenture, the Trustee shall keep the Chargor informed of the identity of the Trustee and the Secretary of the Trustee from time to time.

### **20.2 Communication in writing**

Each notice or other communication to be made under or in connection with this Debenture shall be made in writing and shall be delivered personally or sent by first class post, pre-paid recorded delivery (or air mail if overseas) or by electronic mail, to the party due to receive the notice or communication, at the address identified in Clause 20.3 below.

### **20.3 Addresses**

20.3.1 The contact details of the Trustee are as set out below (or any substitute address or email address specified by that party by written notice to the other parties):

Address: c/o AAA Trustee Limited  
4 Spring Bank Meadow  
Ripon  
North Yorkshire  
HG41HQ

Email: laps@trustee.uk.com

Attention: The Secretary to the Trustee

20.3.1 The contact details of the Chargor are as set out below (or any substitute address or email address specified by that party by written notice to the other parties):

Address: LINPAC Packaging Limited  
Linpac Wakefield Road, Featherstone,  
Pontefract,  
West Yorkshire, WF7 5DE

Email: susan.fornaro@kpfilms.com

Attention: Susan Fornaro

#### **20.4 Service of notice**

20.4.1 Except as provided below, any notice or other communication served under this Debenture will be deemed to have been received as follows:

- (a) if delivered in person, at the time of delivery;
- (b) if posted, five days after being deposited in the post; or
- (c) if sent by electronic mail, when sent.

20.4.2 Any notice or other communication delivered personally later than 17:00 hours on a Business Day or at any time on a day which is not a Business Day, shall be deemed to have been received at 08:00 hours on the next Business Day. In proving service of any notice or other communication delivered personally, it will be sufficient to prove that the notice or other communication was delivered or left at the address identified in Clause 20.3 above.

20.4.3 Any notice or other communication deposited in the post after 17:00 hours on a Business Day or at any time on a day which is not a Business Day, shall be deemed to have been deposited at 08:00 hours on the next Business Day. In proving service, it will be sufficient to prove that the notice or other communication was properly stamped, addressed and deposited in the post.

20.4.4 Any notice or other communication sent by electronic mail after 17:00 hours on a Business Day or at any time of day on a day which is not a Business Day, shall be deemed to have been sent at 08:00 hours on the next Business Day. In proving service, it will be sufficient to prove that the notice or other communication was duly sent to the proper electronic mail address of the addressee identified in Clause 20.3 above.

#### **21. EXPENSES, STAMP TAXES AND INDEMNITY**

##### **21.1 Expenses**

The Chargor shall, from time to time on demand of the Trustee, reimburse the Trustee for all the costs and expenses (including legal fees) on a full indemnity basis together with any VAT thereon incurred by it in connection with the exercise, preservation and/or enforcement of any of the Collateral Rights or the Relevant Security or any proceedings instituted by or against the Trustee as a consequence of taking or holding the security or of enforcing the Collateral Rights.

## **21.2 Stamp Taxes**

The Chargor shall pay all stamp, registration and other taxes to which this Debenture, the Relevant Security or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.

## **22. PAYMENTS FREE OF DEDUCTION**

All payments to be made to the Trustee under this Debenture shall be made free and clear of and without deduction for or on account of tax unless the Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

## **23. DISCRETION AND DELEGATION**

### **23.1 Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Trustee or any Receiver may, subject to the terms and conditions of the Definitive Deed, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

### **23.2 Delegation**

Each of the Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by any Trustee or the Receiver itself.

## **24. BENEFIT OF THE DEBENTURE**

This Debenture and the Relevant Security shall be for the benefit of the Trustee from time to time in its capacity as Trustee of the Scheme.

## **25. GOVERNING LAW**

This Debenture and any non-contractual obligations arising out of or in connection with it are governed by English law.

## **26. JURISDICTION**

### **26.1 English Courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Debenture).

### **26.2 Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

**THIS Debenture** has been executed as a deed and is delivered on the date written at the start of this Debenture.


**SCHEDULE 1  
REAL PROPERTY**

<b>Property Description</b>	<b>Title Number</b>	<b>Freehold or Leasehold</b>
Brindley Road, Reginald Road Industrial Estate, St Helens, WA9 4HY	LA188250	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	WYK125072	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	WYK747983	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	YK15741	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	WYK95864	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	WYK749680	Freehold
Wakefield Road, Featherstone, West Yorkshire, WF7 5DE	WYK749681	Freehold

SIGNATURES

THE CHARGOR


EXECUTED as a DEED by )  
LINPAC PACKAGING LIMITED )

DocuSigned by:  
  
D2D546AE58E84EB...

Signature of director

Paul Fox

Name of director

DocuSigned by:  
  
50372D63B8A7431...

Signature of director


Adam Barnett

Name of director



THE TRUSTEE

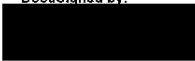
EXECUTED as a DEED by            )  
AAA TRUSTEE LIMITED            )

DocuSigned by:  
  
BB802EF6A4A1402...

Signature of director

Andrew Wadley

Name of director

DocuSigned by:  
  
333E4B72EFD2416...

Signature of director

Shona Goulds

Name of director