



Registration of a Charge

Company name: **GEOACOUSTICS LTD**

Company number: **02571389**



X9VJZX2G

Received for Electronic Filing: **05/01/2021**

Details of Charge

Date of creation: **18/12/2020**

Charge code: **0257 1389 0011**

Persons entitled: **KONGSBERG GRUPPEN ASA**

Brief description: **THE FREEHOLD PROPERTY KNOWN AS GEO ACOUSTICS LTD,
SHUTTLEWORTH CLOSE, GREAT YARMOUTH NR31 0NQ REGISTERED
AT THE LAND REGISTRY UNDER TITLE NUMBER NK96581.**

Contains fixed 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: 2571389

Charge code: 0257 1389 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th December 2020 and created by GEOACOUSTICS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th January 2021 .

Given at Companies House, Cardiff on 6th January 2021

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



Companies House



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

Dated 18 December 2020

KONGSBERG GEOACOUSTICS LTD

and

KONGSBERG GRUPPEN ASA

LEGAL MORTGAGE

THIS LEGAL MORTGAGE is dated

18 December

2020

between

- (1) **KONGSBERG GEOACOUSTICS LTD** (Registered number 02571389) whose registered office is at Shuttleworth Close, Gapton Hall Industrial Estate, Great Yarmouth NR31 0NQ, England (the "**Mortgagor**"); and
- (2) **KONGSBERG GRUPPEN ASA**, a company registered under the laws of Norway with business registration number 943 753 709, having its registered office at Kirkegårdsveien 45, NO-3616 Kongsberg, Norway (the "**Mortgagee**").

BACKGROUND

- (A) By a term loan agreement (the "**Facility Agreement**"), dated on or about the date of this Legal Mortgage and made between the Mortgagor, and the Lender, the Lender has agreed to advance the sum of £2,150,000 to the Mortgagor on the terms and conditions contained in the Facility Agreement.
- (B) It is a condition of the Facility Agreement that the Mortgagor enters into this Legal Mortgage.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this legal mortgage:

"**Charged Property**" means all the assets and property charged by clause 3.

"**Costs**" means all costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Mortgagee or any Receiver may charge or incur in relation to this legal mortgage, the Charged Property or breach of any provision of this legal mortgage by the Mortgagor. "**Indebtedness**" any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations.

"**Insurance Policies**" means the insurance policies referred to in clause 3 (b).

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

"**Property**" means the freehold property known as Geo Acoustics Ltd, Shuttleworth Close, Great Yarmouth NR31 0NQ registered at the Land Registry with title absolute under title number NK96581.

"**Receiver**" means a receiver and/or manager appointed under clause 8.

"**Rental Income**" means the aggregate of all amounts paid or payable to or for the account of the Mortgagor in connection with the letting of any part of the Property, including each of the following amounts:

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of the Mortgagor;

- (d) any other moneys paid or payable in respect of occupation and/or usage of the Charged Property and any fixture and fitting on the Charged Property including any fixture or fitting on the Charged Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the surrender or variation of any lease;
- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any lease;
- (h) any sum paid or payable by any guarantor of any occupational tenant under any lease; and
- (i) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Mortgagor.

"Secured Liabilities" means all present and future monies, obligations and liabilities owed by the Mortgagor to the Mortgagee, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities and together with all Costs. **"Security Interest"** means any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Period" means the period starting on the date of this legal mortgage and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

1.2 **Defined expressions**

Defined terms in the Facility Agreement have the same meanings in this legal mortgage unless otherwise expressly defined in this legal mortgage.

1.3 **Construction**

- (a) In this legal mortgage unless the context requires otherwise:
 - (i) a reference to a statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this legal mortgage;
 - (ii) a reference to one gender includes a reference to the other gender;
 - (iii) words in the singular include the plural and vice versa;

- (iv) a reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule; and
 - (v) a reference to **this legal mortgage** (or any specified provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as in force for the time being and as amended from time to time.
- (b) A reference in this legal mortgage to a charge or mortgage of or over the Property includes:
- (i) all buildings which are situated on or form part of the Property;
 - (ii) the proceeds of sale of any part of the Property;
 - (iii) all easements, rights and agreements in respect of the Property; and
 - (iv) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor and any monies paid or payable in respect of those covenants.
- (c) A third party (being any person other than the Mortgagor, the Mortgagee and its permitted successors and assigns and any Receiver) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.
- (d) The perpetuity period applicable to all trusts declared by this legal mortgage shall be 125 years.
- (e) The schedules form part of this legal mortgage and shall have effect as if set out in full in the body of this legal mortgage.

2. COVENANT TO PAY

The Mortgagor covenants in favour of the Mortgagee that it shall pay and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 Land

As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor with full title guarantee charges to the Mortgagee:

- (a) by way of legal mortgage, the Property;
- (b) to the extent that the Rental Income is not effectively assigned under Clause 3.2 (*Rental Income*), by way of first fixed charge, all Rental Income; and
- (c) by way of fixed charge all its rights in any policies of insurance relating to the Property.

3.2 Rental Income

The Mortgagor assigns to the Mortgagee absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of all Rental Income.

4. PERFECTION OF SECURITY

The Mortgagor consents to an application being made by the Mortgagee to the Land Registrar for the following restriction in Form P to be registered against its title to the 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 2020 in favour of Kongsberg Gruppen ASA referred to in the charges register or their conveyancer."

5. COVENANTS

The Mortgagor covenants with the Mortgagee on the terms set out in Schedule 1.

6. POWERS OF THE MORTGAGEE

The Mortgagee shall have the powers set out in Schedule 2.

7. WHEN SECURITY BECOMES ENFORCEABLE

7.1 Event of Default

The Security Interests created by this legal mortgage will become immediately enforceable if an Event of Default occurs which is continuing.

7.2 Discretion

After the Security Interests created by this legal mortgage have become enforceable, the Mortgagee may in its absolute discretion enforce all or any part of such Security Interests in any manner it sees fit.

7.3 Power of sale

The power of sale and other powers conferred by Section 101 of the LPA, as amended by this legal mortgage, will be immediately exercisable at any time after the Security Interests created by this legal mortgage have become enforceable.

8. ENFORCEMENT

8.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this legal mortgage.
- (b) Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) do not apply to this legal mortgage.
- (c) The statutory powers of leasing conferred on the Mortgagee are extended so as to authorise the Mortgagee to lease, make agreements for leases, accept surrenders of leases and grant options as the Mortgagee may think fit and without the need to comply with any provision of Section 99 or 100 of the LPA.

8.2 No liability as mortgagee in possession

Neither the Mortgagee nor any Receiver will be liable, by reason of entering into possession of the Charged Property, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 Privileges

Each Receiver and the Mortgagee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA, except that Section 103 of the LPA does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Mortgagee or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Mortgagee or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due in respect of the Secured Liabilities;
- (d) how any money paid to the Mortgagee or to that Receiver is to be applied; or
- (e) about any propriety or regularity on the part of the Mortgagee or of a Receiver in relation to any of the dealings referred to in this Clause.

8.5 Redemption of prior mortgages

- (a) At any time after the Security Interests created by this legal mortgage have become enforceable, the Mortgagee may:
 - (i) redeem any prior Security Interest against any Charged Property; and/or
 - (ii) procure the transfer of that Security Interest to themselves; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Mortgagor.
- (b) The Mortgagor must pay to the Mortgagee, immediately on demand, the costs and expenses incurred by the Mortgagee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9. RECEIVERS

9.1 Appointment

- (a) At any time after the security constituted by this legal mortgage has become enforceable the Mortgagee may appoint any one or more person or persons to be a receiver or a receiver and manager of the Charged Property and may remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.
- (b) The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Mortgagee and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

9.2 Remuneration

The Mortgagee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA and such remuneration shall be a debt secured by this legal mortgage due and payable immediately upon its being paid by the Mortgagee.

9.3 Additional powers

Any Receiver appointed by the Mortgagee under this legal mortgage shall in addition to the all statutory powers conferred on him have the powers set out in Schedule 3.

9.4 As agent

Any Receiver shall be the agent of the Mortgagor. The Mortgagor shall be solely responsible for his acts and defaults and for the payment of his remuneration. The Mortgagee shall not incur any liability (either to the Mortgagor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. POWER OF ATTORNEY

10.1 Power of attorney

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

- (a) the Mortgagor is required to execute and do under this legal mortgage; and
- (b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Mortgagee or any Receiver,

provided that the power of attorney constituted by this clause 10.1 shall be exercisable only on the occurrence of an Event of Default which is continuing.

10.2 Ratification

The Mortgagor ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 9.1.

11. ORDER OF APPLICATION OF PROCEEDS

All monies received by the Mortgagee or a Receiver (other than insurance monies) pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall be applied:

- (a) first in paying all costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings paid by him;
- (b) second in paying the remuneration of any Receiver;
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as the Mortgagee determines; and
- (d) finally in paying any surplus to the Mortgagor or any other person entitled to it.

12. COSTS AND INDEMNITY

12.1 Costs

The Mortgagor shall pay to, or reimburse, the Mortgagee and any Receiver on demand, on a full indemnity basis, all reasonable Costs incurred by the Mortgagee and any Receiver in relation to this legal mortgage (including, without limitation, the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities), together with interest from day to day until full discharge (whether before or after judgment, bankruptcy or an individual voluntary arrangement or liquidation, winding-up or administration of the Mortgagor) at the rate specified in the Facility Agreement. In the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

12.2 Indemnity

The Mortgagee and any Receiver and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- (a) the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage;
- (b) any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- (c) any default or delay by the Mortgagor in performing any of its obligations under this legal mortgage.

13. FURTHER PROVISIONS

13.1 Amendments

Any provision of this Legal Mortgage may be amended only if the Mortgagee and Mortgagor so agree in writing. Any waiver or consent granted by the Mortgagee shall only be effective if it is in writing, signed by the Mortgagee and for the purpose for which it is given.

13.2 Severance

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.

13.3 Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

13.4 Assignment

The Mortgagor may not assign any of its rights under this Legal Mortgage.

13.5 Notices

Any notice or other communication given under this legal mortgage shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post to the last known address of the relevant party. Such notice or communication will only be effective when it has been left at the relevant address or three business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.

13.6 Miscellaneous

- (a) No act or course of conduct or negotiation by or on behalf of the Mortgagee shall preclude the Mortgagee from exercising any right or power under this legal mortgage.
- (b) No delay or failure to exercise any right or power under this legal mortgage shall operate as a waiver.
- (c) No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right.

14. GOVERNING LAW AND JURISDICTION

14.1 Governing law

This legal mortgage and any dispute arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the law of England and Wales.

14.2 Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any claim or matter arising out of or in connection with this legal mortgage.

This legal mortgage has been executed as a deed by the Mortgagor and the Mortgagee and is delivered and takes effect on the first date stated on page 1.

Schedule 1
COVENANTS

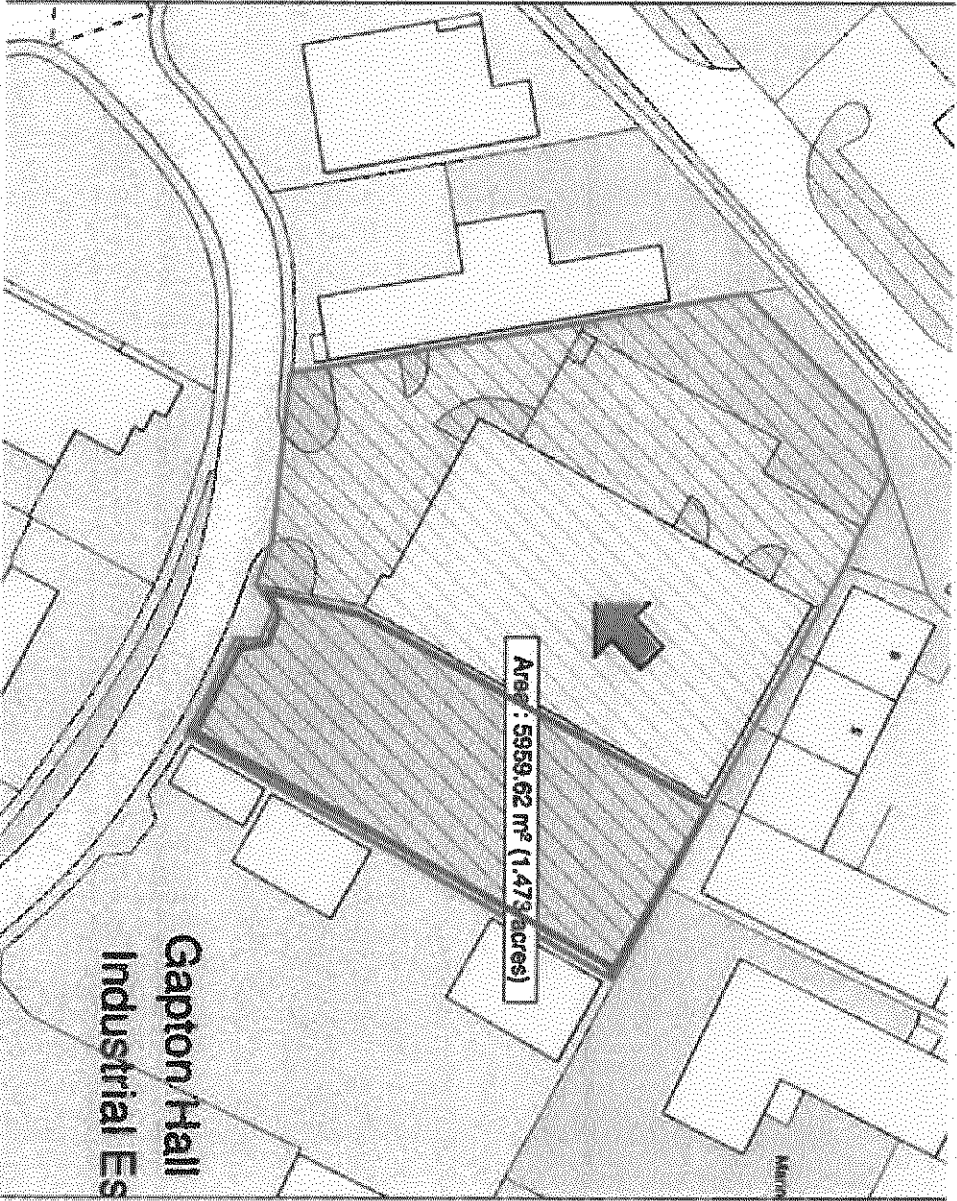
1. The Mortgagor shall comply with all laws and regulations for the time being in force relating to or affecting any Charged Property.
2. The Mortgagor shall prepare and execute such further legal or other mortgages, charges or transfers in favour of the Mortgagee as the Mortgagee requires from time to time over the Charged Property and give all notices, orders and directions which the Mortgagee may require for perfecting, protecting or facilitating the realisation of its security over the Charged Property.
3. The Mortgagor shall keep the Property in good and substantial repair and condition.
4. The Mortgagor shall insure and keep insured the Property against the usual insured risks for not less than the reinstatement value of the Property.
5. The Mortgagor shall, if requested by the Mortgagee, produce a copy of the policy, certificate or cover note relating to any such insurance required by paragraph 4 of this Schedule 1 and evidence of the last premium payment and shall promptly pay all premiums in respect of such insurance and do all other things necessary to keep such policy in full force and effect.
6. All sums payable under any of the insurance policies required by paragraph 4 of this Schedule 1 shall be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received.
7. The Mortgagor shall not, without the prior written consent of the Mortgagee:
 - a. create or permit to subsist any other legal mortgage or security over the Charged Property other than this legal mortgage;
 - b. sell, transfer, lease lend or otherwise dispose of the whole or any part of the Charged Property save for the transfer of the land as identified in Schedule 4 of this Agreement.

Schedule 2
POWERS OF THE MORTGAGEE

1. The Mortgagee shall be entitled to remedy a breach by the Mortgagor of any of its obligations contained in this legal mortgage and the Mortgagor irrevocably authorises the Mortgagee and its agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Mortgagee in remedying a breach by the Mortgagor of any of its obligations contained in this legal mortgage shall be reimbursed by the Mortgagor.
2. The rights of the Mortgagee under paragraph 1 of this Schedule 2 are without prejudice to any other rights of the Mortgagee under this legal mortgage. The exercise of those rights shall not make the Mortgagee liable to account as a mortgagee in possession.
3. The Mortgagee may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person that is not party to this legal mortgage in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this legal mortgage or to the liability of the Mortgagor for the Secured Liabilities.

Schedule 3
POWERS OF A RECEIVER

1. A Receiver may undertake works of repair to the Property.
2. A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Mortgagee may prescribe or agree with him.
3. A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights.
4. A Receiver may sell, assign, lease and accept surrenders of leases of, all or any part of the Charged Property in respect of which he is appointed for such consideration and in such manner and generally on such terms and conditions as he thinks fit.
5. A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Property.
6. A Receiver may make any arrangement, settlement or compromise between the Mortgagor and any other person as he thinks fit.
7. A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Property as he thinks fit.
8. A Receiver may, if he thinks fit, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Mortgagor under this legal mortgage.
9. A Receiver may exercise all powers provided for in the LPA in the same way as if he had been duly appointed under that act and (whether or not he is an administrative receiver) exercise all the powers listed in Schedule 1 of the Insolvency Act 1986.
10. A Receiver may redeem any prior mortgage or charge and settle and pass the accounts to which the mortgage or charge relates. Any accounts so settled and passed shall be conclusive and binding on the Mortgagor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.
11. A Receiver may do all such acts and things as an absolute owner could do in the ownership and management of the Charged Property or any part of it including using the name of the Mortgagor for any of the above purposes.
12. A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 3, or which he lawfully may or can do as agent for the Mortgagor.



Schedule 4

PLANNED PARCEL DISPOSAL

[Attach plan of part of Property to be disposed of]

THE MORTGAGOR

Executed as a deed by

KONGSBERG GEOACOUSTICS LTD

acting by a director

in the presence of

Director *SVERRE TETLIE*

Witness Signature

SIGLE MUKLEBUST..... Name

.. Address

TECH ADVISOR..... Occupation

THE MORTGAGEE

Signed by

for and on behalf of

KONGSBERG GRUPPEN ASA

Authorised Signatory

Dated 18 December 2020

KONGSBERG GEOACOUSTICS LTD

and

KONGSBERG GRUPPEN ASA

LEGAL MORTGAGE

THIS LEGAL MORTGAGE is dated

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- (d) any other moneys paid or payable in respect of occupation and/or usage of the Charged Property and any fixture and fitting on the Charged Property including any fixture or fitting on the Charged Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the surrender or variation of any lease;
- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any lease;
- (h) any sum paid or payable by any guarantor of any occupational tenant under any lease; and
- (i) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Mortgagor.

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 - (ii) the proceeds of sale of any part of the Property;
 - (iii) all easements, rights and agreements in respect of the Property; and
 - (iv) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Mortgagor and any monies paid or payable in respect of those covenants.
- (c) A third party (being any person other than the Mortgagor, the Mortgagee and its permitted successors and assigns and any Receiver) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.
- (d) The perpetuity period applicable to all trusts declared by this legal mortgage shall be 125 years.
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As a continuing security for the payment and discharge of the Secured Liabilities, the Mortgagor with full title guarantee charges to the Mortgagee:

- (a) by way of legal mortgage, the Property;
- (b) to the extent that the Rental Income is not effectively assigned under Clause 3.2 (*Rental Income*), by way of first fixed charge, all Rental Income; and
- (c) by way of fixed charge all its rights in any policies of insurance relating to the Property.

3.2 Rental Income

The Mortgagor assigns to the Mortgagee absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of all Rental Income.

4. PERFECTION OF SECURITY

The Mortgagor consents to an application being made by the Mortgagee to the Land Registrar for the following restriction in Form P to be registered against its title to the 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 2020 in favour of Kongsberg Gruppen ASA referred to in the charges register or their conveyancer."

5. COVENANTS

The Mortgagor covenants with the Mortgagee on the terms set out in Schedule 1.

6. POWERS OF THE MORTGAGEE

The Mortgagee shall have the powers set out in Schedule 2.

7. WHEN SECURITY BECOMES ENFORCEABLE

7.1 Event of Default

The Security Interests created by this legal mortgage will become immediately enforceable if an Event of Default occurs which is continuing.

7.2 Discretion

After the Security Interests created by this legal mortgage have become enforceable, the Mortgagee may in its absolute discretion enforce all or any part of such Security Interests in any manner it sees fit.

7.3 Power of sale

The power of sale and other powers conferred by Section 101 of the LPA, as amended by this legal mortgage, will be immediately exercisable at any time after the Security Interests created by this legal mortgage have become enforceable.

8. ENFORCEMENT

8.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this legal mortgage.
- (b) Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) do not apply to this legal mortgage.
- (c) The statutory powers of leasing conferred on the Mortgagee are extended so as to authorise the Mortgagee to lease, make agreements for leases, accept surrenders of leases and grant options as the Mortgagee may think fit and without the need to comply with any provision of Section 99 or 100 of the LPA.

8.2 No liability as mortgagee in possession

Neither the Mortgagee nor any Receiver will be liable, by reason of entering into possession of the Charged Property, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 Privileges

Each Receiver and the Mortgagee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA, except that Section 103 of the LPA does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Mortgagee or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Mortgagee or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due in respect of the Secured Liabilities;
- (d) how any money paid to the Mortgagee or to that Receiver is to be applied; or
- (e) about any propriety or regularity on the part of the Mortgagee or of a Receiver in relation to any of the dealings referred to in this Clause.

8.5 Redemption of prior mortgages

- (a) At any time after the Security Interests created by this legal mortgage have become enforceable, the Mortgagee may:
 - (i) redeem any prior Security Interest against any Charged Property; and/or
 - (ii) procure the transfer of that Security Interest to themselves; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Mortgagor.
- (b) The Mortgagor must pay to the Mortgagee, immediately on demand, the costs and expenses incurred by the Mortgagee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9. RECEIVERS

9.1 Appointment

- (a) At any time after the security constituted by this legal mortgage has become enforceable the Mortgagee may appoint any one or more person or persons to be a receiver or a receiver and manager of the Charged Property and may remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.
- (b) The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Mortgagee and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

9.2 Remuneration

The Mortgagee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA and such remuneration shall be a debt secured by this legal mortgage due and payable immediately upon its being paid by the Mortgagee.

9.3 Additional powers

Any Receiver appointed by the Mortgagee under this legal mortgage shall in addition to the all statutory powers conferred on him have the powers set out in Schedule 3.

9.4 As agent

Any Receiver shall be the agent of the Mortgagor. The Mortgagor shall be solely responsible for his acts and defaults and for the payment of his remuneration. The Mortgagee shall not incur any liability (either to the Mortgagor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. POWER OF ATTORNEY

10.1 Power of attorney

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

- (a) the Mortgagor is required to execute and do under this legal mortgage; and
- (b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this legal mortgage or by law on the Mortgagee or any Receiver,

provided that the power of attorney constituted by this clause 10.1 shall be exercisable only on the occurrence of an Event of Default which is continuing.

10.2 Ratification

The Mortgagor ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in clause 9.1.

11. ORDER OF APPLICATION OF PROCEEDS

All monies received by the Mortgagee or a Receiver (other than insurance monies) pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall be applied:

- (a) first in paying all costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings paid by him;
- (b) second in paying the remuneration of any Receiver;
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as the Mortgagee determines; and
- (d) finally in paying any surplus to the Mortgagor or any other person entitled to it.

12. COSTS AND INDEMNITY

12.1 Costs

The Mortgagor shall pay to, or reimburse, the Mortgagee and any Receiver on demand, on a full indemnity basis, all reasonable Costs incurred by the Mortgagee and any Receiver in relation to this legal mortgage (including, without limitation, the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities), together with interest from day to day until full discharge (whether before or after judgment, bankruptcy or an individual voluntary arrangement or liquidation, winding-up or administration of the Mortgagor) at the rate specified in the Facility Agreement. In the case of any Costs, such interest shall accrue and be payable as from the date on which the relevant Costs arose, without the need for any demand for payment being made.

12.2 Indemnity

The Mortgagee and any Receiver and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- (a) the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage;
- (b) any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- (c) any default or delay by the Mortgagor in performing any of its obligations under this legal mortgage.

13. FURTHER PROVISIONS

13.1 Amendments

Any provision of this Legal Mortgage may be amended only if the Mortgagee and Mortgagor so agree in writing. Any waiver or consent granted by the Mortgagee shall only be effective if it is in writing, signed by the Mortgagee and for the purpose for which it is given.

13.2 Severance

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.

13.3 Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

13.4 Assignment

The Mortgagor may not assign any of its rights under this Legal Mortgage.

13.5 Notices

Any notice or other communication given under this legal mortgage shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post to the last known address of the relevant party. Such notice or communication will only be effective when it has been left at the relevant address or three business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.

13.6 Miscellaneous

- (a) No act or course of conduct or negotiation by or on behalf of the Mortgagee shall preclude the Mortgagee from exercising any right or power under this legal mortgage.
- (b) No delay or failure to exercise any right or power under this legal mortgage shall operate as a waiver.
- (c) No single or partial exercise of any right under this legal mortgage shall prevent any other or further exercise of that or any other right.

14. GOVERNING LAW AND JURISDICTION

14.1 Governing law

This legal mortgage and any dispute arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the law of England and Wales.

14.2 Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any claim or matter arising out of or in connection with this legal mortgage.

This legal mortgage has been executed as a deed by the Mortgagor and the Mortgagee and is delivered and takes effect on the first date stated on page 1.

Schedule 1
COVENANTS

1. The Mortgagor shall comply with all laws and regulations for the time being in force relating to or affecting any Charged Property.
2. The Mortgagor shall prepare and execute such further legal or other mortgages, charges or transfers in favour of the Mortgagee as the Mortgagee requires from time to time over the Charged Property and give all notices, orders and directions which the Mortgagee may require for perfecting, protecting or facilitating the realisation of its security over the Charged Property.
3. The Mortgagor shall keep the Property in good and substantial repair and condition.
4. The Mortgagor shall insure and keep insured the Property against the usual insured risks for not less than the reinstatement value of the Property.
5. The Mortgagor shall, if requested by the Mortgagee, produce a copy of the policy, certificate or cover note relating to any such insurance required by paragraph 4 of this Schedule 1 and evidence of the last premium payment and shall promptly pay all premiums in respect of such insurance and do all other things necessary to keep such policy in full force and effect.
6. All sums payable under any of the insurance policies required by paragraph 4 of this Schedule 1 shall be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received.
7. The Mortgagor shall not, without the prior written consent of the Mortgagee:
 - a. create or permit to subsist any other legal mortgage or security over the Charged Property other than this legal mortgage;
 - b. sell, transfer, lease lend or otherwise dispose of the whole or any part of the Charged Property save for the transfer of the land as identified in Schedule 4 of this Agreement.

Schedule 2
POWERS OF THE MORTGAGEE

1. The Mortgagee shall be entitled to remedy a breach by the Mortgagor of any of its obligations contained in this legal mortgage and the Mortgagor irrevocably authorises the Mortgagee and its agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Mortgagee in remedying a breach by the Mortgagor of any of its obligations contained in this legal mortgage shall be reimbursed by the Mortgagor.
2. The rights of the Mortgagee under paragraph 1 of this Schedule 2 are without prejudice to any other rights of the Mortgagee under this legal mortgage. The exercise of those rights shall not make the Mortgagee liable to account as a mortgagee in possession.
3. The Mortgagee may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person that is not party to this legal mortgage in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this legal mortgage or to the liability of the Mortgagor for the Secured Liabilities.

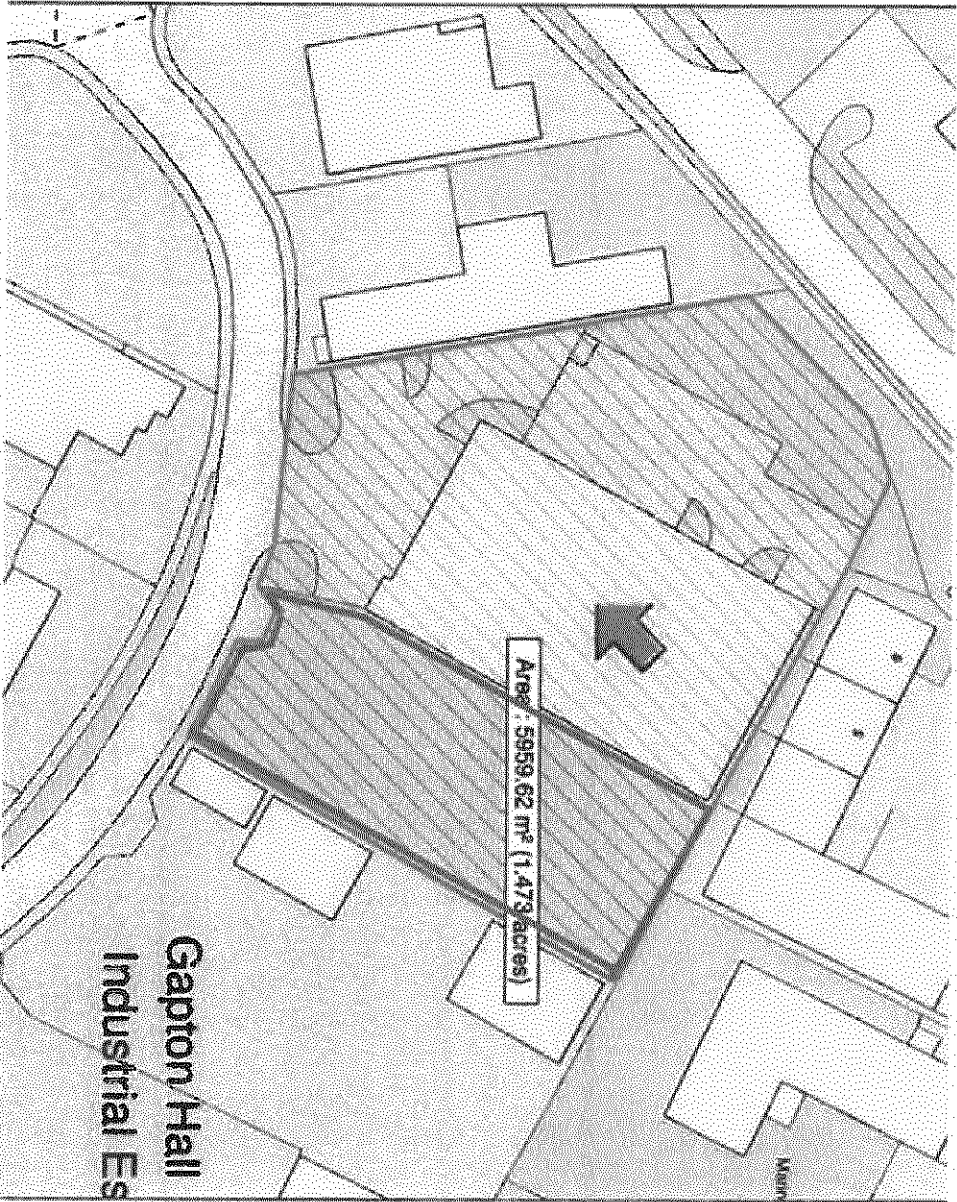
Schedule 3
POWERS OF A RECEIVER

1. A Receiver may undertake works of repair to the Property.
2. A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Mortgagee may prescribe or agree with him.
3. A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights.
4. A Receiver may sell, assign, lease and accept surrenders of leases of, all or any part of the Charged Property in respect of which he is appointed for such consideration and in such manner and generally on such terms and conditions as he thinks fit.
5. A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Property.
6. A Receiver may make any arrangement, settlement or compromise between the Mortgagor and any other person as he thinks fit.
7. A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Property as he thinks fit.
8. A Receiver may, if he thinks fit, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Mortgagor under this legal mortgage.
9. A Receiver may exercise all powers provided for in the LPA in the same way as if he had been duly appointed under that act and (whether or not he is an administrative receiver) exercise all the powers listed in Schedule 1 of the Insolvency Act 1986.
10. A Receiver may redeem any prior mortgage or charge and settle and pass the accounts to which the mortgage or charge relates. Any accounts so settled and passed shall be conclusive and binding on the Mortgagor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.
11. A Receiver may do all such acts and things as an absolute owner could do in the ownership and management of the Charged Property or any part of it including using the name of the Mortgagor for any of the above purposes.
12. A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 3, or which he lawfully may or can do as agent for the Mortgagor.

Schedule 4

PLANNED PARCEL DISPOSAL

[Attach plan of part of Property to be disposed of]



THE MORTGAGOR

Executed as a deed by

KONGSBERG GEOACOUSTICS LTD

acting by a director

in the presence of:

[Redacted]

Director *SVERRE TETLIE*

[Redacted]

Witness Signature

S. Myklebust..... Name

[Redacted] .. Address

Toril Davison..... Occupation

THE MORTGAGEE

Signed by

for and on behalf of

KONGSBERG GRUPPEN ASA

.....
Authorised Signatory