

MR01

Particulars of a charge

005543/13

Oyez

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


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

✓ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

✗ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument Use form MR08

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

This form **must be delivered to the Registrar for registration within  
21 days** beginning with the day after the date of creation of the charge. If  
delivered outside of the 21 days it will be rejected unless it is accompanied by a  
court order extending the time for delivery

 You **must** enclose a certified copy of the instrument with this form. This will be  
scanned and placed on the public record



\*A2YTXDTF\*

A04

04/01/2014

#47

COMPANIES HOUSE

**1 Company details**

Company number 0 2 7 3 9 2 0 2

Company name in full ROTADYNE (UK) LIMITED

**(3)** For official use  
Filing in this form  
Please complete in typescript or in  
bold black capitals  
All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date 3 1 1 2 2 0 1 3

**3 Names of persons, security agents or trustees entitled to the charge**

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name FIFTH THIRD BANK

Name

Name

Name

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

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

# MR01

## Particulars of a charge

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### Description

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

#### Continuation page

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

Description

FIXED CHARGES

RotaDyne (UK) Limited (the "Company") charges with full title guarantee in favour of First Third Bank (the "Bank") for the payment and discharge of the Obligations, all the Company's right, title and interest from time to time (both present and future) in and to each of the following assets (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party).

(A) by way of first legal mortgage, the Real Property;

(B) by way of first fixed charge:

(1) if not effectively mortgaged under sub-Clause (A) above, the Real Property;

(2) the Tangible Moveable Property;

(3) the Accounts;

(4) the Intellectual Property;

(5) any goodwill and rights in relation to the uncalled capital of the Company;

(6) the Investments; and

(7) all Monetary Claims and all Related Rights

5

### Fixed charge or fixed security

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

☒ Yes

☐ No

6

### Floating charge

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

☒ Yes Continue

☐ No Go to Section 7

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

☒ Yes

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### Negative Pledge

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

☒ Yes

☐ No

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Particulars of a charge

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**Trustee statement** ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

**Signature**

Please sign the form here

Signature

Signature

X *Jones Dey* X

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

**MR01****Particulars of a charge****Presenter information**

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

Contact name  
JP014402

Company name  
Jones Day

Address  
21 Tudor Street

London

Post town

Country/Region

Postcode  
E C 4 Y O D J

Country

DX DX 67 - London/Chancery

Telephone  
020 7039 5959

**Certificate**

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

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**How to pay**

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

Make cheques or postal orders payable to 'Companies House'.

**Where to send**

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

**For companies registered in England and Wales:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

**For companies registered in Scotland:**

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

**For companies registered in Northern Ireland**

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

**Further information**

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

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

# MR01 - continuation page

## Particulars of a charge



4	Description
Description	<p>Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security</p> <p>other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture.</p> <p>FLOATING CHARGE</p> <p>(A) The Company with full title guarantee charges in favour of the Bank for the payment and discharge of the Obligations by way of first floating charge all present and future assets and undertaking of the Company</p> <p>(B) The floating charge created by paragraph (A) above shall be deferred in point of priority to all fixed security validly and effectively created by the Company under the Loan Documents in favour of the Bank as security for the Obligations.</p> <p>(C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to these provisions.</p> <p>DEFINITIONS</p> <p>"Account" means any account opened or maintained by the Company with the Bank or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights.</p> <p>"Insurance Policy" means any policy of insurance in which the Company may from time to time have an interest</p> <p>"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights</p> <p>"Investments" means:</p> <p>(a) any stocks, shares, debentures, securities and certificates of deposit;</p> <p>(b) all interests in collective investment schemes,</p> <p>(c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),</p> <p>in each case whether held directly by or to the order of the Company or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system).</p>

# MR01 - continuation page

## Particulars of a charge



4	Description
Description	<p>Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security</p> <p>"Loan Agreement" means the loan and security agreement dated on or around the date hereof made between Rotation Dynamics Corporation, Advanced Graphics Technologies, Inc , Wood Graphics, Inc., Rotadyne Inc , the Company and Katahdin Partners, L.P as borrowers, and the Bank, each as defined in such agreement as amended, varied, novated or supplemented from time to time.</p> <p>"Monetary Claims" means any book and other debts and monetary claims owing to the Company and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment or any contract or agreement to which the Company is a party).</p> <p>"Obligations" has the meaning given in the Loan Agreement.</p> <p>"Real Property" means</p> <p>(a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 1 of the Debenture (none being so specified)); and</p> <p>(b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,</p> <p>and includes all Related Rights.</p> <p>"Related Rights" means, in relation to any asset</p> <p>(a) the proceeds of sale of any part of that asset;</p> <p>(b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;</p> <p>(c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and</p> <p>(d) any monies and proceeds paid or payable in respect of that asset.</p> <p>"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Company's stock in trade or work in progress) and all Related Rights.</p>



**FILE COPY**

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

Company number: 2739202

Charge code: 0273 9202 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st December 2013 and created by ROTADYNE (U.K.) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th January 2014

Given at Companies House, Cardiff on 9th January 2014

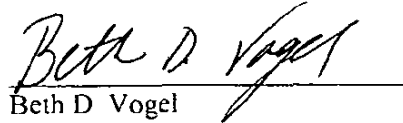


**Companies House**



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

CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL



Beth D. Vogel  
Jones Day  
77 West Wacker  
Chicago, Illinois 60601-1692


**DATED** 31 December 2013

- (1) ROTADYNE (UK) LIMITED  
as Company
- (2) FIFTH THIRD BANK  
as Bank

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**DEBENTURE**

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 One Firm Worldwide®

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DATED 31 December 2013

## PARTIES

- (1) **ROTADYNE (UK) LIMITED** registered in England and Wales with company number 02739202 (the "**Company**"), in favour of
- (2) **FIFTH THIRD BANK**, an Ohio banking corporation whose address is 640 Pasquelli Drive, 3<sup>rd</sup> Floor, Westmont, Illinois 60559 (the "**Bank**")

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Debenture

"**Account**" means any account opened or maintained by the Company with the Bank or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights

"**Charged Property**" means all the assets and undertaking of the Company which from time to time are the subject of the security created or expressed to be created in favour of the Bank by or pursuant to this Debenture

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

"**Insurance Policy**" means any policy of insurance in which the Company may from time to time have an interest

"**Intellectual Property**" means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights

"**Investments**" means

- (a) any stocks, shares, debentures, securities and certificates of deposit,
- (b) all interests in collective investment schemes, and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of the Company or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system)

"**Loan Agreement**" means the loan and security agreement dated on or around the date hereof made between Rotation Dynamics Corporation, Advanced Graphics Technologies, Inc., Wood Graphics, Inc., Rotadyne Inc., the Company and Katahdin Partners, L.P. as borrowers, and the Bank, each as defined in such agreement as amended, varied, novated or supplemented from time to time

**"Monetary Claims"** means any book and other debts and monetary claims owing to the Company and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment or any contract or agreement to which the Company is a party)

**"Notice of Assignment"** means a notice of assignment in such form as may be approved by the Bank

**"Obligations"** has the meaning given in the Loan Agreement

**"Party"** means a party to this Debenture

**"Real Property"** means

- (a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 1), and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,

and includes all Related Rights

**"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

**"Tangible Moveable Property"** means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Company's stock in trade or work in progress) and all Related Rights

## 1.2 Construction

In this Debenture

- (A) terms defined in the Loan Agreement shall, unless defined in this Debenture, have the same meaning in this Debenture,
- (B) the interpretive provisions contained in Section 1.4 of the Loan Agreement shall apply to the construction of this Debenture,
- (C) any reference to the **"Bank"** or the **"Company"** shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests, and

- (D) references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture

**1.3 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

**1.4 Disposition of Property**

The terms of the other Loan Documents and of any side letters between the Parties in relation to the Loan Documents are incorporated into each Loan Document to the extent required for any purported disposition of the Real Property contained in any Loan Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

**2 PAYMENT OF OBLIGATIONS**

**2.1 Covenant to Pay**

The Company covenants with the Bank that it shall on demand of the Bank discharge the Obligations when they fall due for payment

**3. FIXED CHARGES AND FLOATING CHARGE**

**3.1 Fixed Charges**

The Company charges with full title guarantee in favour of the Bank for the payment and discharge of the Obligations, all the Company's right, title and interest from time to time (both present and future) in and to each of the following assets (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party)

- (A) by way of first legal mortgage, the Real Property,

- (B) by way of first fixed charge

- (1) if not effectively mortgaged under sub-Clause (A) above, the Real Property,
- (2) the Tangible Moveable Property,
- (3) the Accounts
- (4) the Intellectual Property,
- (5) any goodwill and rights in relation to the uncalled capital of the Company,
- (6) the Investments, and
- (7) all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture

### 3 2 Floating Charge

- (A) The Company with full title guarantee charges in favour of the Bank for the payment and discharge of the Obligations by way of first floating charge all present and future assets and undertaking of the Company
- (B) The floating charge created by paragraph (A) above shall be deferred in point of priority to all fixed security validly and effectively created by the Company under the Loan Documents in favour of the Bank as security for the Obligations
- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3 3 (*Floating Charge*)

## 4 CRYSTALLISATION OF FLOATING CHARGE

### 4 1 Crystallisation By Notice

The Bank may at any time by notice in writing to the Company convert the floating charge created by Clause 3 2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if

- (A) an Event of Default has occurred and is continuing,
- (B) the Security Agent reasonably considers that any of the Charged Property is in jeopardy or will be seized or sold pursuant to any form of legal process, or
- (C) the Security Agent reasonably considers that it is necessary in order to protect the priority of the security

### 4 2 Crystallisation Automatic

Notwithstanding Clause 4 1 (*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 as regards all the assets subject to the floating charge if

- (A) the Company creates or attempts to create any security (other than Permitted Liens), over any of the Charged Property, or
- (B) any person levies or attempts to levy any distress or execution against any of the Charged Property, or
- (C) an order is made for the winding-up, dissolution or administration of the Company or an administrator is appointed to the Company, or
- (D) any person (who is entitled to do so) files a notice with the court to appoint an administrator to the Company

## 5. PERFECTION OF SECURITY

### 5 1 Notices of Charge

- (A) The Company shall if requested by the Bank from time to time after the occurrence of an Event of Default which is continuing promptly deliver to the Bank (or procure delivery of) notices of charge (in form and substance satisfactory to the Bank) duly

executed by, or on behalf of the Company and acknowledged by each of the banks or financial institutions with which any of the Accounts are opened or maintained

- (B) The execution of this Debenture by the Company and the Bank shall constitute notice to the Bank of the charge created over any Account opened or maintained with the Bank

## **5.2 Real Property - Delivery of Documents of Title**

The Company shall upon the execution of this Debenture, and upon the acquisition by the Company of any interest in any freehold, leasehold or other immovable property, deliver (or procure delivery) to the Bank of, and the Bank shall be entitled to hold and retain, all deeds, certificates and other documents constituting or evidencing title relating to such property

## **5.3 Note of Mortgage**

In the case of any Real Property, title to which is or will be registered under the Land Registration Act 2002 acquired by or on behalf of the Company after the execution of this Debenture, the Company shall promptly notify the Bank of the title number(s) and, contemporaneously with the making of an application to the Land Registry for the registration of the Company as the Registered Proprietor of such property, apply to the Land Registry to enter an Agreed Notice on the Charges Register of such property

## **5.4 Further Advances**

- (A) Subject to the terms of the Loan Agreement the Bank is under an obligation to make such Loans to the Company as set forth in the Loan Agreement and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture
- (B) The Company consents to an application being made to the Land Registry to enter the obligation to make the Loans set forth in the Loan Agreement on the Charges Register of any registered land forming part of the Charged Property

## **5.5 Application to the Land Registry**

The Company consents to an application being made to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property in the following terms

"No disposition [*or specify types of 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"

## **6 FURTHER ASSURANCE**

### **6.1 Further Assurance General**

- (A) The Company shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Bank may reasonably specify (and in such form as the Bank may reasonably require in favour of the Bank or its nominee(s))

- (1) to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Company of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights,
- (2) to confer on the Bank security over any property and assets of the Company located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture, and/or
- (3) to facilitate the realisation of the Charged Property

## 6.2 Necessary Action

The Company shall take all reasonable action as is available to it (including making all filings and registrations) as may be reasonably necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Bank by or pursuant to this Debenture

## 6.3 Consents

The Company shall use its reasonable endeavours to obtain (in form and content satisfactory to the Bank) any consents necessary to enable the assets of the Company to be the subject of an effective fixed charge pursuant to Clause 3 (*Fixed Charges and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security and the Company shall promptly deliver a copy of each consent to the Bank

## 7. NEGATIVE PLEDGE AND DISPOSALS

### 7.1 Negative Pledge

The Company undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any security over all or any part of the Charged Property other than security permitted pursuant to the Loan Agreement

### 7.2 No Disposal of Interests

The Company undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as permitted pursuant to the Loan Agreement or by this Clause 7

- (A) dispose of (or execute any conveyance, transfer, lease or assignment of, or other right to use or occupy) all or any part of the Charged Property,
- (B) create any legal or equitable estate or other interest in, or over, all or any part of the Charged Property,
- (C) (1) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (2) allow any person any right to use or occupy the Charged Property, which would, in each case, adversely affect the value of any of the Charged Property or the ability of the Bank to exercise any of the Collateral Rights, or
- (D) assign or otherwise dispose of any interest in any Account

## **8 INVESTMENTS**

### **8.1 Investments: Payment of Calls**

The Company shall pay when due all calls or other payments which may be or become due in respect of any of the Investments, and in any case of default by the Company in such payment, the Bank may, if it thinks fit, make such payment on behalf of the Company in which case any sums paid by the Bank shall be reimbursed by the Company to the Bank on demand

### **8.2 Investments Delivery of Documents of Title**

After the occurrence of an Event of Default which is continuing the Company shall promptly, on the request of the Bank, deliver (or procure delivery) to the Bank, and the Bank shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which the Company (or its nominee(s)) is or becomes entitled together with any other document which the Bank may reasonably request (in such form and executed as the Bank may reasonably require) with a view to perfecting its security over the Investments or to registering any Investment in its name or the name of any nominee(s)

### **8.3 Investments Exercise of Rights**

The Company shall not exercise any of its rights and powers in relation to any of the Investments in any manner which in the reasonable opinion of the Bank, would prejudice the value of, or the ability of the Bank to realise, the security created by this Debenture

## **9 ACCOUNTS**

### **9.1 Accounts Notification and Variation**

The Company, during the subsistence of this Debenture

- (A) shall promptly deliver to the Bank on the date of this Debenture (and if any change occurs thereafter, on the date of such change), details of each Account maintained by it with any bank or financial institution (other than with the Bank), and
- (B) shall not, without the Bank's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account

### **9.2 Accounts Operation Before Event of Default**

The Company shall prior to the occurrence of an Event of Default which is continuing be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account subject to the terms of the Loan Agreement

### **9.3 Accounts Operation After Event of Default**

After the occurrence of an Event of Default which is continuing the Company shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Bank

### **9.4 Accounts Application of Monies**

The Bank shall, upon or at any time after the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit

balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Obligations in accordance with Clause 18 (*Application of Monies*)

## **10 MONETARY CLAIMS**

### **10.1 Release of Monetary Claims: Before Event of Default**

Prior to the occurrence of an Event of Default which is continuing, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Loan Agreement), upon such proceeds being credited to an Account, be released from the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) and the Company shall be entitled to withdraw such proceeds from such Account provided that such proceeds shall continue to be applied in accordance with the terms of the Loan Agreement

### **10.2 Release of Monetary Claims After Event of Default**

After the occurrence of an Event of Default which is continuing the Company shall not, except with the prior written consent of the Bank, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account

## **11. INSURANCES**

### **11.1 Insurance: Undertakings**

The Company shall at all times during the subsistence of this Debenture

- (A) keep the Charged Property insured in accordance with the terms of the Loan Agreement,
- (B) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Bank a copy of each policy and evidence (reasonably acceptable to the Bank) of the payment of such sums, and
- (C) if required by the Bank (but subject to the provisions of any lease of the Charged Property), deposit all Insurance Policies relating to the Charged Property with the Bank

### **11.2 Insurance Default**

If the Company defaults in complying with Clause 11.1 (*Insurance Undertakings*), the Bank may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies expended by the Bank in doing so shall be reimbursed by the Company to the Bank on demand

### **11.3 Application of Insurance Proceeds**

All monies received under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights to such monies), prior to the occurrence of an Event of Default, be applied in repairing, replacing, restoring or rebuilding the property or assets damaged or destroyed, after the occurrence of an Event of Default which is continuing, the Company shall hold such monies upon trust for the Bank pending payment to the Bank for application in accordance with Clause 18 (*Application of Monies*)

and the Company waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property

## **12. REAL PROPERTY**

### **12.1 Property Notification**

The Company shall immediately notify the Bank of any contract, conveyance, transfer or other disposition for the acquisition by the Company (or its nominee(s)) of any Real Property

### **12.2 Lease Covenants**

The Company shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject

- (A) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessee) on the lessee or, (if the lessor) on the lessor, in any case only as permitted by and in accordance with the terms of the Loan Agreement, and
- (B) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes subject to determination or any right of re-entry or forfeiture prior to the expiration of its term

### **12.3 General Property Undertakings**

The Company shall

- (A) repair and keep in good and substantial repair and condition all the Real Property at any time forming part of the Charged Property,
- (B) not at any time without the prior written consent of the Bank sever or remove any of the fixtures forming part of the Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except for the purpose of any necessary repairs or replacement of it), and
- (C) comply with and observe and perform (1) all applicable requirements of all planning and environmental legislation, regulations and by-laws relating to the Real Property, (2) any conditions attaching to any planning permissions relating to or affecting the Real Property and (3) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property

### **12.4 Entitlement to Remedy**

If the Company fails to comply with any of the undertakings contained in this Clause 12, the Bank shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the opinion of the Bank be required to remedy such failure and all monies spent by the Bank in doing so shall be reimbursed by the Company on demand

### **12.5 Leases**

The Company shall not grant any lease, tenancy contractual licence or right to occupy in respect of the whole or any part of the Real Property or otherwise part with possession of the whole or any part of the Real Property (except as permitted by the Loan Agreement)

### **13. GENERAL UNDERTAKINGS**

#### **Information and Access**

The Company shall from time to time on request of the Bank, furnish the Bank with such information as the Bank may reasonably require about the Charged Property and the Company shall permit the Bank, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice to

- (A) inspect and take copies and extracts from the books, accounts and records of the Company, and
- (B) to view the Charged Property (without becoming liable as mortgagee in possession)

### **14. ENFORCEMENT OF SECURITY**

#### **14.1 Enforcement**

Upon or at any time after the occurrence of an Event of Default (as long as it is continuing) or if the Company requests the Bank to exercise any of its powers under this Debenture or if a petition or application is presented for the making of an administration order in relation to the Company, the security created by or pursuant to this Debenture is immediately enforceable and the Bank may, without notice to the Company or prior authorisation from any court, in its absolute discretion

- (A) enforce all or any part of that security (at the times, in the manner and on the terms it thinks 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

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

Neither the Bank 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

#### **14.3 Right of Appropriation**

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226) (the "Regulations")) the Bank shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (1) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised, and (2) in the case of Investments, the market price of such Investments determined by the Bank by reference to a public index or by such other process as the Bank may select, including independent valuation. In each case, the

parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

**14.4 Effect of Moratorium**

The Bank shall not be entitled to exercise its rights under Clause 14.1 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986

**15 EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925**

**15.1 Extension of Powers**

The power of sale or other disposal conferred on the Bank 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 Obligations shall be deemed due and payable for that purpose) on execution of this Debenture

**15.2 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 Bank of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers may be exercised by the Bank without notice to the Company on or at any time after the occurrence of an Event of Default (which is continuing)

**15.3 Power of Leasing**

The statutory powers of leasing may be exercised by the Bank at any time on or after the occurrence of an Event of Default which is continuing and the Bank 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

**16. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

**16.1 Appointment and Removal**

After the occurrence of an Event of Default which is continuing or if a petition or application is presented for the making of an administration order in relation to the Company or if requested to do so by the Company, the Bank may by deed or otherwise (acting through an authorised officer of the Bank), without prior notice to the Company

- (A) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property,
- (B) appoint two or more Receivers of separate parts of the Charged Property,
- (C) remove (so far as it is lawfully able) any Receiver so appointed,
- (D) appoint another person(s) as an additional or replacement Receiver(s), or
- (E) appoint one or more persons to be an administrator of the Company

## **16.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 16.1 (*Appointment and Removal*) shall be

- (A) entitled to act individually or together with any other person appointed or substituted as Receiver,
- (B) for all purposes deemed to be the agent of the Company 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 Bank, and
- (C) entitled to remuneration for his services at a rate to be fixed by the Bank from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

## **16.3 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 Bank 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 Bank in respect of any part of the Charged Property

## **17 POWERS OF RECEIVER**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Company) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Company 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 Company or in his own name and, in each case, at the cost of the Company)

- (A) 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,
- (B) 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),
- (C) all the powers and rights of an absolute owner and power to do or omit to do anything which the Company itself could do or omit to do, and
- (D) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Company) which seem to the Receiver to be incidental or conducive to (1) any of the functions, powers, authorities or discretions conferred on or vested in him or (2) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (3) bringing to his hands any assets of the Company forming part of, or which when got in would be, Charged Property

## **18 APPLICATION OF MONIES**

All monies received or recovered by the Bank 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 the exercise of any of his powers, and thereafter shall be applied by the Bank (notwithstanding any purported appropriation by the Company) towards discharge of the Obligations

## **19. PROTECTION OF PURCHASERS**

### **19.1 Consideration**

The receipt of the Bank 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 Bank or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

### **19.2 Protection of Purchasers**

No purchaser or other person dealing with the Bank or any Receiver shall be bound to inquire whether the right of the Bank 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 Bank or such Receiver in such dealings

## **20. POWER OF ATTORNEY**

### **20.1 Appointment and Powers**

Following an Event of Default which is continuing, the Company by way of security irrevocably appoints the Bank 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 permitted by the Loan Agreement and/or which the attorney may consider to be required or desirable for

- (A) carrying out any obligation imposed on the Company by this Debenture which the Company has failed to do (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property), and
- (B) enabling the Bank 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 occurrence of an Event of Default which is continuing, the exercise of any right of a legal or beneficial owner of the Charged Property)

### **20.2 Ratification**

The Company shall ratify and confirm all things done and all documents executed by any attorney appointed under Clause 20.1 (*Appointment and Powers*) in the exercise or purported exercise of all or any of his powers

## **21. EFFECTIVENESS OF SECURITY**

### **21.1 Continuing security**

- (A) The security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Obligations unless and until discharged by the Bank

- (B) No part of the security from time to time intended to be constituted by the Debenture will be considered satisfied or discharged by any intermediate payment discharge or satisfaction of the whole or any part of the Obligations

**21.2 Cumulative Rights**

The security created by or pursuant to this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Bank may at any time hold for the Obligations. No prior security held by the Bank over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture.

**21.3 No Prejudice**

The security created by or pursuant to this Debenture 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 Company or any other person.

**21.4 Remedies and Waivers**

No failure on the part of the Bank to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

**21.5 No Liability**

None of the Bank, its nominee(s) or any Receiver shall be liable to any person by reason of (1) taking any action permitted by this Debenture or (2) 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.

**21.6 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 security intended to be created by or pursuant to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

**21.7 Waiver of defences**

The obligations of the Company under this Debenture 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 including

- (A) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (B) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
- (C) 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 Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument,

- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person, or
- (E) any insolvency or similar proceedings

**21.8 Immediate recourse**

The Company waives any right it may have of first requiring the Bank to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Company under this Debenture

**21.9 Deferral of Rights**

Until such time as the Obligations have been indefeasibly paid and discharged in full and the Bank's commitment to make any advances or provide other financial accommodation to the Company or any other person under the Loan Documents has been terminated, the Company will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture

- (A) to be indemnified by any Obligor,
- (B) to claim any contribution from any guarantor of any Obligor's obligations under this Debenture and/or
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Bank under the Loan Documents

**22. RELEASE OF SECURITY**

Upon the Obligations being indefeasibly paid and discharged in full and the Bank being under no further actual or contingent obligation to make advances or provide other financial accommodation to the Company or any other person under any of the Loan Documents, the Bank shall release and cancel the security constituted by this Debenture and procure the reassignment to the Company of the property and assets assigned to the Bank pursuant to this Debenture

**23. SET-OFF**

The Company authorises the Bank (but the Bank shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Obligations any amount or other obligation (contingent or otherwise) owing by the Bank to the Company and apply any credit balance to which the Company is entitled on any account with the Bank in accordance with Clause 18 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account)

**24. SUBSEQUENT SECURITY INTERESTS**

**24.1 Subsequent security Interests**

If the Bank 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 or the Loan Agreement,

all payments thereafter by or on behalf of the Company to the Bank shall be treated as having been credited to a new account of the Company and not as having been applied in reduction of the Obligations as at the time when the Bank received such notice

**25 ASSIGNMENT**

The Bank may assign and transfer all or any of its rights and obligations under this Debenture. The Bank shall be entitled to disclose such information concerning the Company and this Debenture as the Bank considers reasonably appropriate to any successor or to any person to whom information is required to be disclosed by any applicable law.

**26 NOTICES**

**26.1 Communications in Writing**

Each communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, shall be made by letter.

**26.2 Addresses**

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Debenture is

(A) in the case of the Company, that identified with its name below,

(B) in the case of the Bank, that identified with its name below,

or any substitute address, department or officer as the Party may notify to the Agent pursuant to Section 13.17 of the Loan Agreement by not less than five Business Days' notice.

**26.3 Delivery**

Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under Clause 27.2 (*Addresses*) of this Debenture or Section 13.17 of the Loan Agreement if addressed to that department or officer.

**26.4 English language**

(A) Any notice given under or in connection with this Debenture must be in English.

(B) All other documents provided under or in connection with this Debenture must be

(1) in English, or

(2) if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

**27 EXPENSES, STAMP TAXES AND INDEMNITY**

**27.1 Expenses**

The Company shall, from time to time on demand of the Bank, reimburse the Bank for all reasonable costs and expenses (including legal fees) together with any VAT thereon incurred by it in connection with

- (A) the negotiation, preparation and execution of this Debenture and the completion of the transactions and perfection of the security contemplated in this Debenture, and
- (B) the exercise, preservation and/or enforcement of any of the Collateral Rights or the security contemplated by this Debenture

**27.2 Stamp Taxes**

The Company shall pay all stamp, registration and other taxes to which this Debenture or the security contemplated in this Debenture is subject

**27.3 Indemnity**

The Company shall, notwithstanding any release or discharge of all or any part of the security, indemnify the Bank and any Receiver against any action, proceeding, claims, losses, liabilities and reasonable costs which it may sustain as a consequence of any breach by the Company of the provisions of this Debenture

**28 PERPETUITY PERIOD**

The perpetuity period under the rule against perpetuities, if applicable to this Debenture, shall be the period of one hundred and twenty (120) years from the date of the Loan Agreement

**29 GOVERNING LAW**

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

**30 JURISDICTION**

**30.1 English Courts**

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

**30.2 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

**30.3 Exclusive Jurisdiction**

This Clause 30 (*Jurisdiction*) is for the benefit of the Bank only. As a result and notwithstanding Clause 30.1 (*English Courts*), it does not prevent the Bank from taking proceedings relating to a Dispute in any other courts with jurisdiction

**THIS DEBENTURE** has been signed on behalf of the Bank and executed as a deed by the Company and is delivered by it on the date specified above

**The Company**

Signed as a deed on behalf of  
ROTADYNE (UK) LIMITED  
acting by a director in the presence of

)  
)  
)

Director

Witness Name

Witness Address

Laura J. Kreil  
8140 Cass Ave  
Darien, IL 60561

Witness Occupation

Address

Fax

Administrator  
8140 Cass Ave  
Darien, IL 60561  
630-291-3214