

093233

£13

M

COMPANIES FORM No. 395

395

CHWP000

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

Particulars of a mortgage or charge

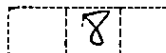
A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



03460977

Name of company

* insert full name
of Company

* AXEON TECHNOLOGIES LIMITED (the "Company")

Date of creation of the charge

11 September 2009

Description of the instrument (if any) creating or evidencing the charge (note 2)

BANK ACCOUNT CHARGE (the "Charge")

Amount secured by the mortgage or charge

See Paper Apart One

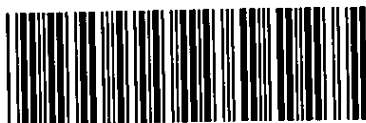
Names and addresses of the mortgagees or persons entitled to the charge

IRONSHIELD ABS LIMITED, a company incorporated in Ireland (registered number 443291) and having its registered office at 5 Harbourmaster Place, IFSC, Dublin 1, Ireland, as lender and existing security holder (the "Lender")

Postcode

Presenter's name address and
reference (if any) :

BRODIES LLP
ED DX-10, EDINBURGH-1
REF: AKK.SZG.IRO8.2



PMO

P381000P
22/09/09 65
COMPANIES HOUSE

AVZVQDKM
25/09/2009
COMPANIES HOUSE

160

22/09/2009
COMPANIES HOUSE

253

Time critical reference

Short particulars of all the property mortgaged or charged

See Paper Apart Two

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

Particulars as to commission allowance or discount (note 3)

NONE

Signed

*Alan Llewellyn MEMBER ON BEHALF
OF BRIDGES LLP*

Date *21 SEPTEMBER 2009*

On behalf of ~~company~~ (mortgagee/charged)†

A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge.
(See Note 5)

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

AXEON TECHNOLOGIES LIMITED

REGISTERED NUMBER: 03460977

PAPER APART TO FORM 395

Defined terms used in this Paper Apart are set out in Paper Apart Three.

PAPER APART ONE

Amount Secured by the Charge

The Company shall pay each of its Liabilities when due in accordance with its terms or, if they do not specify a time for payment, immediately on demand by the Lender.

PAPER APART TWO

Short particulars of all the property mortgaged or charged

As continuing security for the payment and discharge of all the Liabilities the Company with absolute warrandice pledges under the Charge and assigns absolutely to the Lender its whole right, title, interest and benefit in and to (i) the Accounts, (ii) the Deposits and all rights and benefits (present and future) accruing to or arising in connection with the Accounts and the Deposits and (iii) the Reversionary Interest.

The security created by the Charge and the obligations of the Company shall:

1. secure the ultimate balance from time to time of the Liabilities and shall be a continuing security notwithstanding any settlement of account or other matter whatsoever;
2. be in addition to, and not prejudice or affect, any present or future Finance Document, Encumbrance, right or remedy held by, or available to, the Lender, and
3. not merge with or be in any way prejudiced or affected by the existence of any Finance Document, Encumbrances, rights or remedies or by the same being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Lender, dealing with, exchanging, releasing, varying or failing to perfect or enforce any of the same, or giving time for payment or indulgence or compounding with any other person liable.

The Company undertakes to the Lender that during the continuance of the security created under the Charge it will not enter into any agreement with any person (other than the Lender) in respect of the Deposits or the Accounts from time to time.

PAPER APART THREE

Definitions

"Accession Letter" means a document substantially in the form set out in Schedule 5 (Form of Accession Letter) to the Facility Agreement.

"Account Bank" means the Bank of Scotland.

"Accounts" means the accounts of the Company with the Account Bank at 27 Market Square, Stonehaven, AB39 2BB and 50 West Campbell Street, Glasgow G2 6PZ and includes:

1. current account – account number xxxxxxxx and sort code xx-xx-xx;
2. HBOS investment account – account number xxxxxxxx and sort code xx-xx-xx;
3. trust account - account number xxxxxxxx and sort code xx-xx-xx;
4. currency account – account number xxxxxxxx and sort code xx-xx-xx; and
5. currency account – account number xxxxxxxx and sort code xx-xx-xx.

"Additional Guarantor" means a company which becomes an additional guarantor in accordance with Clause 21 (Changes to the Obligors) of the Facility Agreement.

"Amendment Deed" means the deed of assignment, amendment and restatement and release dated 3 September between, among others, AG Holding Ltd, the Borrower and the Lender.

"Backstop Loan Facility Letter" means the £695,000 facility letter dated 20 April 2009 between AG Holding Ltd and Ironshield Special Situations Master Fund LP.

"Borrower" means AXEON AG (formerly SAT Akkumulatoren Technik AG), a company duly organised and existing under the laws of Switzerland, with its seat in Visp/Eyholz, Kontonstrasse 57, registered under the number CH-600.3.001.547-9.

"Deposits" means all money in any currency now or hereafter standing to the credit of each Account (including, without limitation, any interest credited to it) including all or any part of the money pursuant to it and the debt represented by it or any claim for repayment of that money.

"Encumbrance" means any standard security, assignation in security, bond and floating charge, mortgage, pledge, lien, charge, assignment for the purpose of providing security, hypothecation, right in security, security interest or trust arrangement for the purpose of providing security, and any other security agreement or other arrangement having the effect of providing security (including, without limitation, the deposit of monies or property with a person with the primary intention of affording such person a right of set-off or lien).

"Existing Accounts" means the current account, HBOS investment account and trust account of the Company with the Account Bank listed in the definition of Accounts above.

"Existing Account Charge" means the account charge by Axion Technologies Limited in favour of the Lender dated 10 March 2008 over the Existing Account Charge Assets.

"Existing Account Charge Assets" means the Company's whole right, title and interest and benefit in and to (i) the Existing Accounts and (ii) the Existing Deposits and all rights and benefits (present and future) accruing to or arising in connection with the Existing Accounts and the Existing Deposits.

"Existing Deposits" means all money in any currency at the date of the Charge or thereafter standing to the credit of each Existing Account (including, without limitation, any interest credited to it) including all or any part of the money pursuant to it and the debt represented by it or any claim for repayment of that money.

"Facility Agreement" means the facility agreement at schedule 4 of the assignment, amendment and restatement and release agreement dated on or about the date of the Charge and made, among others, between the Borrower and the Lender.

"Finance Document" means the Facility Agreement, the Amendment Deed, each Accession Letter, each Security Document, the Backstop Loan Facility Letter and any other document designated as such by the Lender and AG Holding Ltd.

"Guarantor" means an Original Guarantor or an Additional Guarantor.

"Liabilities" means all present and future moneys, debts and liabilities due, owing or incurred by an Obligor (as such term is defined in the Facility Agreement and expressly including the Borrower) to the Lender under or in connection with any Finance Document (as that term is defined in the Facility Agreement) (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety cautioner or otherwise).

"Obligor" means the Borrower or a Guarantor.

"Original Guarantor" means those companies listed as such in Schedule 1 of the Facility Agreement, namely the Company, Axion Power Limited, MPower Research Limited, Axion Europe AG (formerly known as Axion AG), the Borrower, Axion GmbH (formerly known as EMB Elektro-Montage-Bau GmbH) and Zaklad Montazu Ukladow Zasilajacych MAZ sp. zoo.

"Reversionary Interest" means the reversionary interest of the Company in and to the Existing Accounts and the Existing Deposits under the Existing Account Charge and at common law.

"Security Documents" means:

1. the documents listed in paragraph 2 of Schedule 2 (Conditions precedent) of the Amendment Deed;

2. the documents listed in paragraph 12 of Schedule 2 (Conditions precedent required to be delivered by an Additional Guarantor) of the Facility Agreement; and
3. any other security document that may at any time be given as security for any of the Liabilities pursuant to or in connection with any Finance Document.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 3460977
CHARGE NO. 8**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A BANK ACCOUNT CHARGE DATED
11 SEPTEMBER 2009 AND CREATED BY AXEON
TECHNOLOGIES LIMITED FOR SECURING ALL MONIES DUE
OR TO BECOME DUE FROM THE COMPANY TO IRONSHIELD
ABS LIMITED UNDER THE TERMS OF THE AFOREMENTIONED
INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS
REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE
COMPANIES ACT 1985 ON THE 22 SEPTEMBER 2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 29 SEPTEMBER
2009

DX
JBL



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES