



Registration of a Charge

Company Name: **CONNECT SCAFFOLDING LIMITED**

Company Number: **03893139**



XBWSS1GY

Received for filing in Electronic Format on the: **06/02/2023**

Details of Charge

Date of creation: **30/01/2023**

Charge code: **0389 3139 0002**

Persons entitled: **OLIVER JAMES ROBERT AYLWIN CAVE**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **CRISTÍN CRAIG**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3893139

Charge code: 0389 3139 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th January 2023 and created by CONNECT SCAFFOLDING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th February 2023 .

Given at Companies House, Cardiff on 7th February 2023

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**

**THIS DOCUMENT IS IMPORTANT AND ITS SIGNATURE WILL HAVE LEGAL
CONSEQUENCES. YOU SHOULD TAKE INDEPENDENT LEGAL ADVICE
BEFORE SIGNING IT.**

DATED 30th January **2023**

DEBENTURE

between

CONNECT SCAFFOLDING LIMITED

and

OLIVER JAMES ROBERT AYLWIN CAVE AS TRUSTEE

BAXENDALE Employee Ownership

Email: contact@baxendale-eo.co.uk

<https://baxendaleownership.co.uk/>

Ref: (CC)

CONTENTS

CLAUSE

1.	Definitions and interpretation.....	1
2.	Covenant to Pay	4
3.	Charging provisions	5
4.	Continuing Security.....	10
5.	Undertakings.....	10
6.	Protection of Security.....	13
7.	Enforcement.....	15
8.	Appointment of Receiver or Administrator.....	17
9.	Power of Attorney	19
10.	Application of security proceeds	19
11.	Indemnity	20
12.	Costs and Expenses.....	20
13.	Set-off	20
14.	Investigations.....	21
15.	Notices	21
16.	Miscellaneous	22
17.	Release.....	23
18.	Security Trustee.....	23
19.	Electronic signature	23
20.	Governing Law.....	23

SCHEDULE

SCHEDULE 1	THE SELLERS	24
SCHEDULE 2	PROPERTY.....	25
Part 1.	Freehold Property	25
Part 2.	Leasehold Property.....	25

THIS DEED is dated 30th January 2023

PARTIES

- (1) **CONNECT SCAFFOLDING LIMITED**, a company incorporated under the Companies Acts and registered in England and Wales with registered number 03893139 and having its registered office at Hadham Park, Hadham Road, Bishop's Stortford, England, CM23 1JH (**Chargor**).
- (2) **OLIVER JAMES ROBERT AYLWIN CAVE** of
(**Security Trustee**).

BACKGROUND

- (A) The Sellers are owed certain sums by the Buyer under the Share Purchase Agreement.
- (B) Under the Share Purchase Agreement, the Chargor has agreed to guarantee the liabilities of the Buyer and provide certain indemnities and other undertakings to the Sellers.
- (C) Under this Debenture, the Chargor provides security to the Security Trustee (as trustee for the Sellers) for the sums owed by the Buyer under the Share Purchase Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this Debenture:

Assets: means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Chargor.

Business Day: means a day (other than a Saturday or Sunday) when banks are open for business in London.

Buyer: Connect Trustees Limited, a company incorporated under the Companies Acts and registered in England and Wales with registered number 14609276 and having its registered office at Hadham Park, Hadham Road, Bishop's Stortford, England, CM23 1JH as trustee of the Connect Employee Ownership Trust.

Default Rate: means 5% per annum above the Bank of England's base rate from time to time.

Financial Collateral Regulations: the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).

Financial Collateral: shall have the meaning given to that expression in the Financial Collateral Regulations.

Fixed Charge Asset: means an Asset for the time being comprised within a mortgage, fixed charge or assignment by way of security created by clause 3.1, 3.2 or 3.3 or (with effect from the date of its creation) any security created pursuant to clause 3.10.

Group: means the Chargor and each of its subsidiaries (if any) and **Group Company** shall be construed accordingly.

Permitted Disposal: means:

- (a) the disposal of stock subject only to the floating charge created by clause 3.1(c) on an arm's length basis in the ordinary course of trading;
- (b) disposals of obsolete or redundant assets (other than Fixed Charge Assets, other Assets subject to a fixed charge or security in favour of the Security Trustee and any other heritable or leased property in England) which are no longer required for the business of any Group Company; or
- (c) disposals of assets (other than Fixed Charge Assets, other Assets subject to a fixed charge or security in favour of the Security Trustee and other heritable or leased property in England) in exchange for replacement assets comparable or superior as to type, value and quality.

Properties: means at any time the freehold, heritable and leasehold properties of the Chargor at that time or any of them as the context requires.

Receivables: means all sums of money now or in the future receivable by the Chargor which consist of or are derived from any Asset referred to in clauses 3.1(a), 3.1(b), 3.2 or 3.3 or 3.3 or (with effect from the date of the creation of any such security) any Assets comprised in any security created pursuant to clause 3.10.

Receiver: means an administrative receiver, receiver and manager or other receiver appointed pursuant to this deed in respect of the Chargor or over all or any of the Assets charged by or pursuant to this deed.

Rights: any Security or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

Secured Liabilities: means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Sellers by the Chargor or the Buyer

under the provisions of the Share Purchase Agreement or this Debenture, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Chargor or the Buyer to a third party which have been assigned or novated to or otherwise vested in the Sellers and including interest, discount, commission and other lawful charges or expenses which the Sellers may in the course of its business charge or incur in respect of any of those matters, and so that interest shall be computed and compounded (or otherwise agreed in writing) after as well as before any demand made or judgment or decree obtained under or in relation to this deed.

Security Financial Collateral Arrangements: shall have the meaning given to that expression in the Financial Collateral Regulations.

Sellers: the parties set out in Schedule 1.

Share Purchase Agreement: the share purchase agreement between and among the Sellers, the Buyer and the Chargor and others dated on or around the date of this Debenture.

1.2 References to:

- (a) statutes, statutory provisions and other national or EC legislation shall include all amendments, substitutions, modifications and re-enactments for the time being in force and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant legislation;
- (b) a **holding company** or **subsidiary** (as the case may be) means a holding company or subsidiary as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security; or (b) its nominee. In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Companies Act 2006 shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights;
- (c) **control** of any company shall be interpreted in accordance with Section 995 of the Income Tax Act 2007;

- (d) **including** shall not be construed as limiting the generality of the words preceding it;
- (e) **property** shall include any interest (legal or equitable) in real or personal property and any thing in action;
- (f) this Debenture shall include the Schedules;
- (g) any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall bear the same meaning in this Debenture;
- (h) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (i) this Debenture and to any provisions of it or to any other document referred to in this Debenture shall be construed as references to it in force for the time being as amended, varied, supplemented, restated, substituted or novated from time to time;
- (j) any person are to be construed to include references to a corporation, firm, company, partnership, joint venture, unincorporated body of persons, individual or any state or agency of a state, whether or not a separate legal entity;
- (k) any person are to be construed to include that person's personal representatives, successors and permitted assigns, whether direct or indirect;
- (l) clause headings are for ease of reference only and are not to affect the interpretation of this Debenture.

1.3 The terms of the documents under which the Secured Liabilities arise and of any side letters between the Chargor and the Sellers in relation to them are incorporated herein to the extent required for any purported disposition of the Assets (or any of them) contained in this Debenture to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 The parties intend that this document shall take effect as a deed.

1.5 The use of bold type shall be ignored in the construction of this Debenture.

2. COVENANT TO PAY

2.1 The Chargor, as primary obligor and not merely as surety, covenants that it will on demand in writing made to it pay or discharge the Secured Liabilities when the same are due and payable.

- 2.2 If the Chargor shall fail to pay any amount under this Debenture when it is due then such amount shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to the Security Trustee or the Sellers.

3. CHARGING PROVISIONS

- 3.1 The Chargor with full title guarantee hereby charges to the Security Trustee as a continuing security for the payment or discharge of the Secured Liabilities:

- (a) by way of legal mortgage all estates or interests in the freehold and leasehold property described in Schedule 2 (if any) together with all present and future buildings, and fixtures (including trade and tenant's fixtures), which are at any time on or attached to the property;
- (b) by way of fixed charge:
 - (i) all estates or interests in any freehold or leasehold property belonging to the Chargor now or at any time after the date of this Debenture (other than any property charged in terms of clause 3.1(a) above) together with all buildings, and fixtures (including trade and tenant's fixtures) which are at any time on or attached to the property;
 - (ii) all present and future interests of the Chargor in or over land or the proceeds of sale of it and all present and future licences of the Chargor to enter upon or use land;
 - (iii) the benefit of all other agreements relating to land which the Chargor is or may become party to or otherwise entitled;
 - (iv) all plant and machinery of the Chargor now or in the future attached to property which is charged by the foregoing provisions of this clause 3.1;
 - (v) all present and future stocks, shares and other securities owned (at law or in equity) by the Chargor and all rights, money or property of a capital nature at any time accruing or offered in relation to them, whether by way of bonus, consolidation, conversion, exchange, option, preference, return of capital or otherwise;
 - (vi) all rights, money or property of an income nature at any time accruing or payable in relation to the stocks, shares and other securities charged by clause 3.1(b)(v), whether by way of dividend, distribution, interest or otherwise;

- (vii) all rights and interests in and claims under all insurance contracts or policies now or in the future held by or insuring to the benefit of the Chargor which relate to Fixed Charge Assets (including all money payable under such contracts and policies);
- (viii) all rights and interest and claims under all other insurance or assurance contracts or policies now or in the future held by or insuring to the benefit of the Chargor (including all money payable under them);
- (ix) all patents, utility models, registered and unregistered trade and service marks, rights in passing off, copyright, registered and unregistered rights in designs and database rights in each case now or in the future held by the Chargor (whether alone or jointly with others) anywhere in the world and including any extensions and renewals of, and any application for such rights;
- (x) the benefit of all agreements and licences now or in the future entered into or enjoyed by the Chargor relating to the use or exploitation by or on behalf of the Chargor in any part of the world of any such rights as are referred to in clause 3.1(b)(ix) but owned by others;
- (xi) all the Chargor's rights now or in the future in relation to trade secrets, confidential information and know how in any part of the world;
- (xii) all present and future book debts of the Chargor;
- (xiii) all other present and future debts or monetary claims of the Chargor against third parties (excluding those charged under clause 3.1(b)(vii) or 3.1(b)(viii) or arising on fluctuating accounts with other Group Companies);
- (xiv) the benefit of all warranties, instruments, guarantees, charges, pledges, and other security and all other rights and remedies available to the Chargor in respect of any Fixed Charge Assets;
- (xv) all present and future bank accounts, cash at bank and credit balances of the Chargor (excluding those arising on fluctuating accounts) with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest);
- (xvi) all rights, money or property accruing or payable to the Chargor now or in the future under or by virtue of a Fixed Charge Asset except to the extent that such rights, money or

property are for the time being effectively charged by fixed charge under the foregoing provisions of this clause 3.1; and

(xvii) all the Chargor's goodwill and uncalled capital for the time being;

- (c) by way of floating charge all the Assets not effectively otherwise mortgaged, charged or assigned by this clause 3 (including, without limitation, any immovable property of the Chargor in England and any Assets in England falling within any of the types mentioned in clause 3.1(b)).

3.2 The Chargor with full title guarantee hereby assigns as a continuing security for the payment or discharge of the Secured Liabilities in favour of the Security Trustee (subject to the right of the Chargor to require the re-assignment of it upon payment or discharge in full of the Secured Liabilities):

- (a) all the right, title and interest of the Chargor in and to any interest rate hedging agreements now or in the future entered into with any person; and
- (b) (insofar as they are capable of being assigned by way of security) all the right, title and interest of the Chargor in and to any agreement to which the Chargor is a party except to the extent that it is subject to any fixed charge created under any other provisions of this Debenture.

3.3 To the extent that any such right, title and interest as is referred to in clause 3.2 is not assignable or capable of assignment, the assignment of it purported to be effected by such clause shall operate as an assignment of any and all compensation, damages, income, profit or rent which the Chargor may derive from it or be awarded or entitled to in respect of it, in each case as a continuing security for the payment or discharge in full of the Secured Liabilities.

3.4 Any mortgage, fixed charge or other fixed security created by the Chargor in favour of the Security Trustee shall have priority over the floating charge created by this Debenture, except insofar as the Security Trustee shall declare otherwise whether at or after the time of creation of such fixed security.

3.5 The Security Trustee may at any time, after the occurrence of any one of the events listed below, by notice to the Chargor, immediately convert the floating charge created under clause 3.1(c) into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from the

Security Trustee, automatically be converted with immediate effect into a fixed charge:

- (a) in respect of any Assets which become subject to any step by any third party to take a fixed charge;
- (b) in respect of any Assets which become subject to any step by any third party to levy any distress, attachment, execution or other legal process against them;
- (c) in respect of all Assets charged under clause 3.1(c) if and when the Chargor ceases to carry on business or to be a going concern;
- (d) in respect of all the Assets on the making of an order for the compulsory winding-up of the Chargor, on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Chargor or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by the Chargor or any other person for the appointment of an administrator in respect of the Chargor; or
- (e) an Event of Default (as defined in the Share Purchase Agreement) occurs.

3.6 Clause 3.5 will not apply:

- (a) to any Assets situated in England if, and to the extent that, a Receiver would not be capable of exercising his powers in England pursuant to Section 72 of the Insolvency Act 1986 by reason of such automatic conversion; and/or
- (b) solely by reason of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under the Schedule A1 of the Insolvency Act 2000.

3.7 The Chargor will not without the prior written consent of the Security Trustee:

- (a) create or attempt to create or permit to subsist any right in security, mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or any encumbrance, trust agreement, declaration of trust or trust arising by operation of law over all or any Assets (except in favour of the Security Trustee); or
- (b) sell, transfer, assign, factor, lease or otherwise dispose of or part with possession in any way of all or any of its Assets (other than in terms of a Permitted Disposal); or
- (c) in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset.

- 3.8 The Chargor applies to the Chief Land Registrar for a restriction to be entered on the Register of Title of all present and future registered freehold and leasehold property of the Chargor in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date of charge*] in favour of [*Name of Security Trustee*] referred to in the Charges Register or, if appropriate, signed on behalf of such proprietor by its authorised signatory"

- 3.9 The Chargor will, on demand in writing by the Security Trustee, deliver to the Security Trustee (or as they shall direct) all certificates and other documents of title to the stocks, shares and other securities referred to in clause 3.1(b)(v) above together with stamped stock transfer forms in respect of the same executed in blank (except for the number and class of shares and the name of the transferor) and left undated. The Security Trustee may at any time after the date of this Debenture complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as they shall select.

- 3.10 The Chargor (at its own cost) will on demand in writing by the Security Trustee execute and deliver in such form as the Security Trustee may reasonably require:

- (a) a legal mortgage of any freehold or leasehold property of the Chargor which is not effectively charged by clause 3.1(a) and of any freehold or leasehold property acquired by the Chargor after the date of this Debenture;
- (b) a standard security or other fixed security over the Chargor's heritable freehold, leasehold or other property;
- (c) a fixed charge or assignment in or by way of security of any Asset subject to a floating charge under clause 3.1(c);
- (d) a chattel mortgage over such chattels, plant and machinery as the Security Trustee may specify; and
- (e) a notice of any assignment of its right, title and interest in and to any of the agreements referred to in clause 3.2 above;

and the Chargor will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as the Security Trustee may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Debenture

or for facilitating the realisation of the Assets or the exercise of any rights of the Security Trustee under this Debenture.

3.11 The Chargor shall:

- (a) get in and realise all Receivables in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with clause 3.11(b) below) upon trust for the Security Trustee;
- (b) pay to the Security Trustee (or as the Security Trustee may direct) all money which it receives in respect of any Receivables; and
- (c) if called upon to do so by the Security Trustee execute a legal assignment of all or any of the Receivables to the Security Trustee.

3.12 If the Security Trustee release, waive, or postpone their rights in respect of any Receivables to enable the Chargor to factor or discount them to any third party (the “factor”), the charges created by this Debenture shall in all other respects remain in full force and effect. All amounts becoming due to the Chargor from the factor and any Receivables re-assigned, or due to be re-assigned to the Chargor, shall be subject to the relevant fixed charge created by this Debenture, subject only to any defences or rights of set-off which the factor may have against the Chargor.

3.13 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the charges created by or pursuant to this Debenture.

4. CONTINUING SECURITY

This security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to any other right, remedy or security of whatever sort which the Security Trustee may hold at any time for the Secured Liabilities or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security.

5. UNDERTAKINGS

Save to the extent that the provisions of this clause are inconsistent with or conflict with the terms of any agreement entered into between (inter alia) the Chargor and the Security Trustee from time to time, the Chargor will:

- 5.1 at all times comply with the terms of this Debenture and of all agreements relating to the Secured Liabilities;
- 5.2 keep the Assets in good and substantial repair and in good working order and condition, ordinary wear and tear excepted;
- 5.3 preserve and maintain all intellectual property rights owned or used by the Chargor (including those referred to in clauses 3.1(b)(ix) to 3.1(b)(xi));
- 5.4 comply in all material respects with the terms of all applicable laws and regulations including (without limitation) all environmental laws, legislation relating to public health, town & country planning, control and handling of hazardous substances or waste, fire precautions and health and safety at work;
- 5.5 promptly notify the Security Trustee of the acquisition by the Chargor of any estate or interest in any freehold, heritable or leasehold property;
- 5.6 ensure that all Assets that are insurable are insured with reputable insurance companies or underwriters to such extent and against such risks as is normal for prudent companies in businesses similar to those of the Chargor (or as otherwise requested in writing by the Security Trustee from time to time) and (without limitation to the generality of the foregoing):-
 - (a) pay all premiums and other money due and payable under all such insurances and provide premium receipts or any other evidence of payment promptly upon request to do so by the Security Trustee;
 - (b) ensure that the interest of the Security Trustee is noted on the policies in respect of such insurances or, at the request of the Security Trustee, that such policies contain such other provisions for the protection of the Security Trustee as the Security Trustee may from time to time require;
- 5.7 promptly upon request by the Security Trustee deposit with the Security Trustee all deeds, certificates and documents of title relating to the Assets or any part of them charged by this Debenture and all policies of insurance and assurance;
- 5.8 promptly pay or cause to be paid and indemnify the Security Trustee and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of any of its Properties (or any part of them) or by the owner or occupier of them;

- 5.9 not make any structural or material alteration to or to the user of any of its Properties or do or permit to be done anything which is a "development" within the meaning of the Town and Country Planning Acts from time to time (or any orders or regulations under such Acts) or do or permit to be done any act, matter or thing where to do so would have a material and adverse effect on the value of any of its Properties or on the marketability of any of such Properties;
- 5.10 not grant any lease of, part with possession or share occupation of, the whole or any part of any of its Properties or confer any licence, right or interest to occupy or grant any licence or permission to assign, under-let or part with possession of the same;
- 5.11 not vary, surrender, cancel or dispose of, or permit to be forfeit, any leasehold interest in any of its Properties;
- 5.12 observe and perform all covenants, agreements and stipulations from time to time affecting its interest in any of its Properties or contained in any lease, agreement for lease or tenancy agreement under which any part of such Properties may be held;
- 5.13 notify the Security Trustee immediately in the event of any creditor executing diligence against the Chargor or any distress or execution is levied or enforced against the Chargor or any third party debt order or freezing order is made and served on the Chargor;
- 5.14 notify the Security Trustee immediately if any steps (including, without limitation, the making of any application or the giving of any notice) are taken by any person (including, without limitation, the Chargor) in relation to the administration, receivership, winding-up or dissolution of the Chargor;
- 5.15 not allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor of any of its Properties (or any part of them) or create or permit to arise any overriding interest (as specified in Schedule 1 or Schedule 3 to the Land Registration Act 2002) affecting any such property;
- 5.16 not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of its Assets; and

- 5.17 maintain its centre of main interests (COMI) for the purposes of the EU Regulation on Insolvency Proceedings 2000 (NO 1346/2000), in the United Kingdom.

6. PROTECTION OF SECURITY

- 6.1 If the Chargor fails to keep any of the Assets in good and substantial repair and in good working order and condition or does not take out and maintain such insurances as set out above or prove to the Security Trustee that the premiums and other money have been paid then the Security Trustee may (as it thinks fit) repair and keep in repair the Assets or any of them (and for that purpose it or any of its agents may enter upon the properties of the Chargor) or take out or renew any such insurance in any sum and on terms as the Security Trustee may think fit.
- 6.2 The Security Trustee will be entitled to be paid the proceeds of any policy of insurance of the Chargor (other than in respect of employers' or public liability) and the Chargor will promptly irrevocably instruct any insurer of a policy to pay the proceeds of it to the Security Trustee and undertakes to the Security Trustee to repeat that instruction if the Security Trustee requires.
- 6.3 All money received on any insurance policy of the Chargor (unless paid to the Security Trustee in terms of clause 6.2) will, as the Security Trustee require, be applied either in making good the loss or damage in respect of which the money is received or in or towards discharge of the Secured Liabilities.
- 6.4 The Chargor will permit any authorised representative of the Security Trustee at all reasonable times to enter upon any part of the Properties of the Chargor and of any other property where the Chargor may be carrying out any contract or other works and to inspect the Chargor's books of account and other books and documents and those of its subsidiaries.
- 6.5 The Security Trustee shall be entitled, at its sole discretion, to have a valuation of the Assets or any part of them carried out from time to time by an independent surveyor or valuer (to be appointed at the Security Trustee's sole discretion) and the Chargor consents to any such valuation report being prepared and agrees to provide such access and other assistance as may be reasonably required by the Security Trustee for such purposes; and the Chargor shall ensure that any tenant or other occupier of the Properties shall ensure access and assistance is provided for the foregoing purposes.
- 6.6 No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part

of the Properties charged under this Debenture will be capable of being exercised by the Chargor without the previous written consent of the Security Trustee.

6.7 The obligations of the Chargor under this Debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including (without limitation):-

- (a) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Security Trustee may have now or in the future from or against the Chargor or any other person in respect of the Secured Liabilities;
- (b) any act or omission by the Security Trustee or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Chargor or any other person or the invalidity or unenforceability of any such security or guarantee;
- (c) any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Liabilities or any exercise by the Security Trustee (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Chargor or any other person;
- (d) any grant of time, indulgence, waiver or concession to the Chargor or any other person;
- (e) any arrangement or compromise entered into between the Security Trustee and the Chargor or any other person;
- (f) the administration, insolvency, bankruptcy, sequestration, liquidation, winding-up, receivership, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Chargor or any other person;
- (g) the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any of the obligations of the Chargor or any other person;
- (h) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any administration, insolvency, liquidation, receivership or dissolution proceedings or from any law, regulation or order.

7. ENFORCEMENT

7.1 The security constituted by this Debenture shall become enforceable and the Security Trustee may exercise all the powers conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Debenture), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any of the rights and powers conferred by this Debenture without further notice to the Chargor upon and at any time after the occurrence of any of the following events:

- (a) if the Chargor has failed to pay all or any of the Secured Liabilities following a demand for payment by the Security Trustee;
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor;
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets;
- (d) the making of a request by the Chargor for the appointment of a Receiver or administrator;
- (e) if the Chargor breaches any of the provisions of this Debenture; or
- (f) if there is any event of default (howsoever described) in any agreement between the Security Trustee or the Sellers and the Chargor (while it is continuing unwaived), including, for the avoidance of doubt, any event of default under the Share Purchase Agreement.

7.2 Section 103 of the Law of Property Act 1925 (*Regulation of exercise of power of sale*) will not apply to this Debenture but the statutory power of sale will as between the Security Trustee and a purchaser from the Security Trustee arise on and be exercisable at any time after the execution of this Debenture provided that the Security Trustee will not exercise the power of sale until payment of all or any part of the Secured Liabilities has been demanded or a Receiver or administrator has been appointed but this proviso will not affect a purchaser or put them upon inquiry whether such demand or appointment has been validly made.

7.3 The Chargor shall not, without the prior written consent of the Security Trustee, exercise any of the powers of leasing or of accepting surrenders of leases conferred by Sections 99 (*Leasing powers of mortgagor and*

mortgagee in possession) and 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the Law of Property Act 1925. The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Trustee under this Debenture are extended so as to authorise the Security Trustee whether in their own name or in that of the Chargor to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of the Chargor with whatever rights relating to other parts of it and containing whatever covenants on the part of the Chargor and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Security Trustee think fit.

- 7.4 To the extent that Assets constitute Financial Collateral and are subject to a Security Financial Collateral Arrangement created by or pursuant to this Debenture, the Security Trustee shall have the right, at any time after this Debenture becomes enforceable, to appropriate all of any part of those Assets in or towards the payment or discharge of the Secured Liabilities. The value of any Assets appropriated in accordance with this clause 7.4 shall be the price of those Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Trustee may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this clause 7.4 are commercially reasonable for the purpose of Regulation 18 of the Financial Collateral Regulations. To the extent that Assets constitute Financial Collateral, the Chargor agrees that such Assets shall be held or redesignated so as to be under the control of the Security Trustee for all purposes of the Financial Collateral Regulations.
- 7.5 At any time after this Debenture becomes enforceable, all voting rights in respect of all stock, shares and securities charged by clause 3.1(b)(v) may be exercised (without obligation to do so) by the Security Trustee (or their nominee) in such a manner as it shall (in its absolute discretion) see fit and all dividends and other distributions payable in respect of such stock, shares and securities shall be paid to and retained by the Security Trustee and may be applied by the Security Trustee in accordance with clause 10.
- 7.6 Section 93 of the Law of Property Act 1925 (*Restriction on consolidation of mortgages*) will not apply to this Debenture.
- 7.7 Neither the Security Trustee nor any Receiver shall be liable to account to the Chargor as mortgagee in possession in respect of all or any of the Assets and shall not be liable to the Chargor for any loss or damage arising from the exercise by the Security Trustee or any Receiver of all or any of the powers conferred by this Debenture or the Law of Property Act 1925.

- 7.8 At any time after this Debenture becomes enforceable, the Security Trustee may redeem any prior mortgage, charge or encumbrance in respect of all or any of the Assets or procure the transfer of them to itself and may settle the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled will be, in the absence of manifest error, conclusive and binding on the Chargor. All money paid by the Security Trustee to the mortgagee, chargee or encumbrancer in accordance with such accounts shall form part of the Secured Liabilities.

8. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

- 8.1 At any time after the security constituted by this Debenture has become enforceable the Security Trustee shall be and is entitled by instrument in writing to appoint any one or more persons as:

- (a) a Receiver of all or any of the Assets; and/or
- (b) an administrator of the Chargor,

in each case in accordance with and to the extent permitted by applicable laws. The Security Trustee may not appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 2000 except with the leave of the court.

- 8.2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of the Security Trustee specifies to the contrary).
- 8.3 Any appointment over part only of the Assets charged under this Debenture will not preclude the Security Trustee from making any subsequent appointment of a Receiver over any part of the Assets over which an appointment has not previously been made by it.
- 8.4 The Security Trustee may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the Assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those Assets.
- 8.5 The Receiver will be the agent of the Chargor (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Chargor all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers conferred from time to time on receivers by statute and in particular by way of addition to but without

prejudice to those powers (and those of the Security Trustee) the Receiver will have power:

- (a) to sell, let or lease or concur in selling, letting or leasing and to vary the terms or determine, surrender or accept surrenders of leases or tenancies of or grant options and licences over all or any part of the Assets in such manner and generally on such terms as he shall think fit in his absolute and unfettered discretion and so that any such sale may be made for cash or for shares or securities of another company or other valuable consideration (in each case payable in a lump sum or by instalments);
- (b) to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part;
- (c) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Assets, including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Chargor;
- (d) to make and effect all repairs and improvements;
- (e) to redeem any prior encumbrance and to settle and pass the accounts of the encumbrancer and any accounts so settled and passed will (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid will be deemed to be an expense properly incurred by the Receiver;
- (f) to promote the formation of a subsidiary or subsidiaries of the Chargor, including, without limitation, any such company formed for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Chargor;
- (g) to make any arrangement or compromise which the Security Trustee or the Receiver may think fit;
- (h) to make and effect all repairs, renewals, improvements, and insurances;
- (i) to appoint managers officers and agents for any of the purposes referred to in this clause 8 at such salaries as the Receiver may determine;
- (j) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Assets.

8.6 No purchaser or other person dealing with the Security Trustee, any Receiver or any agent or delegate shall be obliged or concerned to enquire whether the right of the Security Trustee or any Receiver to exercise any of the powers

conferred by or referred to in this Debenture has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise the Security Trustee or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power.

9. POWER OF ATTORNEY

- 9.1 The Chargor irrevocably and by way of security appoints the Security Trustee (whether or not a Receiver or administrator has been appointed) and also (as a separate appointment) any Receiver severally as the attorney and attorneys of the Chargor, for the Chargor and in its name and on its behalf and as its act and deed or otherwise, to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required of the Chargor under this Debenture or may be required or deemed proper in the exercise of any rights or powers conferred on the Security Trustee or any Receiver under this Debenture or otherwise for any of the purposes of this Debenture.
- 9.2 The Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney does or purports to do under its appointment under clause 9.1.

10. APPLICATION OF SECURITY PROCEEDS

- 10.1 Any money received under the powers conferred by this Debenture will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority:
- (a) in or towards satisfaction of all costs, charges and expenses incurred, and payments made, by the Security Trustee and/or the Receiver including the remuneration of the Receiver;
 - (b) in or towards satisfaction of the Secured Liabilities in whatever order the Security Trustee may require;
 - (c) as to the surplus (if any) to the person(s) entitled to it;

provided that the Receiver may retain any money in his hands for so long as he thinks fit, and the Security Trustee may, without prejudice to any other rights the Security Trustee may have at any time and from time to time, place and keep for such time as the Security Trustee may think prudent any money received, recovered or realised under or by virtue of this Debenture to or at a separate or suspense account to the credit either of the Chargor or of the Security Trustee as the Security Trustee think fit without any immediate obligation on the part of the Security Trustee to apply such money or any part

of such money in or towards the payment or discharge of the Secured Liabilities.

- 10.2 Subject to clause 10.1, any money received or realised by the Security Trustee from the Chargor or a Receiver under this Debenture or any administrator may be applied by the Security Trustee to any item of account or liability or transaction in such order or manner as the Security Trustee may determine.

11. INDEMNITY

- 11.1 The Security Trustee, the Receiver and every attorney, manager, agent, employee or other person appointed by the Security Trustee or the Receiver under or in connection with this Debenture shall be indemnified by the Chargor in respect of all liabilities, costs, losses and expenses incurred by them in the execution (or purported execution) of any of the powers, authorities or discretions vested in them pursuant to the terms of this Debenture (or by any law or regulation) and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way in connection with or relating to all or any of the Assets and the Security Trustee, the Receiver or any such other person may retain and pay all sums in respect of the same out of the money received under the powers conferred by this Debenture.
- 11.2 The indemnity under clause 11.1 shall not apply to the extent that any such liability, cost, loss and/or expense arises as a result of the wilful default or gross negligence of the Security Trustee or the Receiver.

12. COSTS AND EXPENSES

The Chargor shall pay or reimburse to the Security Trustee on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) reasonably incurred or to be incurred by the Security Trustee in the creation, registration, perfection, enforcement, discharge and/or assignment of this Debenture (including, without limitation, the costs of any proceedings in relation to this Debenture or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities.

13. SET-OFF

- 13.1 The Chargor agrees that any money (of any other nature whatsoever) from time to time held on its behalf by the Security Trustee may be retained as cover for and/or applied by the Security Trustee at any time and without

notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Liabilities or such part of them as the Security Trustee may select.

- 13.2 The Security Trustee shall not be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by the Security Trustee.

14. INVESTIGATIONS

- 14.1 If any event of default (howsoever described) in any agreement between the Security Trustee or the Sellers and the Chargor occurs then (while it is continuing unwaived) the Security Trustee shall be entitled to initiate an investigation of, and/or instruct the preparation of a report (accounting, legal, valuation or other) on, the business and affairs of the Chargor and/or any other Group Company which the Security Trustee considers necessary to ascertain the financial position of the Chargor, all fees and expenses incurred by the Security Trustee in so doing being payable by the Chargor.
- 14.2 The Chargor hereby consents to the provision by the Security Trustee of all information in relation to the Chargor which the Security Trustee provides to any person in relation to the preparation of a report as is referred to in clause 14.1 above.

15. NOTICES

- 15.1 Every notice or other communication under this Agreement shall be in writing and shall be sent to the address of the recipient set out in this Agreement or such other address as the recipient may designate by notice given in accordance with the provisions of this clause. Any such notice may be delivered personally or by first class pre-paid letter or fax transmission (receipt confirmed) or email (receipt confirmed).
- 15.2 Subject to clause 15.3, any communication made or document made or delivered by one person to another under or in connection with this Debenture will only be effective:
- (a) if by way of email or fax, when received in legible form; or
 - (b) if by way of letter, when it has been delivered to the relevant address or three Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

- 15.3 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee.

16. MISCELLANEOUS

- 16.1 If at any time any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired.
- 16.2 No failure or delay by the Security Trustee in exercising any right or remedy under this Debenture shall operate as a waiver, and no single or partial exercise shall prevent further exercise of any right or remedy.
- 16.3 The Security Trustee will be entitled to disclose to any Seller, its advisers or applicable regulatory authority or any other person that enters or proposes to enter into any trust or contractual arrangements with the Security Trustee in relation to the Secured Liabilities confidential information concerning this Debenture or any arrangement made in connection with this Debenture.
- 16.4 Save to the extent expressly provided to the contrary in this Debenture, a third party (being any person other than the Chargor or the Security Trustee and their permitted successors and assigns) may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and no consent of any third party is required for any amendment, variation or termination of this Debenture.
- 16.5 A certificate by the Security Trustee or any duly authorised officer of the Security Trustee as to the amount of the Secured Liabilities or any part of them shall, in the absence of manifest error, be conclusive and binding on the Chargor.
- 16.6 The Security Trustee or any representative of the Security Trustee may at any time (without notice or consent) assign the benefit of this Debenture (or all or any of its rights under this Debenture) to any person. The Chargor may not assign or transfer the benefit or burden of this Debenture or all or any of its rights under this Debenture without the prior written consent of the Security Trustee.

17. RELEASE

If the Security Trustee are satisfied that the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full, the Security Trustee will at the request and cost of the Chargor take whatever action is required in order to release the Assets from the security constituted by this Debenture.

18. SECURITY TRUSTEE

The Security Trustee is entering into this agreement solely in their capacity as trustee for the Sellers. For the avoidance of doubt, the Security Trustee:

- (a) is not entering into this agreement as an individual; and
- (b) is not incurring any personal liability by entering into this agreement.

19. ELECTRONIC SIGNATURE

Each party agrees to sign this deed by electronic signature (whatever form the electronic signature takes) and that this method of signature is as conclusive of our intention to be bound by this deed as if signed by each party's manuscript signature.

20. GOVERNING LAW

This Debenture will be governed by and construed according to English law.

IN WITNESS whereof this Debenture has been executed by the Chargor as a deed and signed by the Security Trustee and shall take effect on the day and year stated at the beginning of this document.

Schedule 1 The Sellers

Oliver James Robert Aylwin Cave
Donna Clare Cave
Rosie Ann Cave
Annie Olivia Cave

Schedule 2 Property

Part 1. Freehold Property

N/a

Part 2. Leasehold Property

N/a

Each party agrees to sign this deed by electronic signature (whatever form the electronic signature takes) and that this method of signature is as conclusive of our intention to be bound by this deed as if signed by each party's manuscript signature.

Signed as a deed for Connect Scaffolding Limited by the below directors:

Vaughan Caiger (Jan 30, 2023 15:38 GMT)

Director's signature

Vaughan Caiger

Full name of director

Director's signature

Oliver James Robert Aylwin
Cave

Full name of director

Signed as a deed by Oliver James Robert Aylwin Cave as trustee for the Sellers before the following witness:

V (Jan 30, 2023 15:38 GMT)

Witness' signature

Vaughan Caiger

Full name of witness

Oliver James Robert Aylwin
Cave

c/o Connect Access Group Ltd, Hadham Park Hadham Road, Bishop's Stortford,
Hertfordshire, CM23 1JH

Address of witness

Logistics Manager

Occupation of witness