

500488/13

In accordance with
Sections 859A and
859J of the Companies
Act 2006

MR01

Particulars of a charge



Companies House

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

☒ **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

SATURDAY



A2M7RCO2

A05

30/11/2013

#109

COMPANIES HOUSE

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.

1 Company details

Company number 06303387

Company name in full LOK8U LIMITED

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 26/11/2013

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 Legion Trade Finance Limited

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

4	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>Continuation page Please use a continuation page if you need to enter more details</p>
Description			

5	Fixed charge or fixed security	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
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6	Floating charge	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> Yes</p>	
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7	Negative Pledge	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
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MR01
Particulars of a charge

8

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)

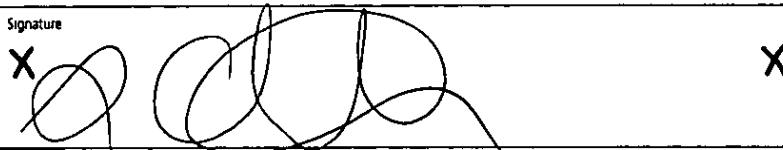
9

Signature

Please sign the form here

Signature

Signature

X  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

Company name

Bridgehouse Partners LLP

Address

Bridge House

Bridge Street

Post town

Castletown

County/Region

Isle of Man

Postcode

I M 9 1 A X

Country

DX

Telephone

**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 or email 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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6303387

Charge code: 0630 3387 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th November 2013 and created by LOK8U LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th November 2013.

Given at Companies House, Cardiff on 4th December 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

26 November

2013

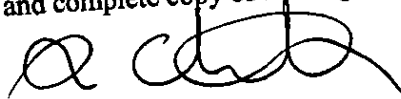
LEGION TRADE FINANCE LIMITED (1)

and

LOK8U LIMITED (2)

DEBENTURE

I hereby certify this to be a true
and complete copy of the original



For and on behalf of
Bridgehouse Partners LLP
Date: 26 November 2013.

Bridgehouse Partners LLP
Suite 426, Linen Hall,
162-168 Regent Street
London, W1B 5TE

DEBENTURE

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THIS DEBENTURE is dated **26 November** 2013

PARTIES

- 1 **LOK8U LIMITED** a company registered in England and Wales with company number 06303387 and whose registered office is at Valley Farm, Hanbury Road, Hanbury, Worcestershire, B60 4HJ ("the Company"), and
- 2 **LEGION TRADE FINANCE LIMITED** a company registered in England and Wales with company number 07336688 and whose registered office is at 44 Bell Street, Henley-on-Thames, Oxfordshire, RG9 2BG ("the Chargee")

AGREED TERMS

1 DEFINITIONS AND INTERPRETATION

- 1 1 In this Debenture, the following terms shall have the following meanings
- 1 1 1 "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 Company,
- 1 1 2 "Environmental Matters" bears the meaning in clause 15 1,
- 1 1 3 "Intellectual Property" includes letters, patents, trade marks, service marks, registered designs, utility models, domain names and all other registerable rights of any kind in any intangible property, applications for any of the foregoing, copynght, mask work rights, database rights, topography rights, and all other rights to names, information (including confidential information) and other intangible property and rights in the nature of unfair competition rights and to sue for passing off recognised by the laws of any country,
- 1 1 4 "Real Property" means all freehold and leasehold property or any interest of the Company in any of the same mortgaged or charged under this Debenture and includes any part thereof,
- 1 1 5 "Receiver" shall bear the meaning given to that term in clause 22 1,
- 1 1 6 "Requisite Consent" means the prior consent in writing of the Chargee (and then only to the extent that such consent permits and is in accordance with any conditions attached to such consent),
- 1 1 7 "Secured Liabilities" means all or any monies and liabilities which are from time-to-time (and whether on or at any time after demand) due, owing or incurred in any manner to the Chargee by the Company, whether actually or

contingently, solely or jointly and whether as principal or surety and whether or not the Chargee shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which the Chargee may charge or incur in respect of any of those matters and interest on all amounts demanded to the date of payment at such rates as may from time-to-time be agreed both before and after judgment, and

- 1 1 8 "Security Interest" shall bear the meaning given to that term in clause 18 1 1
- 1 2 References to clauses or schedules are to clauses or schedules to this Debenture, references to sub-clauses are to sub-clauses of the relevant clause, the schedules are deemed to be incorporated in this Debenture and a reference to this Debenture includes a reference to the schedules
- 1 3 In this Debenture
- 1 3 1 the clause headings are included for convenience only and shall not affect the construction of this Debenture,
- 1 3 2 words denoting the singular shall include the plural and vice versa,
- 1 3 3 words denoting any gender shall include a reference to each other gender,
- 1 3 4 any reference to "persons" includes natural persons, firms, partnerships, companies, corporations, limited liability partnerships, associations, organisations, governments, states, foundations and trusts (in each case whether or not having separate legal personality),
- 1 3 5 the words "subsidiary" and "holding company" have the meanings given to them by section 1159 of the Companies Act 2006,
- 1 3 6 except as set out in clause 1 1 words and expressions defined in the Companies Act 2006 shall, where the context so admits, bear the same meanings in this Debenture,
- 1 3 7 any reference to an English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to what most nearly approximates in that jurisdiction to the English legal term,
- 1 3 8 any phrase introduced by the terms "including", "include", "in particular", "other" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms,

- 1 3 9 any reference to "indemnify" and "indemnifying" any person against any circumstances include indemnifying and keeping that person harmless from all actions, claims and proceedings from time to time made against that person and all direct loss or damage and all reasonable payments, costs or expenses made or incurred by that person as a consequence of or which would not have arisen but for that circumstance, and
- 1 3 10 "sterling" and the "£" means pounds sterling in the currency of the United Kingdom save that if, following the introduction of the Euro, pounds sterling ceases to exist as the currency of the United Kingdom, then all references in this Debenture to pounds sterling shall be construed as references to the Euro at the conversion rate applicable at the close of business on the day on which pounds sterling ceased to exist, and
- 1 4 A reference to a statute or statutory provision includes
- 1 4 1 any subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) made under it,
- 1 4 2 any repealed statute or statutory provision which it re-enacts (with or without modification), and
- 1 4 3 any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it,
- 1 5 Writing or written includes faxes but not email
- 2 COVENANT TO PAY**
- 2 1 The Company covenants that it will on demand in writing by the Chargee pay to the Chargee without set-off, counterclaim or deduction the Secured Liabilities
- 3 PROVISION OF INFORMATION**
- 3 1 The Company covenants with and undertakes to the Chargee from time-to-time as required by the Chargee to give to the Chargee, any accountant to be nominated by the Chargee or any Receiver such information relating to the business of the Company and as to its property, assets, and liabilities as the Chargee any accountant to be nominated by the Chargee or any Receiver may from time to time require
- 3 2 The Company will
- 3 2 1 permit any authorised representative of the Chargee at all reasonable times and upon reasonable notice to enter upon any part of the freehold and leasehold

property of the Company, and

- 3 2 2 permit such inspection of the books of account and other books and documents of the Company as may be necessary for the purpose of verification of such information

4 NOTIFICATION

- 4 1 The Company covenants with and undertakes to the Chargee to notify the Chargee immediately of

- 4 1 1 any change or prospective change in the ownership of the issued share capital of the Company or any holding company of the Company or any part of such capital,

- 4 1 2 the issue of any further shares in the Company or any holding company of the Company from time to time, and

- 4 1 3 any change in its directors or those of any holding company of the Company

5 NEGATIVE PLEDGE AND RESTRICTIONS ON DISPOSALS

- 5 1 The Company covenants with and undertakes to the Chargee not without the Requisite Consent

- 5 1 1 to create or permit to arise or subsist any Security Interest in favour of anyone other than the Chargee on the whole or any part of the Assets (other than the Security Interests disclosed to the Chargee prior to entering into this Debenture),

- 5 1 2 to redeem or purchase any of its own shares or issue any redeemable shares or create and issue any loan stock,

- 5 1 3 to sell, assign, lease, lend or otherwise dispose of or part with possession of or surrender any interest in the Assets charged under this Debenture or attempt or agree to do so, except that the restrictions contained in this clause 5 1 3 shall not apply to such of the Assets as are charged pursuant to clause 17 1 3 only, where the disposal is made in the ordinary course of trading and for full value, and

- 5 1 4 to sell, assign, discount, factor, pledge, charge or otherwise dispose of the assets described in clause 17 1 2 8 or any part thereof or deal with them otherwise than in accordance with clause 8 2

6 INSURANCE PROVISIONS

- 6 1 The Company covenants with and undertakes to the Chargee to insure and keep

insured such parts of the Assets as are of an insurable nature against loss or damage by fire and other usual risks and such other risks as the Chargee may from time to time require,

6 2 Such insurance must be

6 2 1 in the full amount of the reinstatement value of the Assets (due allowance being made for inflation during the period of insurance and reinstatement),

6 2 2 with such insurers as the Chargee shall in writing approve, and

6 2 3 on terms requiring the insurers not to cancel the policy without giving at least 14 days' prior notice to the Chargee,

6 3 The Company undertakes that

6 3 1 the Company will pay all premiums and money necessary for effecting and keeping up such insurances on the first day on which they ought to be paid,

6 3 2 the Company will have the interest of the Chargee noted on any such policy or policies and the Company shall ensure that the Chargee is named as a loss payee on such insurance policy, and

6 3 3 if required by the Chargee, the Company will deliver to the Chargee such policy or policies and the receipt (or other evidence of payment satisfactory to the Chargee) for every premium payable in respect of such policy or policies,

7 APPLICATION OF INSURANCE MONEY

7 1 The Company covenants with and undertakes to the Chargee to hold all money received on any insurance whatsoever in respect of loss or damage to the Assets whether pursuant to the covenant contained in clause 6 above or otherwise on trust for the Chargee, and to apply it as the Chargee may in its absolute discretion require

7 1 1 in making good the loss or damage in respect of which the money is received, or

7 1 2 in or towards discharge of the Secured Liabilities

8 CONDUCT OF BUSINESS

8 1 The Company covenants with and undertakes to the Chargee to conduct and carry on its business in a proper and efficient manner and not make any substantial alteration in the nature of or mode of conduct of that business

8 2 The Company covenants with and undertakes to the Chargee to get in and

realise in the ordinary course of its business all book and other debts and claims hereby charged and pay into a nominated bank account in the name of the Chargee as notified to the Company by the Chargee in writing or to such other account as the Chargee shall from time-to-time direct all monies which it may receive in respect of the same forthwith on receipt and pending such payment to hold such monies on trust for the Chargee and not (without the prior written consent of the Chargee) assign or otherwise dispose of or realise, exchange, compound, set-off or grant time or indulgence or otherwise deal with all or any of the same or purport so to do

9 STATE OF REPAIR

- 9 1 The Company covenants with and undertakes to the Chargee to keep all buildings and fixed and moveable plant, machinery, fixtures, fittings, vehicles, computers and other equipment forming part of the Assets in a good state of repair and in good working order and condition

10 PROPERTY COVENANTS

- 10 1 The Company covenants with and undertakes to the Chargee
- 10 1 1 to pay the rents reserved by, and to observe and perform all the covenants on the part of the lessee contained in, the respective leases under which any leasehold properties for the time being comprised in the Real Property are held,
- 10 1 2 not without the Requisite Consent to pull down or remove the whole or any part of the Assets consisting of buildings or other structures, fixed plant and machinery;
- 10 1 3 not to exercise any of the statutory or common law powers of leasing and/or accepting surrenders of leases conferred on mortgagors by Sections 99 and 100 of the Law of Property Act 1925 or otherwise without the Requisite Consent, although the Chargee may grant or accept surrenders of leases without restriction,
- 10 1 4 not to confer upon any person any licence, right or interest to occupy the Real Property or grant, suffer or permit to arise or subsist any overriding interest (under the Land Registration Acts 1925 to 1986) over any of the same,
- 10 1 5 that no person other than the Company shall be registered with HM Land Registry as the proprietor of any Real Property and the costs incurred by the Chargee in effecting all such registrations at HM Land Registry, HM Land Charges Registry or any other registry (whichever shall be appropriate) as the Chargee shall from time-to-time require in order to ensure compliance with the

same shall be an expense properly incurred in relation to this Debenture, shall form part of the Secured Liabilities and shall be reimbursed to the Chargee by the Company on demand,

10 1 6 to permit the Chargee and its agents, employees and persons authorised by it to enter the Real Property at any time to view the state of repair and condition of such Any such persons may enter the Real Property and, if having notified the Company of such repairs to and defects of the Real Property, they are not effected or remedied by the Company within (in the Lender's reasonable opinion) a reasonable time period, repair and make good any defects in the Real Property resulting from or which constitute a breach of covenant under this Debenture by the Company If the Chargee acts under this provision it shall not be or be deemed to be a mortgagee in possession or accountable as such The Company shall indemnify the Chargee in respect of any such expenditure on demand,

10 1 7 to observe and perform all covenants, conditions, agreements and stipulations from time-to-time affecting the Real Property or the mode of use or the enjoyment of the same and not enter into any onerous or restrictive obligations affecting the Real Property or, without the Requisite Consent, to do or suffer to be done on the Real Property anything which is "development" as defined in section 55 of the Town and Country Planning Act 1990 nor to do or suffer or omit to be done any act, matter or thing whereby any provision of any Act of Parliament, order or regulation from time-to-time in force affecting the Real Property is infringed,

10 1 8 to observe the provisions of the Town and Country Planning Acts and any amendment or replacement of them and all regulations made under them, and all planning and buildings regulations, by-laws and other requirements of any other planning authority or similar;

10 1 9 to inform the Chargee immediately on becoming bound to complete the purchase of any estate or interest in any freehold or leasehold property after the date of this Deed and to deposit with the Chargee the deeds and documents of title relating to such property and to all other Real Property, and

10 1 10 to execute at any time upon request over all or any of the property referred to in clause 10 1 9 above a charge by way of legal mortgage in favour of the Chargee in such form as the Chargee shall require

11 LABELLING OF PROPERTY

11 1 The Company covenants with and undertakes to the Chargee to affix or engrave

upon the property charged by this Debenture such labels plates or markings as the Chargee shall notify the Company and shall not allow to be disturbed or defaced any labels plates or markings which may be affixed or engraved on or to the property covered by this Debenture as a means of identification by its manufacturers suppliers or by any other person and will not obliterate obscure or cover up the same and the Chargee shall at all reasonable times have access to the property covered by this Debenture for the purpose of inspecting affixing repairing or replacing any labels plates or markings as he may in his absolute discretion consider necessary

12 INTELLECTUAL PROPERTY

12 1 The Company covenants with and undertakes to the Chargee

12 1 1 to make such registrations and pay such fees, registration taxes and similar amounts as are necessary to keep its Intellectual Property in force,

12 1 2 to take such steps as are necessary (including the institution of legal proceedings) to prevent third parties infringing its Intellectual Property and (without prejudice to sub-clause 12 1 1 above) to take all other steps which are reasonably practicable to maintain and preserve its interests in its Intellectual Property, and

12 1 3 not, without the Requisite Consent of the Chargee

12 1 3 1 to sell, transfer, license or otherwise dispose of all or any part of its Intellectual Property, or

12 1 3 2 to permit any Intellectual Property which is registered to be abandoned or cancelled, to lapse or to be liable to any claim of abandonment for non-use or otherwise

12 2 The Company covenants with and undertakes to the Chargee to conduct its business in such a way as not to endanger or lead to the curtailment, forfeiture or suspension of any licences, registered Intellectual Property, or other rights required in connection with its business

13 COMPLIANCE WITH OBLIGATIONS

13 1 The Company covenants with and undertakes to the Chargee to comply with all the obligations on the part of the Company in respect of the Assets, whether express or implied

14 COMPLIANCE WITH LAWS

14 1 The Company covenants with and undertakes to the Chargee to comply in all

material respects with the terms of all applicable laws, including common law, statute and subordinate legislation, European Union Regulations and Directives and judgements and decisions of any court or authority competent to make such judgement or decision compliance with which is mandatory for the Company including without limitation all environmental laws, legislation relating to public health, town & country planning, control and handling of hazardous substances or wastes, fire precautions and health and safety at work

15 ENVIRONMENTAL LAWS

15 1 The Company covenants with and undertakes to the Chargee to comply with or procure compliance with all environmental laws, regulations, directives and codes of practice relating to any pollution waste (as defined by the Environmental Protection Act 1990), emissions, substance or activity perceived as being harmful to man or other living organism or of damaging the environment or public health or welfare or relating to nuisance, noise, defective premises or health and safety (all such matters being referred to in this Debenture as "Environmental Matters") applicable to all Real Property, any buildings or structures on such Real Property or any development or other works carried on at such Real Property,

15 2 The Company covenants with and undertakes to the Chargee to notify the Chargee immediately of becoming aware of

15 2 1 any notice of non-compliance with any Environmental Matters, and

15 2 2 any notice which results or may result in any modification, suspension or revocation of any licence or permission given under or in respect of any Environmental Matters

16 DEMANDS OR NOTICES

16 1 Any notice or demand to be given by a party to this Debenture shall be in writing and shall be given personally or by prepaid post to the addressee at the address set opposite its name below

The Company at Valley Farm, Hanbury Road, Hanbury, Worcestershire, B60 4HJ marked for the attention of John Harris

The Chargee at 44 Bell Street, Henley-on-Thames, Oxfordshire, RG9 2BG marked for the attention of Gavin Matland-Smith

or at such other address (within England) as the party to be served may have notified as its address for service

16 2 Any notice given in accordance with clause 16 1 shall be deemed to have been received

16 2 1 if delivered personally, at the time of delivery, or

16 2 2 in the case of a notice sent by pre-paid post, 48 hours after the date of posting

16 3 For the purposes of this clause "business hours" means the hours of 9 00am to 5 30pm local time in the country of the addressee and "Business Day" means a day (other than a Saturday or Sunday) when banks in London are open for business

16 4 A certificate by the Chargee as to the amount of the Secured Liabilities or any part of them will, in the absence of manifest error, be conclusive and binding on the Company

17 CHARGING PROVISIONS

17 1 The Company charges to the Chargee as a continuing security and with full title guarantee for the payment and discharge of the Secured Liabilities

17 1 1 by way of legal mortgage all the freehold and leasehold property now vested in it (including but not limited to that referred to in Schedule 1) whether or not the title to the property is registered at H M Land Registry together with all present and future buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property, and

17 1 2 by way of fixed charge

17 1 2 1 all future freehold and leasehold property belonging to the Company and all freehold property not effectively mortgaged by clause 17 1 1 together with all buildings, fixtures (including trade and tenant's fixtures),

17 1 2 2 all present and future interests of the Company in or over land or the proceeds of sale of it and all present and future licences of the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures),

17 1 2 3 all the Company's goodwill and uncalled capital for the time being,

17 1 2 4 all present and future stocks, shares and other securities owned (at law or in

equity) by the Company and all rights and interests accruing or offered at any time in relation to them,

17 1 2 5 all rights and interests in and claims under all policies of insurance and assurance held or to be held by or inuring to the benefit of the Company and the benefit of all rights and claims to which the Company is now or may be entitled under any contracts,

17 1 2 6 all patents, patent applications, trade marks, trade mark applications, trading names, domain names, brand names, service marks, copyrights, topography rights, rights in the nature of copyright, moral rights, database rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world,

17 1 2 7 all (if any) plant and machinery listed in Schedule 2,

17 1 2 8 all book debts both present and future due or owing to the Company and the benefit of all rights and remedies relating thereto including (without prejudice to the generality of the foregoing) negotiable or non-negotiable instruments, guarantees, indemnities, debentures, legal and equitable charges and other security, reservation of proprietary rights, rights of tracing, liens and all other rights and remedies of whatsoever nature in respect of the same, and

17 1 2 9 all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right of interest)

17 1 3 by way of floating charge all the Assets not effectively otherwise charged by this clause 17, but so that the Company is prohibited from creating any fixed security or mortgage or any other floating charge over the Assets having priority over or ranking par passu with the floating charge created by this sub-clause (otherwise than in favour of the Chargee)

18 CRYSTALLISATION

18 1 The Chargee may at any time, by notice to the Company, immediately convert the floating charge created under clause 17 1 3 into a fixed charge over any

Assets specified in that notice and the floating charge will, without notice from the Chargee, automatically be converted with immediate effect into a fixed charge (and the crystallisation events specified in this clause are in addition to any events which would have that effect at law in any case)

18 1 1 In respect of all the Assets charged under the floating charge on the creation of any mortgage, assignment, lien, charge, hypothecation, pledge, conditional sale or title retention agreement, trust arrangement or any other agreement or arrangement the economic or commercial effect of which is similar to the creation of security or any other security interest whatsoever (but shall not include any of the same arising solely by operation of law or a title retention agreement (a "Security Interest")),

18 1 2 in respect of all the Assets charged under the floating charge on the levy or the attempt to levy any distress, execution or sequestration or other person against or over any of the Assets,

18 1 3 in respect of all the Assets charged under the floating charge if and when the Company ceases to carry on business or to be a going concern, and

18 1 4 in respect of all the Assets charged under the floating charge on the making of an order for the compulsory winding-up of the Company or on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Company, or on the presentation of a petition for the making of an administration order in relation to the Company or on the giving to the Chargee of written notice of the intention of the Chargor or its directors to appoint an administrator in relation to the Company, or on the presentation of an application for a warrant of execution, writ of fieri facias, garnishee order or charging order

19 DEALINGS IN REAL PROPERTY

19 1 The Company will not without Requisite Consent

19 1 1 dispose of or part with possession in any way (except on the determination of any lease, tenancy or licence) or share occupation of any Real Property, or

19 1 2 in any way dispose of the equity of redemption of any such Real Property or any interest in any such Real Property

19 2 The Company will, if required to do so by the Chargee, deposit with the Chargee during the continuance of this security and the Chargee will be entitled to hold all deeds and documents of title relating to the Company's freehold and leasehold property and stocks, shares and other securities and all policies of insurance and assurance

20 FURTHER ASSISTANCE

20 1 The Company (at its own cost) will on demand in writing by the Chargee execute and deliver in such form as the Chargee may reasonably require

20 1 1 a legal mortgage of any freehold or leasehold property of the Company which is not effectively charged by clause 17 1 1 and of any freehold or leasehold property acquired by the Company after the date of this Debenture,

20 1 2 a standard security or other fixed security over the Company's freehold and leasehold or other property,

20 1 3 a chattel mortgage over such chattels, plant and machinery as the Chargee may specify;

20 1 4 an assignment with full title guarantee by way of security of all and any Assets, and

20 1 5 a fixed charge or assignment by way of security of any Asset subject to the floating charge under clause 17 1 3

20 2 The Company will do and concur in all such other acts or things as the Chargee may deem necessary to vest in the Chargee title to all or any of the Assets

20 3 Any fixed mortgage, charge or other security hereafter created by the Company in favour of the Chargee shall have priority over the floating charge created by this Debenture, except insofar as the Chargee shall declare otherwise whether at or after the time of creation of such fixed security

21 SECURITY TO BE CONTINUING

21 1 Subject to clause 25 1, 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 Chargee 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

22 APPOINTMENT OF ADMINISTRATOR OR RECEIVER

22 1 In this Debenture the expressions "Administrator" and "Receiver" will include plural and any substitute Administrator(s) or Receiver(s))

22 2 The Chargee shall be and is entitled to appoint in writing an administrator ("Administrator") or a receiver, or a receiver and manager ("Receiver") of all or

- any part of the Assets either immediately or at any time after
- 22 2 1 a request from the Company for such appointment, or
 - 22 2 2 the Company's failure to make payment in full of all or any of the Secured Liabilities following a demand for payment from the Chargee, or
 - 22 2 3 the presentation of a petition for an administration order to be made in respect of the Company, or
 - 22 2 4 the receipt by the Chargee of written notice of the intention of the Company or its directors to appoint an administrator in relation to the Company
- 22 3 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of the Chargee specifies to the contrary)
- 22 4 The power to appoint an Administrator or a Receiver (whether conferred by this Deed or statute) shall be and remain exercisable by the Chargee notwithstanding any prior appointment in respect of all or any part of the Assets
- 22 5 The Chargee 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
- 22 6 The Administrator and Receiver will be the agent of the Company (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Company 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 (including the Law of Property Act 1925) and in particular by way of addition to but without prejudice to those powers (and those of the Chargee) the Administrator and Receiver will have power:
- 22 6 1 to carry on, manage the business of the Company or any part of it or concur in so doing, to perform any obligation of the Company relating to such matters, to exercise all rights, duties and powers of the Company in connection with the Assets charged under this Debenture, to institute and defend legal proceedings, to give and receive notices, to raise or borrow any money that may be required upon the security of the whole or any part of the Assets charged under this Debenture whether ranking in priority to the security created by this Debenture or otherwise,

- 22 6 2 to exploit or make use of the Assets charged under this Debenture with a view to profit or gain,
- 22 6 3 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 and so that any such sale may be made for cash payable by instalments or for shares or securities of another company and the Administrator or the Receiver may promote or concur in promoting a company to purchase the Assets to be sold,
- 22 6 4 to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part,
- 22 6 5 to exercise all voting and other rights attaching to stocks, shares and other securities owned by the Company,
- 22 6 6 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 Company and the moneys so paid will be deemed to be an expense properly incurred by the Administrator or the Receiver,
- 22 6 7 to promote the formation of a subsidiary or subsidiaries of the Company, for the purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company,
- 22 6 8 to make any arrangement or compromise which the Chargee or the Administrator or the Receiver may think fit,
- 22 6 9 to make and effect all repairs, renewals, improvements, and insurances,
- 22 6 10 to appoint managers officers and agents for any of the purposes referred to in this clause 22 at such salaries as the Administrator or the Receiver may determine,
- 22 6 11 to do all other acts and things as may be considered by the Administrator or the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Assets
- 22 7 And all the foregoing provisions shall take effect as and by way of variation and extension of the provisions of sections 99 to 109 inclusive of the Law of Property Act 1925 which provisions so varied and extended shall be regarded as incorporated in this Debenture except to the extent that they are expressly or

impliedly excluded Where there is any ambiguity or conflict between the powers contained in the Law of Property Act 1925 and those contained in this Debenture, the terms of this Debenture shall prevail

23 APPLICATION OF FUNDS

23 1 All monies received by the Receiver shall be applied

23 1 1 firstly, subject to the discharge of any prior liabilities, in payment of all costs, charges or expenses incurred by the Receiver or the Chargee in the Receiver's appointment and/or the exercise of all or any of the Receiver's powers and all outgoings relating thereto,

23 1 2 secondly, in payment of the Receiver's remuneration at such rates as may be agreed with the Chargee at or any time before or after the Receiver's appointment (without being limited by the maximum rate specified in Section 109(8) of the Law of Property Act 1925),

23 1 3 thirdly, in or towards the payment of any debts or other amounts which are by statute made payable in preference to the monies secured by this Debenture,

23 1 4 fourthly, in or towards satisfaction of the money and liabilities secured by this Debenture in such order (whether as to principal, interest or otherwise) as the Chargee may from time to time require, and

23 1 5 fifthly, the surplus (if any) shall be paid to the Company or other persons entitled to it

23 2 Neither the Chargee nor any Receiver shall be under any obligation to do anything to enforce the obligations of any person, and shall not be liable to the Company for any loss or damage caused by any omission to do so

23 3 If the Company shall receive any payment under or in respect of the Assets charged under this Debenture after demand has been made under this Debenture then the Company shall immediately account to the Chargee or any Receiver for it and in the meantime hold it in a separate trust account

23 4 A person dealing with the Receiver in good faith and for value shall not be concerned to enquire whether the Administrator or Receiver is validly appointed or acting within his powers

23 5 The Chargee may exercise all of the powers of a Receiver, under this Debenture, following demand whether as attorney of the Company or otherwise and whether or not any Receiver shall have been appointed

23 6 If the Chargee or any Receiver takes possession of the Assets charged under this Debenture the Chargee or the Receiver may relinquish such possession at any time

23 7 Section 93 of the Law of Property Act 1925 (consolidation of mortgages) will not apply to this Debenture

24 POWER OF ATTORNEY

24 1 The Company irrevocably appoints the Chargee (whether or not an Administrator or Receiver has been appointed) and also (as a separate appointment) the Administrator or Receiver severally the Attorney and Attorneys of the Company, for the Company 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 Company under this Debenture or may be deemed proper for any of its purposes, and to convey or transfer a legal estate to any purchaser of any freehold or leasehold property charged under this Debenture, but not otherwise. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971

25 RETENTION OF SECURITY

25 1 The Chargee shall be at liberty to retain the security created by or pursuant to this Debenture for a period of 25 months after the liabilities secured by this Debenture shall have been paid and discharged in full notwithstanding any release settlement discharge or arrangement given or made by the Chargee on or as a consequence of such payment or termination of liability. If at any time within the period of 25 months after such payment or discharge a petition shall be presented to a competent Court for an order for the winding up or the making of an administration order in respect of the Company or the Company shall commence to be wound up or to go into administration or any analogous proceeding shall be commenced by or against the Company the Chargee shall be at liberty to continue to retain such security for and during such further period as the Chargee may determine. The Company agrees that in such event such security shall be deemed to have continued to have been held as security for the payment and discharge to the Chargee of all liabilities secured by such security

26 THE CHARGEES POWER OF SALE

26 1 Section 103 of the Law of Property Act 1925 will not apply to this Debenture but the statutory power of sale will as between the Chargee and a purchaser from the Chargee arise on and be exercisable at any time after the execution of this

Debenture provided that the Chargee will not exercise the power of sale until payment of all or any part of the Secured Liabilities has been demanded or the Administrator or Receiver has been appointed but this proviso will not affect a purchaser or put him upon inquiry whether such demand or appointment has been validly made

- 26 2 The statutory powers of sale, leasing and accepting surrenders exercisable by the Chargee under this Debenture are extended so as to authorise the Chargee whether in its own name or in that of the Company to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of the Company with whatever rights relating to other parts of it and containing whatever covenants on the part of the Company and generally on such terms and conditions (including the payment of money to a leasee or tenant on a surrender) and whether or not at a premium as the Chargee thinks fit

27 COMPANY TO MEET THE CHARGEES EXPENSES

- 27 1 All reasonable costs, charges and expenses incurred hereunder by the Chargee, and all other monies paid by the Chargee or by the Administrator or Receiver in perfecting or otherwise in connection with this security or in respect of the Assets, including (without prejudice to the generality of the foregoing)

- 27 1 1 all moneys reasonably expended by the Chargee under Clause 26 hereof,

- 27 1 2 all reasonable costs of the Chargee (on a solicitor and own client basis) of all proceedings for the enforcement of this security or for obtaining payment of moneys hereby secured or arising out of or in connection with the acts authorised by clause 26 hereof,

- 27 1 3 all reasonable costs and losses to the Chargee arising in consequence of any default by the Company in the performance of its obligations

28 COMPANYS AUTHORITY TO RELEASE INFORMATION

- 28 1 The Company agrees that the Chargee may from time to time seek from any person having dealings with the Company such information about it and its affairs as the Chargee may think fit and authorises and requests any such person to provide that information to the Chargee and agree to provide such further authority for this purpose as the Chargee from time to time may require

29 REPRESENTATIONS AND WARRANTIES

- 29 1 The Company warrants to the Chargee as follows

- 29 1 1 it is the legal and beneficial owner of the Assets,
- 29 1 2 the Assets are free from any encumbrance other than the encumbrances created by this Debenture,
- 29 1 3 it has not received or acknowledged notice of any adverse claim by any person in respect of the Assets or any interest in any of them,
- 29 1 4 there is no breach of any law or regulation which materially adversely affects the Assets,
- 29 1 5 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially adversely affect the Assets or any of them,
- 29 1 6 no facility necessary for the enjoyment and use of the Assets is subject to terms entitling any person to terminate or curtail its use,
- 29 1 7 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Real Property,
- 29 1 8 no encumbrance expressed to be created pursuant to this Debenture is liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise, and
- 29 1 9 the Company has at all times complied in all material respects with all applicable Environmental Matters
- 30 NOTICE OF BREACH**
- 30 1 The Company will promptly upon becoming aware of any breach give the Chargee notice in writing of any breach of any warranty set out in clause 29
- 31 POWER TO GRANT DEBENTURE**
- 31 1 The Company certifies that the security created by this Debenture does not contravene any of the provisions of its Memorandum or Articles of Association
- 32 VARIATION**
- 32 1 No variation of this Debenture shall be effective unless in writing and signed as a Deed by or on behalf of a duly authorised representative of each party to this Debenture
- 33 WAIVER OF RIGHTS**
- 33 1 A failure by the Chargee to exercise and any delay, forbearance or indulgence by the Chargee in exercising any right, power or remedy under this Debenture

shall not operate as a waiver of that right, power or remedy or preclude its exercise at any subsequent time or on any subsequent occasion. The single or partial exercise of any right, power or remedy shall not preclude any other or further exercise of that right, power or remedy. No custom or practice of the parties at variance with the terms of this Debenture shall constitute a waiver of the rights of the Chargee party under this Debenture. The rights, powers and remedies provided in this Debenture are cumulative and not exclusive of any rights, powers or remedies provided by law.

34 ASSIGNMENT AND TRANSFER

34 1 The Chargee may at any time, without the consent of the Company, assign or transfer the whole or any part of the Chargee's rights under this Debenture to any person.

34 2 The Company may not assign any of its rights or transfer any of its obligations under this Debenture or enter into any transaction which would result in any of these rights or obligations passing to another person.

35 THIRD PARTY RIGHTS

35 1 The Administrator or Receiver may enforce any provisions of this Debenture.

35 2 Except as provided in clause 35 1 no term of this Debenture shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party (other than the successors or assigns of the Chargee), but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

35 3 Notwithstanding that any term of this Debenture may be or become enforceable by a person who is not a party to it, the terms of this Debenture or any of them may be varied, amended or modified, or this Debenture may be suspended, cancelled or terminated by agreement in writing between the parties, or rescinded, in each case without the consent of any such third party.

36 SEVERANCE

36 1 If at any time any provision of this Debenture is or becomes invalid or illegal in any respect, such provision shall be deemed to be severed from this Debenture but the validity, legality and enforceability of the remaining provisions of this Debenture shall not be affected or impaired thereby.

37 GOVERNING LAW AND JURISDICTION

37 1 This Debenture and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are

governed by and construed in accordance with the law of England

37 2 The parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Debenture or its subject matter or formation (including non-contractual disputes or claims)

THIS DEBENTURE has been executed and delivered as a deed on the date stated at the beginning of

EXECUTED AS A DEED by
LEGION TRADE FINANCE LIMITED
acting by
a director in the presence of

)
)
)
)
)

Director

In the presence of

Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AS A DEED by
LOK8U LIMITED acting by
a director in the presence
of

)
)
)
)
)

Director

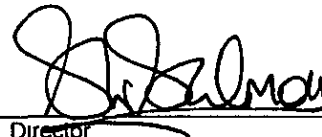
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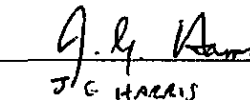
Witness signature

Witness name

Witness address

Witness occupation




J. C. HARRIS

17 WESTFIELD ROAD
EDGASTON
BIRMINGHAM B15 3PF

DIRECTOR

EXECUTED AS A DEED by
LEGION TRADE FINANCE LIMITED
acting by SAUN MATIAS-SMITH
a director in the presence of

)
)
) SAUN MATIAS-SMITH
)
Director

In the presence of

Witness signature

Witness name

Witness address

SAUN MATIAS-SMITH
SAUN MATIAS-SMITH
5 DOVERDALE ROAD
TOMBRIDGE
KENT
TN9 2JT
CONSULTANT

Witness occupation

EXECUTED AS A DEED by
LOK8U LIMITED acting by
a director in the presence
of

)
)
)
)
Director

In the presence of

Witness signature

Witness name

Witness address

Witness occupation