



Registration of a Charge

Company name: **CARBON FIBRE PREFORMS LIMITED**

Company number: **06310205**



X6HVJO15

Received for Electronic Filing: **26/10/2017**

Details of Charge

Date of creation: **07/10/2017**

Charge code: **0631 0205 0002**

Persons entitled: **INTELLIGENT FINANCING LIMITED**

Brief description: **ALL REAL PROPERTY WHETHER FREEHOLD AND/OR LEASEHOLD AND WHETHER OWNED OR LEASED BY THE COMPANY AT ANY TIME DURING THE DURATION OF THE DEBENTURE. ALL PATENTS, PATENT APPLICATIONS, TRADE MARKS, KNOW HOW, COPYRIGHTS, BUSINESS NAMES, REGISTERED DESIGNS, CONFIDENTIAL INFORMATION AND ANY OTHER INTELLECTUAL PROPERTY RIGHTS OWNED BY THE COMPANY.**

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **ALEX CHAPMAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6310205

Charge code: 0631 0205 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th October 2017 and created by CARBON FIBRE PREFORMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th October 2017 .

Given at Companies House, Cardiff on 30th October 2017

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated

. 7th OCTOBER

2017

DEBENTURE

Between

CARBON FIBRE PREFORMS LIMITED

and

INTELLIGENT FINANCING LIMITED

BERMANS

Solicitors
Cardinal House
20 St Mary's Parsonage
Manchester
M3 2LY

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This Debenture is made on

7TH OCTOBER

2017

Between

- (1) **CARBON FIBRE PREFORMS LIMITED** (company number 06310205) and whose registered office is at Wootton Mead Stratford Road, Wootton Waven, Henley In Arden, West Midlands B95 6AP (**the Company**); and
- (2) **INTELLIGENT FINANCING LIMITED** (company number 07117511) and whose registered office is 2nd Floor, St James House, The Square, Lower Bristol Road, Bath BA2 3BH (**the Lender**).

Operative Provisions

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Debenture the following words and expressions shall have the following meanings: -

Charged Assets all the undertaking and the assets, rights and property of the Company which are the subject of this Security and includes any part of or any interest in them;

Environmental Law any and all laws, whether civil, criminal or administrative, which have as a purpose or effect the protection of the environment, and/or the mitigation, abatement, containment or prevention of harm or damage to or other interference with the environment and/or the provision of remedies in respect of that harm or damage, including European Community or European Union regulations, directives, decisions and recommendations; statutes and subordinate legislation; regulations, orders, ordinances; permits, codes of practice, circulars, guidance notes and the like; common law, local laws and bye-laws; judgments, notices, orders, directions, instructions or awards of any competent authority;

Environmental any permit, licence, authorisation, consent or other approval

Licence	required by any Environmental Law;
Event of Default	any failure on the part of the Company to pay the Secured Sums to the Lender in accordance with the terms of the Loan Agreement and/or this Debenture;
Fixture	any fixture or fitting owned by the Company on or in any Property;
IA 86	Insolvency Act 1986 as amended in particular by the Enterprise Act 2002;
Intellectual Property Rights	all patents, patent applications, trade marks, know how, copyrights, business names, registered designs, confidential information or other intellectual property rights of the Company and any licence or interest in any such rights;
Loan Agreement	means a Facility Agreement of even date made between: (1) the Lender and (2) the Company;
the LPA	The Law of Property Act 1925;
Planning Acts	the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991 and the Planning and Compulsory Purchase Act 1994 and any orders, regulations or permissions made or granted under any of those Acts;
Plant and Equipment	all plant and equipment owned by the Company on or in any Property;
Premises	all buildings or other erections on or in any Property;
Property	all real property whether freehold and/or leasehold and whether owned or leased by the Company at any time during the

continuation of this Debenture;

Secured Liabilities all sums due from the Buyer to the Lender under the terms of the Loan Agreement together with interest and the referral fee thereon calculated per annum and any default interest calculated day by day from a demand for repayment until full discharge (whether before or after judgment) at the rate set out in the Loan Agreement and all legal and other costs, charges and expenses and other payments incurred by the Lender in enforcing the security created by this Debenture on a full and unqualified indemnity basis;

Security the Security Interests created by this Debenture;

Security Interests includes a mortgage, lien, pledge, encumbrance, charge, hypothecation, right of set-off or other security interest or arrangement, the effect of which is intended to prefer the beneficiary of it over unsecured creditors; and

Tax(es) includes all present and future taxes, charges, imposts, duties, levies, deductions, withholdings or amounts or charges of a similar nature, levied or imposed by the United Kingdom HM Revenue and Customs, or any amount payable on account of, or as security for, any of the above, including any penalties, fines, surcharges or interest payable in connection with such amounts.

- 1.2 Terms defined in the Loan Agreement have the same meanings in this Debenture unless otherwise stated.
- 1.3 References to any specific statute or regulation shall include such statute or regulation as amended or re-enacted.
- 1.4 The headings in this Debenture are inserted for convenience only and shall not affect its construction.

- 1.5 References to Clauses are to clauses to this Debenture unless otherwise specified.
- 1.6 Any reference to any other document is a reference to that other document as amended, varied, supplemented or novated (in each case, other than in breach of the provisions of this Debenture) at any time.
- 1.7 The expressions "the Company" and "the Lender" shall include their respective successors and assigns.

2. OBLIGATION TO PAY

- 2.1 The Company will on demand in accordance with the provisions of this Debenture pay and discharge the Secured Liabilities when due to the Lender.

3. FIXED CHARGE

- 3.1 The Company charges to the Lender as a continuing security for the payment or discharge of the Secured Liabilities with full title guarantee:

3.1.1 by way of legal mortgage the Property together with:

- 3.1.1.1 any Premises, Plant and Equipment and Fixtures on or in that Property;
- 3.1.1.2 the proceeds of sale of that Property;
- 3.1.1.3 the benefit of any covenants or rights attaching to that Property;

3.1.2 to the extent not subject to the legal mortgage under Clause 3.1.1, by way of fixed charge all its present and future interest in any freehold or leasehold property owned by the Company, together (in each case) with:

- 3.1.2.1 any Premises, Plant and Equipment and Fixtures on or in such property;
- 3.1.2.2 the proceeds of sale of such property;
- 3.1.2.3 the benefit of any covenants or rights attaching to such property;

3.1.3 by way of a fixed charge, all its present and future interest in:

- 3.1.3.1 all stocks, shares and other securities together with all rights and interests attaching to them, now or at any

- time during the continuance of this Security owned (whether at law or in equity) by the Company;
- 3.1.3.2 all rights and interests of the Company in, and claims under, all policies of insurance and assurance now or at any time during the continuance of this Security held by, or insuring to the benefit of, the Company;
- 3.1.3.3 the Plant and Equipment;
- 3.1.3.4 all other plant, machinery, vehicles, computers and other equipment for the time being owned by the Company;
- 3.1.3.5 all its present and future goodwill;
- 3.1.3.6 all Intellectual Property Rights and all agreements under which the Company is now or may become entitled to a payment or any royalty fee or similar income;
- 3.1.3.7 all its capital;
- 3.1.3.8 all rental and other income and all debts and claims now or in the future;
- 3.1.3.9 the benefit of all or any licences consents and authorisations now or at any time during the continuance of this Security held by the Company; and
- 3.1.3.10 all its rights under any documentary letters of credit or bank guarantees issued in its favour and any bills of exchange and other negotiable instruments held by it.

4. FLOATING CHARGE

- 4.1 The Company charges to the Lender with full title guarantee by way of floating charge all its present and future undertaking, property and assets of the Company whatever and wherever situate not effectively charged pursuant to Clauses 3.1.1, 3.1.2 and 3.1.3.
- 4.2 Paragraph 14 of Schedule B1 of the IA 86 shall apply to this Debenture. This Debenture is a qualifying floating charge for the purposes of that Schedule.

5. CONVERSION OF FLOATING CHARGE

- 5.1 The Lender may, at any time by notice in writing to the Company, convert the floating charge into a fixed charge as regards any of the Charged Assets

specified in the notice which the Lender shall reasonably consider to be in danger of being seized or sold under any form of distress or execution levied or threatened or to be otherwise in jeopardy and may appoint a receiver of them.

5.2 The floating charge shall automatically be converted into a fixed charge:

5.2.1 in respect of any of the Charged Assets which shall become subject to a fixed charge in favour of any other person or to a disposition contrary to the provisions of Clauses 7.2 and 7.3 immediately upon such charge or disposition;

5.2.2 in respect of all the Charged Assets if and when the Company shall cease to carry on business or to be a going concern; and/or

5.2.3 upon the happening of an Event of Default.

6. PRIORITY

Any specific mortgage, charge or other security created by the Company after the date of this Debenture in favour of the Lender shall have priority over the floating charge created by this Debenture, except insofar as the Lender shall declare otherwise, whether at or after the time of creation of such security.

7. PRIOR CONSENT

The Company shall not without the prior consent in writing of the Lender:

7.1 create, or purport or attempt to create, any mortgage, charge or encumbrance on any freehold or leasehold property, other land (wherever situate) or any of the Charged Assets or in any way dispose of the equity of redemption relating to them or any interest in them and the Company consents to a Restriction on the registers of the title of such of the freehold or leasehold properties charged as are registered at the Land Registry under the Land Registration Act 2002 as follows;

"No disposition *[or specify details]* of the registered estate *[(other than a charge)]* 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 *[date]* in favour of *[Lender]* referred to in the charges register *[(or his conveyancer or specify appropriate details)]* or, if appropriate, signed on such proprietor's behalf by *[its secretary or conveyancer or specify appropriate details]*.";

or

7.2 create or permit to exist any mortgage, debenture, charge, pledge, lien or other interest (whether express or arising by operation of law) on or affecting

any part of the Charged Assets subject to the floating charge created by Clause 4 ranking either in priority to, or equally in all respects with, the said floating charge; or

- 7.3 sell, transfer or otherwise dispose of the Charged Assets subject to that floating charge except by way of sale in the ordinary course of business.

8. REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to the Lender on the date of this Debenture and on each day that it is in force with reference to given facts and circumstances then existing that:

- 8.1 it has the power to enter into this Security and has taken all necessary corporate and other action to authorise the execution, delivery and performance of it;
- 8.2 the execution and delivery of this Security and its compliance with the covenants and other obligations contained in it do not, and will not, violate in any respect any applicable provision of any law or regulation or of its articles of association or of any mortgage, charge, agreement or other instrument to which it is a party or which may be binding on the Company or any of the Charged Assets;
- 8.3 this Debenture is not liable to be avoided or set aside on the liquidation or administration of the Company or otherwise.

9. CONTINUING OBLIGATIONS

- 9.1 The Company covenants with the Lender that, during the continuance of this Debenture, the Company:
- 9.1.1 shall keep all buildings, Fixtures and fittings, Plant and Equipment and all other machinery and other effects in good and substantial repair and in good working order and condition and shall punctually pay all rates, rents, taxes and other outgoings or sums payable in respect of the assets of the Company;
- 9.1.2 will maintain all such insurances as are normally maintained by prudent companies carrying on similar businesses and in particular will insure, and keep insured, such of the assets of the Company as are insurable with an insurance office or underwriters to the full replacement value of them together with additional amounts estimated as sufficient to cover architects and surveyors fees and demolition, site clearance and other costs and in default of that, the Lender may take out or renew such insurances in such sums and on

such terms as the Lender may think expedient. All money so expended by the Lender shall be recoverable under Clause 22.3;

- 9.1.3 shall punctually pay all premiums and other monies necessary for effecting and keeping up such insurances;
- 9.1.4 shall apply all monies received under any insurances either in making good the loss or damage in respect of which the monies are received or towards the discharge of all monies and all other liabilities secured by this Debenture;
- 9.1.5 shall, subject to the rights of any prior mortgagee and upon written request by the Lender, deposit with the Lender the deeds and documents of title relating to the freehold and leasehold properties of the Company and all estates and interests in or over land (wherever situate) and stocks, shares and other securities and all policies of insurance or assurance and shall, on demand in writing made to the Company by the Lender and at the cost of the Company, execute a legal charge over any freehold or leasehold property of the Company which is not by this Debenture effectively charged by way of legal mortgage and of any freehold or leasehold property acquired after the date of this Debenture by the Company in such form as the Lender may require and, in the case of any leasehold property, shall use its best endeavours to obtain any requisite consent for it from the lessor and furthermore execute and deliver a valid fixed security in a form acceptable to the Lender over any property, land or buildings (wherever situate) of the Company, execute such transfers and other documents necessary to enable the Lender to be registered as the owner of, or otherwise obtain, a legal title to the same and execute a valid fixed charge in such form as the Lender may require over any of the Charged Assets subject to the floating charge created by this Debenture;
- 9.1.6 shall as soon as practicable notify the Lender of the acquisition of any freehold or leasehold property or land (wherever situate) by the Company together with all relevant details and permit the Lender to inspect, at reasonable times during normal business hours, any of the assets of the Company on the giving of reasonable notice in writing by the Lender and as soon as reasonably practicable following receipt provide the Lender with copies of all notices received by the Company which may affect any of the assets and take such action in connection with them as the Lender may reasonably require or approve;
- 9.1.7 shall not, without the prior consent in writing of the Lender (such consent not to be unreasonably withheld or delayed), exercise any of

the powers of leasing or agreeing to lease vested in, or conferred on, mortgagors by common law or by statute or create, or suffer to be created, a tenancy of any description of the whole or any part of the Property, or Premises or confer upon any person any contractual licence, right or interest to occupy the whole or any part of the said properties, land or buildings or accept or agree to accept a surrender of any lease, underlease, tenancy, licence or agreement or grant any consents or licences as landlord under any such lease, underlease, tenancy, licence or agreement;

- 9.1.8 shall at all times observe and perform, and ensure the observance and performance by any other person or company at any time occupying the freehold and leasehold property or land (wherever situate) of the Company or any part of it of, all restrictive and other covenants to which the same or any part of it may from time to time be subject, all obligations on the part of the Company in any lease or tenancy agreement, all planning permissions, regulations, orders or requirements of any competent authority, buildings regulations and all restrictions, conditions and stipulations for the time being affecting the same or any part of it or the mode of use or enjoyment of the same and provide to the Lender on request such evidence of such observance or performance as the Lender shall require and within three days will deliver to the Lender any notice or proceedings served by any landlord and relating to any alleged breach of the terms of the relevant lease or tenancy;
- 9.1.9 shall not, without the prior consent in writing of the Lender (such consent not to be unreasonably withheld or delayed), re-issue any debenture or debenture stock which may have been, or which may after the date of this Debenture be, redeemed by the Company or purchase any of its shares;
- 9.1.10 shall observe and perform all covenants and stipulations from time to time affecting the Intellectual Property Rights owned by the Company and not without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed) sell, transfer, licence or otherwise dispose of all or any part of such rights or permit any such right to be abandoned, cancelled or lapse due to non-use;
- 9.1.11 shall comply with all Environmental Laws;
- 9.1.12 shall use the Property only as permitted by the Planning Acts, and not carry out, or permit to be carried out, on any part of the Property without the prior written consent of the Lender (such consent not to

be unreasonably withheld or delayed) any development as defined in the Planning Acts; and

9.1.13 shall not use or permit any Plant and Equipment for the time being annexed or attached to the Property to be used for any purpose for which they are not designed.

9.2 In the case of default by the Company in the performance of any of the covenants contained in Clause 9.1, the Lender may (but shall not be obliged to) do whatever may be necessary to make good such default and all sums expended by the Lender in that regard shall be added to the Secured Liabilities and bear interest accordingly and for that purpose the Company will permit the Lender to enter upon the Property and Premises to effect such repairs as the Lender may consider necessary without becoming liable as a mortgagee in possession, and the Lender may effect insurances in such amounts and against such risks as the Lender shall decide.

10. ENFORCEMENT

10.1 If any Event of Default shall occur:

10.1.1 the Lender shall cease to be under any further commitment to the Company and the Secured Liabilities shall immediately become due and payable on demand; and

10.1.2 this Security shall immediately become enforceable and the power of sale and other powers conferred by Section 101 of the LPA as varied or extended by this Security and all other powers conferred on the Lender by this Security shall become immediately exercisable without the restrictions contained in the LPA as to the giving of notice or otherwise.

10.2 The Company covenants as soon as practicable to notify the Lender in writing following the occurrence of any of the Events of Default or of the occurrence of any event which with the lapse of time or giving of notice would or may constitute any of the same.

11. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

11.1 The Lender shall be and is entitled to appoint in writing a receiver, a receiver and manager, administrative receiver or administrator (the "Receiver" which term will include plural and any substitute receiver(s)) of all or any of the Charged Assets either immediately or at any time after

11.1.1 an Event of Default; or

- 11.1.2 the presentation of a petition for an administration order to be made in respect of the Company.
- 11.2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of the Lender specifies to the contrary).
- 11.3 Any appointment over part only of the Charged Assets will not preclude the Lender from making any subsequent appointment of a Receiver over any part of the Charged Assets over which an appointment has not previously been made by it.
- 11.4 The Lender may from time to time determine the proper remuneration of the Receiver (for which the Company alone shall be liable) and may (subject to Section 45 IA 86) remove the Receiver from all or any part of the Charged 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 Charged Assets.
- 11.5 The Receiver will be the agent of the Company (which will be solely liable for his acts, defaults and remuneration) unless and until it goes into liquidation, (after which he will act as principal), and will have and be entitled to exercise in relation to the Company all the powers set out in Schedule 1 IA 86, all the powers conferred on the holder of a qualifying floating charge (as defined in the IA 86) 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 Lender) the Receiver will have power:
- 11.5.1 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 Charged 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 Receiver may promote or concur in promoting a company to purchase the Charged Assets to be sold;
- 11.5.2 to sever any Fixtures (including trade and tenant's fixtures) or Plant and Equipment from the Property of which they form part;
- 11.5.3 to exercise all voting and other rights attaching to stocks, shares and other securities owned by the Company;
- 11.5.4 to make and effect all repairs and improvements;
- 11.5.5 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 Receiver;

- 11.5.6 to promote the formation of a subsidiary or subsidiaries of the Company, purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company;
 - 11.5.7 to make any arrangement or compromise which the Lender or the Receiver may think fit;
 - 11.5.8 to make and effect all repairs, renewals, improvements, and insurances;
 - 11.5.9 to appoint managers officers and agents for any of the purposes referred to in this Clause 11 at such salaries as the Receiver may determine; and
 - 11.5.10 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 Charged Assets.
- 11.6 A person dealing with the Receiver in good faith and for value shall not be concerned to enquire whether the Receiver is validly appointed or acting within his powers.
- 11.7 The provisions of Clause 11.1 and the rights given to the Lender under this Debenture shall apply:
- 11.7.1 whether or not the Lender has entered into or taken possession of the Charged Assets or any part of them;
 - 11.7.2 whether or not the Company shall have been afforded sufficient or any time in which to satisfy any demand; and
 - 11.7.3 notwithstanding the terms of any other agreement between the Company and the Lender save only in the case of an express exclusion of this provision by reference to this Security.
- 11.8 The Lender shall not incur any liability in respect of, and the Company alone shall be responsible for, any contracts, engagements, acts, omissions, defaults or losses of the Receiver or for liabilities incurred by him or for his remuneration (either to the Company or to any other person whatsoever) by reason of its making his appointment as the Receiver or for any other reason whatsoever.
- 11.9 All or any of the powers, authorities and discretions which are conferred by this Security, either expressly or impliedly, upon the Receiver may be

exercised by the Lender in relation to the Charged Assets or any part of them without first appointing, or notwithstanding the appointment of, the Receiver.

12. APPLICATION OF PROCEEDS

12.1 All monies received by the Lender or by the Receiver shall, subject to the repayment as far as necessary of any claims having priority to this Security, be paid or applied in the following order of priority:

12.1.1 in payment of all proper costs, charges and expenses properly incurred and payments properly made by the Lender or the Receiver and of the remuneration of the Receiver;

12.1.2 in or towards payment to the Lender of all the Secured Liabilities in such order as the Lender may, from time to time, require; and

12.1.3 the surplus (if any) shall be paid to the Company or such other person or entity as may be entitled to it.

12.2 All monies received by the Company by virtue of any insurance on the Charged Assets, whether or not effected pursuant to this Debenture and whether the event by virtue of which such monies became payable occurred before on or after the date of this Debenture, shall be deemed part of the Charged Assets and (subject to any rights of third parties arising under any statute for the time being relating to the application of insurance monies and under any leases under which any Property is demised or let to or by the Company or under the terms of any insurances if such terms are incorporated in the lease in order to comply with the provisions of any such leases) shall unless the Lender shall confirm otherwise in writing be paid to the Lender and any monies so paid to the Lender or otherwise received by the Lender by virtue of any such insurance shall be applied at the discretion of the Lender either in reduction of the Secured Liabilities or in or towards making good the loss or damage in respect of which they became payable and any monies received by the Company by virtue of any insurance on the Charged Assets shall be held on trust for payment to the Lender in accordance with this Clause 12.2.

13. POWERS

The powers conferred by this Security in relation to the Charged Assets or any part of them on the Lender or on the Receiver of the Charged Assets or any part of them shall be in addition to, and not in substitution for, the powers conferred on mortgagees or receivers under the LPA or the IA 86, and where there is any ambiguity or conflict between the powers contained in the LPA or the IA 86 and those conferred by this Security then the terms of this Security shall prevail.

14. DELEGATION BY THE LENDER

The Lender may, at any time and from time to time, delegate by power of attorney or in any other manner to any person or persons or company or fluctuating body of persons all or any of the powers, authorities and discretions which are, for the time being, exercisable by the Lender under this security or under the LPA in relation to the Charged Assets or any part of them. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Lender may think fit, and the Lender shall not be in any way liable or responsible to the Company for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate (or sub-delegate).

15. POSSESSION

15.1 If the Lender or the Receiver or any delegate (or sub-delegate) appointed under Clause 14 shall enter into possession of the Charged Assets or any part of them, the Lender or the Receiver or any such delegate (or sub-delegate) may, from time to time go out of such possession.

15.2 The Lender shall not, in any circumstances or for any entry by it into, or taking by it of possession of, the Charged Assets or any part of them or for any other reason whatever and whether as mortgagee in possession or on any other basis whatever, be liable to account to the Company for anything except the Lender's own actual receipts or be liable to the Company for any loss or damage arising from any realisation by the Lender of the Charged Assets or any part of them or from any act, default or omission of the Lender in relation to the Charged Assets or any part of them or from any exercise or non-exercise by the Lender of any power, authority or discretion conferred upon it in relation to the Charged Assets or any part of them by or pursuant to this Security or by the LPA unless such loss or damage shall be caused by the Lender's own fraud.

15.3 All the provisions of Clause 15.2 shall apply in respect of the liability of the Receiver of the Charged Assets or any part of them and in respect of the liability of any such delegate (or sub-delegate) in all respects as though every reference in Clause 15.2 to the Lender were instead a reference to the Receiver or (as the case may be) to such delegate (or sub-delegate).

16. POWER OF ATTORNEY

16.1 The Company, by way of security and in order to secure the performance of its obligations under this Debenture, irrevocably appoints the Lender and any Receiver and every such delegate or sub-delegate severally to be its attorney and on its behalf and in its name to give all assurances, take all action, execute all documents (under hand or seal) which the Company is obliged to

under this Debenture including making any demand upon or giving any notice or receipt to any person owing money to the Company and executing and delivering any transfers and other documents, legal or other charges or security and generally, on its behalf and in its name, to exercise all or any of the powers, authorities and discretions conferred by or pursuant to this Security or by statute on the Lender or any Receiver, delegate or sub-delegate.

- 16.2 The Company ratifies and confirms and agrees to ratify and confirm whatever any such attorney acting pursuant to Clause 16.1 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in Clause 16.1.

17. ENQUIRY

- 17.1 No person dealing with the Lender or with any Receiver or with any such delegate or sub-delegate appointed in accordance with Clause 14 shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to this Security in relation to the Charged Assets or any part of them are or may be exercisable by the Lender or by any Receiver delegate or sub-delegate or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, and all the protection to purchasers contained in Sections 104 and 107 of the LPA shall apply to any person purchasing from or dealing with, the Lender or any Receiver, delegate or sub-delegate in like manner as if the statutory powers of sale and of appointing any Receiver had not been varied or extended by this Security.

- 17.2 In addition to all other protection afforded by law, any person dealing with the Lender or any Receiver or any delegate or sub-delegate appointed in accordance with Clause 15 shall be entitled and bound to assume without enquiry that some monies are owing on this Security and have become payable.

18. OTHER SECURITY

This Security shall be in addition to and shall not prejudice, or be prejudiced by, any other security, right, remedy or lien which the Lender may now or at any time after the date of this Debenture, have or hold for all monies and all other liabilities covenanted to be paid or discharged under this Security.

19. TIME AND INDULGENCE

The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons (whether or not a party to this Debenture and whether or not such person or persons is or are jointly and/or severally liable with the Company) in respect of any of the

monies and other liabilities secured by this Debenture or of any other security without prejudice either to this Security or to the liability of the Company for all monies and all other liabilities secured by this Debenture.

20. TAX

20.1 All payments to be made by the Company in respect of the Secured Liabilities will be made free and clear of, and without any deduction or withholding for or on account of, Tax.

20.2 If the Company is required to make any deduction or withholding, it will:

20.2.1 promptly notify the Lender of the amount which it is required to deduct or withhold; and

20.2.2 pay such additional amounts, as are necessary to ensure that the Lender receives and retains a net amount equal to the full amount which it would have received had the payment not been made subject to a deduction or a withholding.

20.3 If the Company becomes liable to make any additional payment under Clause 20.1 and the Lender in its reasonable discretion determines that it has received or been granted a credit against or relief or remission for, or repayment of any Tax paid or payable by it in respect of or calculated with reference to the deduction or withholding giving rise to the liability to make that additional payment, the Lender will, subject to the Company having made any increased payment to it in accordance with Clause 20.1 and to the extent that the Lender may so do without prejudice to the availability of that credit, relief, remission or repayment, and/or without prejudice to the right of the Lender to obtain any other relief or allowance which may be available to it, pay to the Company such amount as the Lender in its reasonable discretion determines to be attributable to that deduction or withholding and which will leave the Lender (after that payment) in no better or worse position than it would have been in if the Company had not been required to make that deduction or withholding, provided that:

20.3.1 nothing contained in this Clause 20.3 will interfere with the right of the Lender to arrange its Tax affairs in any manner it considers fit, nor oblige the Lender to disclose any information relating to its business, Tax affairs or any computations in respect of them;

20.3.2 the Lender will have an absolute discretion as to the time at which and the order and manner in which it realises or utilises any Tax benefit; and

20.3.3 the Lender will not be obliged to make any payment under this Clause 20.3 if by doing so, it would contravene the terms of any applicable law.

21. NOTICE

A demand notice or communication required or permitted to be given by the Lender to the Company under this Debenture shall be made or given in writing by the Lender to the Company at its registered office or principal place of business or such address as may at the relevant time have been notified to the Lender and may be delivered by hand or sent by first class pre-paid post or fax. Any such demand, notice or communication shall be deemed to have been served if delivered by hand at the time of delivery; if sent by first class pre-paid post at the expiration of 48 hours after the time of posting; and if sent by fax at the time of completion of transmission by the sender.

22. GENERAL PROVISIONS

Further Assurance

22.1 Notwithstanding any other provision of this Debenture, the Company shall from time to time on being required in writing to do so by the Lender, now or at any time in the future, at its own expense do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the Lender as the Lender may reasonably consider necessary for perfecting or protecting this Security and the Charged Assets or any part of them for facilitating the realisation of such property and the exercise of all powers, authorities and discretions vested in the Lender or in the Receiver of the Charged Assets or any part of them by any such delegate or sub-delegate appointed in accordance with Clause 14.

Third Party Rights

22.2 Unless the right of enforcement is expressly granted, it is not intended that a third party should have the right to enforce a provision of this Debenture pursuant to the Contracts (Rights of Third Parties) Act 1999.

Costs and Expenses

22.3 All costs, charges and expenses properly incurred and all payments properly made by the Lender or by the Receiver in perfecting or otherwise in connection with this Security or in respect of the Charged Assets, including (without limitation) (1) all monies expended by the Lender under Clause 9, (2) all costs of the Lender (on a solicitor and own client basis) of all proceedings for the enforcement of this Security or for obtaining payment of the Secured Liabilities or arising out of or in connection with the acts authorised by Clause 11, (3) all costs and losses to the Lender arising in consequence of any

default by the Company in the performance of its obligations and (4) all administrative charges of the Lender based on the time spent by it in connection with any of the foregoing shall be recoverable from the Company as a debt and may be debited to any account of the Company and shall bear interest accordingly and shall be charged on the Charged Assets.

Waiver

- 22.4 No waiver by the Lender of any breach or non-fulfilment by the Company of any provisions of this Debenture or in connection with the Secured Liabilities shall be deemed to be a waiver of any subsequent or other breach of that or any other provision and no failure to exercise or delay in exercising any right or remedy under this Debenture shall constitute a waiver of that right or remedy. No single or partial exercise of any such right, power or remedy shall preclude or impair any other or further exercise of it or the exercise of any other right, power or remedy provided by law or under this Debenture.

Payments and Set-Off

- 22.5 All payments required to be made by the Company under this Debenture and under the Loan Agreement shall be made in full, without any set-off or counterclaim, and free from any deduction or withholding save as may be required by law in which event such deduction or withholding shall not exceed the minimum amount which it is required by law to deduct or withhold and the Company will simultaneously pay to the Lender such additional amounts as will result in the receipt by the Lender of a net amount equal to the full amount which would otherwise have been receivable had no such deduction or withholding been required.

Counterparts

- 22.6 This Debenture may be executed in any number of counterparts, and by the parties on different counterparts but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this Security and all the counterparts shall together constitute one and the same Debenture.

Invalidity

- 22.7 Each of the provisions of this Debenture is severable. If any provision is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability in that jurisdiction of the remaining provisions of this Debenture shall not in any way be affected or impaired by it.

Governing Law and Jurisdiction

22.8 This Debenture shall be governed by and construed in accordance with English Law and the parties irrevocably agree that the English Courts shall have exclusive jurisdiction over any claim or matter or to settle any dispute which may arise out of or in connection with this Debenture and that accordingly any proceedings may be brought in such courts.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a Deed by **CARBON FIBRE
PREFORMS LIMITED** acting by

SIMON PRICE

, a director, in

the presence of:

Director

Witness Name MARIA DULMAN

Address 5 BRADGATE BUSINESS FINANCE LTD.

5 MIDLAND COURT, CENTRAL PARK,

LEICESTER ROAD, LUTHERHAMPTON, LE17 4LN.

Occupation DIRECTOR

Signed as a deed by **INTELLIGENT
FINANCING LIMITED** acting by

PETER NOGAN

, a director, in

the presence of:

Director

Witness Name R. K.

Address 183 Brodick Drive

Bolton

BL2 6UE

Occupation Accounts Assistant