



Registration of a Charge

Company Name: **TOWERINPUT RAIL SUPPLIES LIMITED**

Company Number: **06395224**



Received for filing in Electronic Format on the: **09/06/2022**

XB5TSOTE

Details of Charge

Date of creation: **24/05/2022**

Charge code: **0639 5224 0008**

Persons entitled: **COVENTRY AND WARWICKSHIRE REINVESTMENT TRUST LTD**

Brief description:

Contains fixed charge(s).

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

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: **ANDREW SCARBOROUGH**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6395224

Charge code: 0639 5224 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th May 2022 and created by TOWERINPUT RAIL SUPPLIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th June 2022 .

Given at Companies House, Cardiff on 13th June 2022

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**

Towerinput Rail Supplies Limited

and

**Coventry and Warwickshire
Reinvestment Trust Ltd**

DEBENTURE

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THIS DEED is dated 24th May 2022

PARTIES

- (1) Towerinput Rail Supplies Limited incorporated and registered in England and Wales with company number 06395224 whose registered office is at Radbourne, 56 Kenilworth Road, Leamington Spa, CV32 6JW (the Borrower).
- (2) **Coventry and Warwickshire Reinvestment Trust Ltd** incorporated and registered in England and Wales with company number 5188971 whose registered office is at Enterprise Centre, Technology Park, Puma Way, Coventry, CV1 2TX (the Lender).

BACKGROUND

- (A) The Lender has agreed, pursuant to the Agreements, to provide the Borrower with certain loan facilities on a secured basis.
- (B) Under this deed, the Borrower provides security to the Lender for all present and future obligations and liabilities to the Lender.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed.

Administrator: an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 10.3.

Agreements: the agreement dated 24/5/2022 between the Borrower and the Lender for the provision of the loan facilities secured by this deed and any other loans or similar agreement entered into between the Lender and the Borrower from time to time.

Book Debts: all present and future book and other debts, and monetary claims due or owing to the Borrower and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them.

Borrowed Money: any indebtedness of the Borrower for or in respect of:

- (a) borrowing or raising money (with or without security), including any premium and any capitalised interest on that money;
- (b) any bond, note, loan stock, debenture, commercial paper or similar instrument;
- (c) any acceptances under any acceptance credit or bill discounting facility (or dematerialised equivalent) or any note purchase or documentary credit facilities;
- (d) monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to the Borrower if those receivables or financial assets are not paid when due;
- (e) any deferred payment for assets or services acquired, other than trade credit that is given in the ordinary course of trading and which does not involve any deferred payment of any amount for more than 60 days;
- (f) any rental or hire charges under any finance lease (whether for land, machinery, equipment or otherwise);

- (g) any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with the Borrower's performance of a contract;
- (h) any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement and any liabilities which are not shown as borrowed money on the Borrower's balance sheet because they are contingent, conditional or otherwise);
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the mark to market value shall be taken into account); and
- (j) any guarantee, counter-indemnity or other assurance against financial loss given by the Borrower for any indebtedness of the type referred to in any other paragraph of this definition incurred by any person.

When calculating Borrowed Money, no liability shall be taken into account more than once.

Business Days: a day other than a Saturday, Sunday or a public holiday in England when banks in London are open for business.

Delegate: any person appointed by the Lender or any Receiver pursuant to clause 15 and any person appointed as attorney of the Lender, Receiver or Delegate.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Borrower, including any part of it and all spare parts, replacements, modifications and additions.

Event of Default: any of the following events:

- (a) any Obligor fails to pay any of the Secured Liabilities when due, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date;
- (b) any Obligor fails (other than a failure to pay referred to in paragraph (a) of this definition) to comply with any provision of this deed or any document under which any Obligor owes obligations to the Lender and (if the Lender considers, acting reasonably, that the default is capable of remedy) such default is not remedied within 14 days of the earlier of the Lender notifying any Obligor of the default and the remedy required and any Obligor becoming aware of the default;
- (c) any representation, warranty or statement made, repeated or deemed made by any Obligor to the Lender is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made;
- (d) any Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business; and
- (e) any Borrowed Money is not paid when due or within any originally applicable grace period;
- (f) any Borrowed Money becomes due, or capable of being declared due and payable prior to its stated maturity by reason of an event of default (however described);
- (g) any commitment for Borrowed Money is cancelled or suspended by a creditor of any Obligor by reason of an event of default (however described);
- (h) any creditor of the Borrower becomes entitled to declare any Borrowed Money due and payable prior to its stated maturity by reason of an event of default (however described);

- (i) any Obligor stops or suspends payment of any of its debts or is unable to, or admits its inability to, pay its debts as they fall due;
- (j) any Obligor commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its Indebtedness (because of actual or anticipated financial difficulties);
- (k) a moratorium is declared in respect of any Indebtedness of any Obligor;
- (l) any action, proceedings, procedure or step is taken for the suspension of payments, a moratorium of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of any Obligor;
- (m) any action, proceedings, procedure or step is taken for a composition, compromise, assignment or arrangement with any creditor of any Obligor;
- (n) any action, proceedings, procedure or step is taken for the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or any of its assets;
- (o) the value of any Obligor's assets is less than its liabilities (taking into account contingent and prospective liabilities);
- (p) any event occurs in relation to any Obligor similar to those set out in paragraphs (i) to (o) (inclusive) under the laws of any applicable jurisdiction;
- (q) a distress, attachment, execution, expropriation, sequestration or other analogous legal process in any jurisdiction is levied, enforced or sued out on, or against, any Obligor's assets;
- (r) any Security on or over the assets of any Obligor becomes enforceable;
- (s) any provision of this deed or any document under which any Obligor owes obligations to the Lender is or becomes invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect;
- (t) any Obligor repudiates or shows an intention to repudiate this deed or any document under which any Obligor owes obligations to the Lender;
- (u) any event occurs (or circumstances exist) which, in the opinion of the Lender, has or is likely to materially and adversely affect any Obligor's ability to perform all or any of its obligations under, or otherwise comply with the terms of, this deed or any document under which any Obligor owes obligations to the Lender; or
- (v) any further event of default as set out in any documents to which the Lender and any Obligor are party.

Indebtedness: any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint and any guarantee or indemnity of any of those obligations.

Insurance Policy: each contract and policy of insurance effected or maintained by the Borrower from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Properties or the Equipment).

Intellectual Property: the Borrower's present and future patents, rights to inventions, copyright

and related rights, trade marks, business names and domain names, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

Investments: all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Borrower, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

LPA 1925: the Law of Property Act 1925.

Obligor: the Borrower or any guarantor or other party that from time to time grants a guarantee or any Security in favour of the Lender in respect of the liabilities of the Borrower under this deed and any Agreement.

Permitted Security: means any existing registered Security granted to a third party of which the Borrower has given not less than five Business Days' written notice to the Lender prior to entering into this deed, but shall not include any other Security granted after the date of this deed, unless the Lender has agreed in writing.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Borrower, or in which the Borrower holds an interest, and **Property** means any of them.

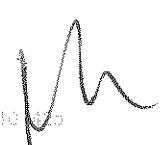
Receiver: a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Lender under clause 13.

Secured Assets: all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

Secured Liabilities: all present and future monies, obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and whether or not the Lender was an original party to the relevant transaction and in whatever name or style, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities.

Security: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Security Period: the period starting on the date of this deed and ending on the date on which the Lender has executed and delivered a deed of release recording its satisfaction that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.



1.2 Interpretation

In this deed:

- 1.2.1 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.2 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding on, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.3 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.4 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.5 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.6 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description; and
- 1.2.7 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not yet been remedied or waived.

1.3 Clawback

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes:

- 1.4.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;
- 1.4.2 the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;
- 1.4.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that Property, and any monies paid or payable in respect of those covenants; and
- 1.4.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Agreements and of any side letters between any parties in relation to the Agreements are incorporated into this deed.

2. COVENANT TO PAY

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

3 GRANT OF SECURITY

3.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first legal mortgage, each Property.

3.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of first fixed charge:

- 3.2.1 all Properties acquired by the Borrower in the future;
- 3.2.2 all present and future interests of the Borrower not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold, leasehold or commonhold property;
- 3.2.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- 3.2.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Borrower's business or the use of any Secured Asset, and all rights in connection with them;
- 3.2.5 all its present and future goodwill;
- 3.2.6 all its uncalled capital;
- 3.2.7 all the Equipment;
- 3.2.8 all the Intellectual Property;
- 3.2.9 all the Book Debts;
- 3.2.10 all the Investments;
- 3.2.11 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- 3.2.12 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- 3.2.13 all its rights in respect of all agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:



3.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and

3.3.2 the benefit of all agreements, instruments and rights relating to the Secured Assets.

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

3.6.1 the Borrower:

- (a) creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this deed or any Agreement); or
- (b) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);

3.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or

3.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.

3.7 Crystallisation of floating charge by notice

The Lender may, in its sole discretion, at any time and by written notice to the Borrower, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Lender confirms otherwise to the Borrower in writing) be charged to the Lender by way of first fixed charge.

4. LIABILITY OF THE BORROWER

4.1 Liability not discharged

The Borrower's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

- 4.1.2 the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 4.1.3 any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

4.2 Immediate recourse

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Borrower.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to the Lender.

5.2 Ownership of Secured Assets

The Borrower is the sole legal and beneficial owner of the Secured Assets.

5.3 No Security

The Secured Assets are free from any Security other than the Permitted Security and the Security created by this deed.

5.4 Times for making representations and warranties

The representations and warranties set out in clauses 5.2 and 5.3 are made by the Borrower on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

- 6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this deed or any Permitted Security;
- 6.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge); or
- 6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

6.2 Preservation of Secured Assets

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

6.3 Title documents

The Borrower shall, as so required by the Lender, deposit with the Lender and the Lender shall, for the duration of this deed be entitled to hold:

6.3.1 all deeds and documents of title relating to the Secured Assets; and

6.3.2 all Insurance Policies.

6.4 Insurance

6.4.1 The Borrower shall insure and keep insured, the Secured Assets with a reputable insurance company or underwriters against all risks usually insured against by persons carrying on a business such as that carried on by it and such other risks as the Lender may from time to time reasonably require (to include public liability and third party liability insurance).

6.4.2 The Borrower shall ensure that any such insurance shall be on such terms as are reasonably acceptable to the Lender.

6.4.3 The Borrower shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect.

6.4.4 Should the Borrower fail to comply in full with its obligations pursuant to this clause 6.4, the Lender, acting as attorney for the Borrower and at the Borrower's cost and expense on a full indemnity basis, may perform such obligations, but shall not be obliged to do so.

6.4.5 All monies payable under any Insurance Policy at any time (whether or not the security constituted by this deed has become enforceable) shall be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received, or after the security constituted by this deed has become enforceable and if the Lender so directs, in or towards discharge or reduction of the Secured Liabilities.

6.5 Notices to be given by the Borrower

The Borrower shall, immediately upon request by the Lender from time to time, give notice of the Security constituted by this deed in such form as the Lender may require to any counterparty to any agreement that is subject to Security pursuant to either clause 3.2.13 or clause 3.3.2, the insurer under any Insurance Policy and any bank or other institution with whom the Borrower holds an account, and the Borrower shall use best endeavours to procure that the recipient of any such notice provides an acknowledgement thereof in a form and substance satisfactory to the Lender promptly following receipt thereof.

7. PROPERTY COVENANTS

7.1 Maintenance

The Borrower shall keep all premises and fixtures and fittings on each Property in good and substantial repair and condition.

7.2 Inspection

The Borrower shall permit the Lender, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

7.3 Property information

The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any property.

7.4 Registration at the Land Registry

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be

registered without a written consent signed by the proprietor for the time being of the charge dated in favour of Coventry and Warwickshire Reinvestment Trust Ltd referred to in the charges register or its conveyancer."

8 INVESTMENTS COVENANTS

8.1 Deposit of title documents

- 8.1.1 The Borrower shall, if requested in writing by the Lender to do so, immediately deliver to the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Borrower at that time.
- 8.1.2 At the same time as depositing documents with the Lender, or as the Lender may direct, in accordance with clause 8.1.1, the Borrower shall also deposit with the Lender, or as the Lender may direct:
- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Borrower, but with the name of the transferee, the consideration and the date left blank; and
 - (b) any other documents (in each case duly completed and executed by or on behalf of the Borrower) that the Lender may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Lender may, at any time and without notice to the Borrower, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

8.2 Pre-emption rights and restrictions on transfer

The Borrower shall:

- 8.2.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an issuer of any Investments, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this deed; and
- 8.2.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Lender may require in order to permit the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this deed.

9 EQUIPMENT COVENANTS

9.1 Maintenance of Equipment

The Borrower shall:

- 9.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- 9.1.2 at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and

9.1.3 not permit any Equipment to be:

- (a) used or handled other than by properly qualified and trained persons; or
- (b) overloaded or used for any purpose for which it is not designed or reasonably suitable.

9.2 Notice of charge

9.2.1 The Borrower shall, if so requested by the Lender, affix to and maintain on each item of

Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This

.....
and all additions to it [and ancillary equipment] are subject to a fixed charge dated
..... in favour of Coventry and Warwickshire Reinvestment Trust Ltd"

9.2.2 The Borrower shall not, and shall not permit any person to, conceal, obscure, alter or
remove any plate affixed in accordance with clause 9.2.1.

10. POWERS OF THE LENDER

10.1 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Lender in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

10.2 New accounts

10.2.1 If the Lender receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

10.2.2 If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 10.2.1, then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

10.3 Appointment of an Administrator

10.3.1 The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.

10.3.2 Any appointment under this clause 10.3 shall:

- (a) be in writing signed by a duly authorised signatory of the Lender; and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

10.4 Further advances

11. WHEN SECURITY BECOMES ENFORCEABLE

12. ENFORCEMENT OF SECURITY

12.1 Enforcement powers

12.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

12.2 Extension of statutory powers of leasing

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

12.3 No liability as mortgagee in possession

13. RECEIVER

13.1 Appointment

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of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

13.2 Removal

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

13.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

13.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

13.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.

13.6 Agent of the Borrower

Any Receiver appointed by the Lender under this deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

14. POWERS OF RECEIVER

14.1 General

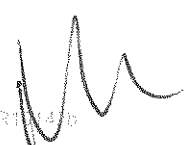
- 14.1.1 Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on it by statute, have the powers set out in clause 14.2 to clause 14.18.
- 14.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- 14.1.3 Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Borrower, the directors of the Borrower or itself.

14.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

14.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that it thinks fit.



14.4 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Lender may prescribe or agree with it.

14.5 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which it is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

14.6 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

14.7 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Borrower.

14.8 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.

14.9 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

14.10 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that it may think expedient.

14.11 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

14.12 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as it may think expedient.

14.13 Make calls on Borrower members

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

14.14 Insure

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 17, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this deed.

14.15 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if it had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

14.16 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

14.17 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

14.18 Incidental powers

A Receiver may do any other acts and things that it:

14.18.1 may consider desirable or necessary for realising any of the Secured Assets;

14.18.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or

14.18.3 lawfully may or can do as agent for the Borrower.

15. DELEGATION

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 19.1).

16. APPLICATION OF PROCEEDS

All monies received by the Lender, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

16.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;

16.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Lender determines; and

16.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

17. COSTS AND INDEMNITY

17.1 Costs

The Borrower shall, promptly on demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

17.1.1 this deed or the Secured Assets;

17.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this deed; or

17.1.3 taking proceedings for, or recovering, any of the Secured Liabilities,
together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding»

17.2 Indemnity

The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

17.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets;

17.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or

17.2.3 any default or delay by the Borrower in performing any of its obligations under this deed.

Any past or present employee or agent may enforce the terms of this clause 17.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

18. FURTHER ASSURANCE

18.1 Further assurance

The Borrower shall, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

18.1.1 creating, perfecting or protecting the security intended to be created by this deed (including entering into, and procuring that any other relevant party enters into, such ranking, priority or similar agreement in respect of Security as the Lender may require); or

18.1.2 facilitating the realisation of any Secured Asset; or

18.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset,

including, without limitation (if the Lender or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration.

19. POWER OF ATTORNEY

19.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

19.1.1 the Borrower is required to execute and do under this deed; or

19.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities

and discretions conferred by this deed or by law on the Lender, any Receiver or any Delegate

19.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 19.1.

20. RELEASE

Subject to clause 27.2, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to:

20.1.1 release the Secured Assets from the security constituted by this deed; and

20.1.2 reassign the Secured Assets to the Borrower.

21. ASSIGNMENT AND TRANSFER

21.1 Assignment by Lender

21.1.1 At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights/rights and obligations under this deed.

21.1.2 The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this deed that the Lender considers appropriate.

21.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

22. SET-OFF

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed.

23. AMENDMENTS, WAIVERS AND CONSENTS

23.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

23.2 Waivers and consents

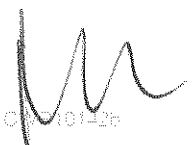
23.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default.

23.2.2 A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed.

23.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

24. SEVERANCE



If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

25. COUNTERPARTS

This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

26. THIRD PARTY RIGHTS

Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

27. FURTHER PROVISIONS

27.1 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this deed in writing.

27.2 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise.

27.3 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower under this deed, the Agreements and any other document to which the Lender and the Borrower are party, shall be, in the absence of any manifest error, conclusive evidence of the amount due.

27.4 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.


28. NOTICES

Each notice or other communication required to be given to a party under or in connection with this deed shall be in writing, delivered by hand or by pre-paid first-class post or other next working day delivery service, and sent to the Lender at Enterprise Centre, Coventry University Technology Park, Puma Way, Coventry CV1 2TT and to the Borrower at the address set out in respect of it on page 1 of this deed or, in each case, any other address as is notified in writing by one party to the other from time to time.

29. GOVERNING LAW AND JURISDICTION

29.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.



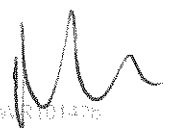
29.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

29.3 Other service

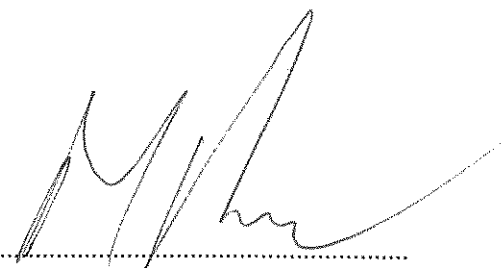
The Borrower irrevocably consents to any process in any legal action or proceedings under 29.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

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

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

The Borrower

Executed as a deed by
Towerinput Rail Supplies Limited
acting by a director in the presence of:


.....
Director

Witness' signature: *Nit Cohen*

Print name: *McCocher*

Address: *2 Landa Way
Towcester
NN12 7AZ*

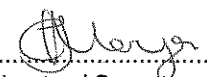
Occupation: *Secretary*

The Lender

Executed as a deed by
Coventry and Warwickshire Reinvestment Trust Ltd
acting by


.....
Director

Print Name: *Sheridan Sulskis*


.....
Director / Secretary

Print Name: *Jacqueline Mays*