



Registration of a Charge

Company name: **HYPERDRIVE INNOVATION LTD**

Company number: **07948437**



X645PQT5

Received for Electronic Filing: **11/04/2017**

Details of Charge

Date of creation: **04/04/2017**

Charge code: **0794 8437 0009**

Persons entitled: **BEYOND WORKING CAPITAL LTD**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CLARION**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7948437

Charge code: 0794 8437 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th April 2017 and created by HYPERDRIVE INNOVATION LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th April 2017 .

Given at Companies House, Cardiff on 12th April 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**



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DATED

4 April

2017

(1) BEYOND WORKING CAPITAL LTD

and

(2) HYPERDRIVE INNOVATION LTD

DEBENTURE

8061204

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CLAUSE

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THIS DEBENTURE is made as a deed on 04 APRIL 2017

PARTIES

- (1) BEYOND WORKING CAPITAL LTD a company incorporated in England and Wales under number 10396698 whose registered office is at 275 Deansgate, Manchester, England, M3 4EL (BWCL); and
- (2) HYPERDRIVE INNOVATION LIMITED a company incorporated in England and Wales under number 07948437 (the Company) whose registered office is at Future Technologies Centre, Barmston Court, Nissan Way, Sunderland, Tyne and Wear, SR5 3NY (Client).

BACKGROUND

- (A) BWCL has provided working capital facilities to the Client.
- (B) It is a condition precedent to the provision of facilities that the Client (amongst others as the case may be) provide security to BWCL to secure the payment and discharge of the Secured Liabilities.
- (C) The Client has agreed to create the security required by entering into this Deed.

AGREED TERMS

1. Definitions and interpretation

- 1.1 Words and expressions used in this Deed shall have the meanings set opposite them below.
- 1.2 In this Deed, unless otherwise provided:

Associated Rights

means, in relation to a Debt, all rights ancillary to the Debt, including without limitation rights to:

- (a) the benefit of the Supply Contract giving rise to the Debt, including any Remittance however so arising received towards the payment of a Debt and including any interest payable under the Supply Contract or statute;
- (b) any Goods which are the subject of a Supply Contract that have been delivered, or in respect of services,



fully performed, either before or after the Debts shall have been Notified to us;

- (c) Goods which a Customer shall return, reject or attempt to return or reject or for which a Customer will show an intention to return or reject and whether any of the foregoing shall be in respect of to you or to us;
- (d) retention of title, lien, possession and other remedies granted by law (whether in equity or statute) to an unpaid seller of goods and/or services;
- (e) possession of all Accounting Records in respect of a Supply Contract;
- (f) the benefit of all warranties, indemnities, guarantees, securities and Insurance policies in respect of a Debt; and
- (g) all the Client's rights under contracts of supply between the Client and its suppliers in relation to Goods supplied or to be supplied by the Client in fulfilment of its delivery obligations and liabilities to a Customer whose Debt has been, or should have been, offered or notified to BWCL by the Client under any agreement for the purchase of Debts, whether or not such Goods have been appropriated by you to the Supply Contract.

Charged Assets:

means all the Land, assets, goodwill and undertakings of the Client present or future for the time being subject to the security interests created by this Deed (including those listed in Schedule 1);

Collection Account

means the bank account or accounts into which all Remittances are to be paid and/or any other bank account approved in writing by BWCL for such purpose and which is



Customer

subject to such restrictions and/or Encumbrance as BWCL in its absolute discretion shall dictate;

means a person (whether corporate body or otherwise) from whom a Debt is, or will become owing to you pursuant to a Supply Contract;

Debt

means the amount of any book or other debt or any other monetary obligation of any nature incurred or to be incurred by a Customer under a Supply Contract or otherwise (including any tax or duty payable) and its Associated Rights;

Default Rate:

means 4% above the base rate of the Royal Bank of Scotland plc as such rate fluctuates from time to time;

Encumbrance:

means any mortgage, charge, pledge, lien or other security interest of any kind, and any right of set off, assignment, trust, flawed asset or other agreement or arrangement whatsoever for the purpose of providing security or having similar effect to the provision of security, other than liens arising by operation of law in the ordinary course of the Client's business;

Goods

means any goods or services the subject of a Supply Contract or otherwise for which a Debt is incurred;

Insurance:

means each contract or policy of insurance to which the Client is a party or in which it has an interest (including without limitation those listed in Schedule 2);

Intellectual Property:

means copyright, patents, know-how, trade secrets, trade marks, trade names, the right to sue in passing off, design right, get-up, database right, customer lists, chip topography rights, mask works, utility models, domain names and all similar rights and, in each case: (i) whether registered or not, (ii) including any applications to protect or register such rights, (iii) including all renewals and extensions of such rights or applications, (iv) whether vested, contingent



or future, (v) to which the Client is or may be entitled and (vi) wherever existing and the benefit of any agreement or any licence for the use of any such right;

Land:

means any right or interest in or over land wherever situated, including without limitation any buildings and fixtures on land, and the benefit of any covenants or rights owed to any person or enforceable by such person by virtue of the ownership, possession or occupation of land and/or all freehold and leasehold properties (whether registered or unregistered) and all common hold properties, now or in the future (and from time to time) owned by the Client or in which the Client holds an interest (including (but not limited to) the properties briefly described in Schedule 1);

Parties:

means BWCL and the Client and each being a Party;

Receivables

means all amounts of indebtedness (including any duty or tax payable) now or at any time owing, incurred or becoming due to the Client on any account whatsoever whether or not originally due, owing or incurred by the Client and including Debts together with all Associated Rights;

Receiver:

means:

(a) a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if BWCL is permitted to appoint such administrative receiver); and

(b) any person or persons appointed as administrator under Schedule B1 of the Insolvency Act 1986 to manage the Client's affairs, business and property;

Remittances

means a payment tendered in discharge of a Debt and includes without limitation, monies recovered under any Insurance, a refund of VAT and any dividend payable in respect of a Debt, any cash, cheque, instrument, letter of credit, draft, order, bill of exchange,



promissory note, electronic payment or any other instrument or method of payment whatsoever;

Secured Liabilities:

all money, liabilities and obligations now or in the future owed or incurred by the Client to BWCL whether actual or contingent, sole or joint, as principal or as surety, including (without limitation) any liability of the Client to a third party which subsequently becomes payable to BWCL by assignment or otherwise and any interest, commission, costs, charges and expenses of BWCL whether incurred under this Deed or otherwise;

Securities:

means all right, title and interest of the Client, now or in the future, in any:

- (g) stocks,
- (h) shares,
- (i) instruments creating, or
- (j) acknowledging any debt or other securities issued by any person;

Security Period:

the period starting on the date of this debenture and ending on the day on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding;

Supply Contract

means a contract for the supply of Goods by the Client to a Customer.

1.3 Unless the context otherwise requires:

- (a) a reference to Client or BWCL or to any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) each gender includes the others;
- (c) the singular and the plural are interchangeable;
- (d) references to clauses or Schedules mean to clauses or Schedules in and to this Deed;
- (e) a reference to any agreement, this Deed or any other instrument shall be to such as the same may have been amended, replaced, supplemented, extended, restated,



assigned, novated or otherwise transferred by the relevant party or parties from time to time;

- (f) where any discretion is vested in BWCL or a Receiver it shall be treated as an absolute discretion;
- (i) where BWCL acts in accordance with this Deed the Client will indemnify BWCL against all loss and expense incurred;
- (j) references to persons include individuals, unincorporated bodies, government entities, companies and corporations;
- (k) including means including without limitation and general words are not limited by example; and
- (l) a provision of law is a reference to that provision as amended, extended, replaced or re-enacted from time to time;
- (m) clause headings do not affect their interpretation.

1.4 Writing includes manuscript and emails.

2. Client's obligation to pay

2.1 The Client covenants with BWCL that it will pay and discharge to BWCL the Secured Liabilities on demand when due without set off, counterclaim, deduction or withholding.

2.2 The making of one demand under this Deed will not stop BWCL making any further demands.

2.3 BWCL will not make any demand unless it is entitled to do so.

3. Creation of security

3.1 As continuing security for the payment and discharge of the Secured Liabilities the Client charges to BWCL with full title guarantee:

- (a) by way of FIRST legal mortgage all Land now owned by the Client;
- (b) by way of FIRST fixed charge:
 - (i) any right, title or interest which the Client has now or acquires in the future to any Land;
 - (ii) all equipment and the benefit of all contracts and warranties relating to the same;
 - (iii) all goodwill, unpaid and/or uncalled capital of the Client;
 - (iv) all the Client's Securities and Intellectual Property;
 - (v) all stock in trade, finished or unfinished goods, inventory, trade assets and other assets of the Client whether situated at its business premises or otherwise (and including for the avoidance of doubt and without limitation all assets and goods subject to a retention on title clause in favour of the Client);



- (vi) loan capital, indebtedness or liabilities on account or in any manner owing to the Client;
- (vii) all Debts which were in existence as at the date of this Deed other than those which are intended to and which do vest absolutely in BWCL from time to time;
- (viii) all Debts both present and future which come into existence on or after the date of this Deed, other than those which are intended to and which do vest absolutely in BWCL from time to time;
- (ix) all Associated Rights relating to the Debts referred to in this clause 3.1 and all other Associated Rights;
- (x) all right, title and interest in each Collection Account;
- (xi) all income and proceeds arising from stocks, shares and securities and all right, title and interest in any interest rate, currency or other hedging arrangement;
- (xii) all other Receivables;
- (xiii) all rents receivable from any lease or licence granted out of real property;
- (xiv) all proceeds of Insurance and agreements giving rise to rights of indemnity or compensation;
- (xv) all Remittances; and
- (c) by way of FIRST floating charge the Client's bank accounts and other assets not otherwise effectively charged by clauses 3.1 (a) and 3.1 (c).

3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3.1 (c).

4. Crystallisation

4.1 The floating charge created by clause 3.1 (c) will crystallise into a fixed charge:

- (a) by notice in writing given by BWCL to the Client at any time after the security constituted by this Deed becomes enforceable, specifying the Charged Assets over which the crystallisation will take effect and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Client; or
- (b) automatically and instantly without notice if the Client resolves, without BWCL's prior written consent, to take or takes any step to:
 - (i) create an Encumbrance over any or all of the Charged Assets;
 - (ii) create a trust over any or all of the Charged Assets;
 - (iii) dispose of any or all of the Charged Assets, except if such disposal is in the ordinary course of the Client's business;



- (c) automatically and instantly without notice if any person resolves, without BWCL's prior written consent, to take or takes any step to levy any distress, execution, sequestration or other process against any or all of the Charged Assets;
 - (d) automatically and instantly without notice if the Client breaches the terms and/or conditions of any agreement or deed under which the Secured Liabilities arise;
 - (e) any step is taken or legal proceedings commenced to appoint a Receiver or similar officer of the Client and/or any guarantor of any of the Secured Liabilities; or
 - (f) the Client and/or any guarantor of the Secured Liabilities is deemed unable to pay its debts as they fall due or admits its inability to pay its debts as they fall due, commences negotiations with any one or more of its creditors with a view to the rescheduling of its debts or makes a general assignment for the benefit of, or a composition with its creditors generally.
- 4.2 Any asset acquired by the Client after crystallisation has occurred under clause 4.1 which would be subject to a floating charge if crystallisation had not occurred will be charged by way of a fixed charge, unless BWCL confirms otherwise in writing.
- 4.3 Any charge by the Client that has crystallised under clause 4.1 may, by notice in writing given at any time by BWCL to the Client, be reconverted into a floating charge in relation to the Charged Assets specified in the notice and if no Charged Assets are specified, the notice shall take effect over all the Charged Assets of the Client.
5. Client's representation and warranties
- 5.1 The Client represents and warrants to BWCL as follows:
- (a) **Ownership:** The Client is the legal and beneficial owner of the Charged Assets free from any Encumbrance other than the Encumbrances created by this Deed.
 - (b) **Adverse claims and covenants:** The Client has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets and there are no covenants, agreements, conditions, interests rights or other matters which may adversely affect the Charged Assets.
 - (c) **Breach of law or regulation:** The Client has at all times complied in all respects with all applicable laws and regulations and has not breached any law or regulation which would adversely affect the Charged Assets.
 - (d) **Third Party Rights:** The Charged Assets are not subject to terms entitling a third party to terminate or limit the use of any facility necessary for the enjoyment and use of the Charged Assets.
 - (e) **Overriding interests:** Nothing has arisen, has been created or is subsisting, which would be an overriding interest in any Land.
 - (f) **Liquidation or administration:** No Encumbrance expressed to be created by this Deed is liable to be avoided or otherwise set aside on the liquidation or administration of the Client or otherwise.



5.2 The Client repeats the representations and warranties in clause 5.1 above on each day during the Security Period.

6. Client's undertakings and covenants

6.1 The Client covenants not, without the prior written consent of BWCL, to:

- (a) (except in the case of assets charged by way of floating charge only which the Client may deal with in the ordinary course of its business) part with possession of, or transfer, sell, lease, assign or otherwise dispose of all or any of the Charged Assets, or attempt or agree to do so;
- (b) create, attempt to create, allow to subsist any Encumbrance on or affect all or any of the Charged Assets;
- (c) permit any person to be registered as proprietor of any of the Charged Assets under the Land Registration Act 2002 or create or permit to arise any unregistered interest which overrides first registration affecting such property within Schedule 1 to that Act, to become entitled to any proprietary right or interest which might affect the value of any land fixtures or fixed plant and machinery charged by this Deed;
- (d) redeem or purchase its own shares or pay dividends of an unusual amount;
- (e) cancel, assign or allow to lapse its interest under any credit sale, hire purchase, leasing, rental, licence or similar agreement and to produce proof of payments due under such agreements on request from BWCL;
- (f) do or allow any act or omission which may prejudice the value to BWCL of the Charged Assets; or
- (g) create any subsidiaries.

6.2 The Client covenants that it will, unless, in any case, BWCL has given its written consent otherwise:

- (a) carry on its business properly and efficiently and not materially change how it conducts its business;
- (b) supply to BWCL within the stated periods:
 - (i) a copy of its audited accounts for the last financial period within one week of approval and signature by the board of directors of the Client;
 - (ii) a copy of its management accounts within two weeks of the end of each month of the Client's financial year;
 - (iii) such other information relating to the Client's business, assets and liabilities as BWCL may require;
- (c) notify BWCL in writing of any breach of this Deed or any other agreement or deed evidencing the Secured Liabilities, immediately on it becoming aware of such breach;
- (d) within 2 days, give notice to:



- (i) any contracting party to an agreement to be assigned to BWCL of BWCL's interest in such agreement and procure that such contracting party acknowledge BWCL's interest; and
 - (ii) any bank or financial institution with whom the Client holds an account of BWCL's interest in such account and procure that such bank or financial institution acknowledge BWCL's interest.
- (e) collect in and realise the Debts and all other Receivables in the ordinary course of business;
- (f) promptly pay any monies which the Client may receive in respect of the Debts and other Receivables into the Collection Account and pending such payment hold such monies in trust for BWCL;
- (g) pay or otherwise deal with any monies standing to the credit of any Collection Account in accordance with any directions BWCL or BWCL may give to the Client;
- (h) if called upon at any time by BWCL or BWCL at the Client's expense (including any duty or tax payable) and in such form as BWCL or BWCL may require:
 - (i) complete and execute a written assignment of any or all of the Debts and other Receivables and give written notice of such assignment to every person from whom any such Debts or other Receivables are owing;
 - (ii) give irrevocable instructions to any or all of the persons from whom any Debts and other Receivables are owing to make payment of all such Debts or other Receivables (whether owed at such time or become owing by such persons thereafter) direct to BWCL;
- (i) procure that the proceeds of all Debts and other Receivables are paid by the relevant Customer directly into a Blocked Account or Blocked Accounts;
- (j) not pay or otherwise deal with any monies standing to the credit of any Collection Account other than in accordance with any directions given by BWCL or BWCL at any time;
- (k) in relation to the Land part of the Charged Assets observe all covenants, not enter into any onerous or restrictive obligation, effect or allow any development within the Town and Country Planning Acts, do, allow or omit anything infringing any statute or regulation and maintain and keep them in good and substantial repair;
- (l) maintain all plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment part of the Charged Assets in good working order and condition;
- (m) in relation to the Intellectual Property part of the Charged Assets observe all covenants and obligations and maintain and renew all relevant registrations, permits and licences;
- (n) institute, pursue and defend proceedings relating to the Charged Assets as required to protect their value and apply moneys from such proceedings in discharge of sums due to BWCL;
- (o) at its own expense, keep insured any of the Charged Assets to their full replacement value including professional fees and other expenses with reputable insurers



approved by BWCL against risks normally insured for assets of that type/against such risks as BWCL requests in the name of the Client or, at BWCL's request, the joint names of the Client and BWCL;

- (p) punctually pay all Insurance premiums, have BWCL's interest noted on the policy and produce the Insurance documents including any receipt on request of BWCL and apply moneys received from insurance in discharge of its obligations under this Deed. If the Client does not maintain Insurance, BWCL may do so at the Client's expense;
- (q) punctually pay, and indemnify BWCL against, all moneys due in respect of the Charged Assets;
- (r) comply with all statutory, regulatory and other requirements applying to the Charged Assets except where actually or potentially adverse to BWCL's interest, when the Client will immediately consult BWCL and make or join BWCL in making such representations as BWCL may request;
- (s) deposit with BWCL or its nominee all deeds and documents of title relating to all Land, buildings and other real property belonging to the Client and Insurance policies relating thereto, all certificates and documents of title relating to the Securities and such blank documents, signed by the registered holder, as BWCL may request to perfect or vest in itself its title to the Securities and all other documents relating to the Charged Assets as BWCL may request; or
- (t) if requested by BWCL, ensure that each subsidiary of the Client guarantees to BWCL payment of all monies covenanted to be paid under this Deed and charge its undertaking, property and assets to secure such payment in such manner as BWCL may request.

7. Liability of Client

7.1 The Client's liability in respect of the Secured Liabilities shall not be discharged or prejudiced by:

- (a) the renewal, determination, variation or increase of any agreement or deed evidencing the Secured Liabilities or the acceptance or variation of any compromise, arrangement or settlement or the omission to claim or enforcement of payment from any other person by BWCL; or
- (b) any security, guarantee, indemnity, remedy or other right held by or available to BWCL being or becoming wholly or partially illegal, void or unenforceable on any ground; or
- (c) any other act or omission which but for this provision might have discharged or otherwise prejudiced the liability of the Client.

7.2 The Client may not require BWCL to:

- (a) enforce any security or other right; or
- (b) claim any payment from; or



- (c) otherwise proceed;

against any other person before enforcing this Deed against the Client.

8. Enforcement

BWCL shall be entitled to make demand for payment of the Secured Liabilities (and enforce this Deed at any time after:

- (a) the occurrence of a breach of any term and/or condition of any agreement, deed and/or document evidencing the Secured Liabilities;
- (b) any event of default (however so described) and/or termination event (however so described) in each and any agreement, deed and/or document evidencing the Secured Liabilities;
- (c) the floating charge has crystallised under clause 4;
- (d) there has occurred any event which in BWCL's opinion is actually or potentially adverse to the Client; or
- (e) there has occurred any other event which in BWCL's opinion actually or potentially jeopardises the security created by this Deed.

9. Appointment, powers and removal of receivers

9.1 At any time after the security created by this Deed becomes enforceable BWCL may without further notice appoint in writing any one or more persons to be a receiver or a receiver and manager. Where more than one Receiver is appointed they will have the power to act separately (unless the appointment specifies otherwise).

9.2 BWCL may determine the remuneration of the Receiver.

9.3 The appointment of a Receiver will not preclude BWCL from appointing a subsequent Receiver over all or any of the Charged Assets whether the previously appointed receiver continues to act or not.

9.4 The Receiver will be the agent of the Client and the Client will be solely liable for the acts, defaults, and remuneration of the Receiver unless and until the Client goes into liquidation after which the receiver shall act as principal. In no event will the Receiver become the agent of BWCL.

9.5 The Receiver will have and be entitled to exercise all the powers set out in Schedule 1 and Schedule 2 to the Insolvency Act 1986 and the Law of Property Act 1925 and will also have the power, either in his name or in the name of the Client:

- (a) in connection with any sale or other disposition of the Charged Assets, to receive the consideration in a lump sum or in instalments and to receive shares and loan notes by way of consideration;
- (b) to grant options, licences or any other whatsoever in the Charged Assets;



- (c) to sever fixtures from and to repair, improve and make any alterations to, the Charged Assets;
- (d) to exercise any voting rights appertaining to the Client;
- (e) to do all other acts and things which the Receiver may consider desirable or necessary for realising any Charged Assets or incidental or conducive to any of the rights, powers or discretion conferred on a Receiver under or by virtue of the Deed; and
- (f) to exercise in relation to any Charged Assets all the powers, authorities and things which he would be capable of exercising if he was absolute beneficial owner of the same;
- (g) carry on the Clients' business;
- (h) complete any transactions by executing any deeds or documents in the name of the Client;
- (i) take, compromise, continue or defend any proceedings and enter into any arrangement or compromise as it sees fit, including in respect of any Debts and Receivables or any of them;
- (j) insure the Charged Assets and any works, arrange indemnity and other similar insurance, and obtain bonds and give counter-indemnities and other security in connection with this;
- (k) to exercise all powers, rights and/or obligations under any agreement forming part of the Charged Assets including all voting and other rights attaching to stocks, shares, bonds and other securities owned by the Client;
- (l) to redeem any prior encumbrance and to settle accounts of the Client;
- (m) sell, lease, surrender or accept surrenders of leases, charges, licences or deal with the Land or any other Charged Asset without restriction, including disposing of any fixtures separately from any real property;
- (n) complete any unfinished works or carry out any new works of building, reconstruction, renewal, maintenance or repair in respect of any Land;
- (o) purchase any real or other property and purchase, grant or release any interest in or right over real property or the benefit of any covenants affecting any real property;
- (p) appoint or employ advisers, consultants, managers, officers or any other person without limitation at such salaries as BWCL or the Administrator, as the case may be, may determine; and
purchase or acquire materials, tools, equipment, furnishing, goods or supplies.

9.6 Neither BWCL or the Receiver will be liable to account as mortgagee in possession or otherwise for any money not actually received by BWCL or the Receiver.

9.7 Section 109 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.



10. Powers of sale, leasing etc

- 10.1 Section 103 of the Law of Property Act 1925 shall not apply to this Deed but the statutory power of sale will as between BWCL and a purchaser arise on and be exercisable at any time after the execution of this Deed but BWCL will not exercise such power unless the security created by this Deed has become enforceable or after the appointment of a Receiver under clause 9.
- 10.2 The statutory powers of sale, leasing and accepting surrenders exercisable by BWCL are extended to allow BWCL to grant or surrender leases of any land vested in the Client or in which it has an interest on such terms and conditions as BWCL may think fit provided that the security constituted by this Deed has become enforceable.
- 10.3 The statutory power of sale exercisable by BWCL is extended to allow BWCL to sever any fixtures from the land and sell them separately.
- 10.4 No person dealing with BWCL or a Receiver, its agents or delegates will be concerned with whether this Deed has become enforceable, whether any power exercised or purported to be exercised has become exercisable, whether any of the Secured Liabilities remain due upon this Deed, as to the necessity or expediency of any stipulations and conditions subject to which the sale of any Charged Asset is made, as to the propriety or regularity of the sale of any Charged Asset or to see to the application of any money paid to BWCL or the Receiver, or its agents or delegates and each dealing shall be deemed to be within the powers conferred by this Deed and to be valid and effectual accordingly.
- 10.5 Section 93 of the Law of Property Act 1925 will not apply to this Deed or to any security it creates.

11. New accounts

- 11.1 On receiving notice that the Client has encumbered or disposed of any of the Charged Assets BWCL may rule off the Client's account and open a new account in the name of the Client.
- 11.2 If BWCL does not open a new account on receipt of a notice as from that time all payments made to BWCL will be treated as if they had been credited to a new account and will not reduce the amount owing from the Client at the time when the notice was received.

12. Attorney

- 12.1 By way of security the Client irrevocably appoints BWCL, whether or not a Receiver has been appointed, and any Receiver separately as Client's attorney with full power to appoint substitutes and to delegate in its name and on its own behalf and as its act and deed or otherwise at any time after this security has become enforceable to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document, or perform any act that may be required of the Client under this Deed, or may be deemed by such attorney necessary or desirable for any purpose of this Deed or to enhance or perfect the security



intended to be constituted by such attorney or to convey or transfer legal ownership of any Charged Assets.

- 12.2 The Client will ratify and confirm all transactions entered into by BWCL or Receiver in the proper exercise of their powers in accordance with this Deed and all transactions entered into by BWCL or the Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, deed, assurance, document or act as aforesaid.

13. Application of moneys received

- 13.1 Any money received under this Deed will, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- (a) in satisfaction of all costs, charges and expenses incurred and payments made by BWCL and/or the Receiver and of the remuneration of the Receiver and all other costs charges and expenses incurred or incidental to the exercise or performance (or attempted exercise or performance) of any of the powers or authorities conferred by or in any other way connected with this Deed;
- (b) in or towards satisfaction of the Secured Liabilities to BWCL; and
- (c) as to the surplus, if any, to the person or persons entitled to it.

- 13.2 BWCL may, in its absolute discretion on or at any time or times after demand and pending the payment to BWCL of the whole of the Secured Liabilities, place and keep to the credit of a separate or suspense account any money received, recovered or realised by BWCL by virtue of this Deed for so long and in such manner as BWCL may determine without any intermediate obligation to apply it in or towards the discharge of any of the Secured Liabilities.

- 13.3 BWCL may apply all payments received in respect of the Secured Liabilities to reduce any part of the Secured Liabilities as it thinks fit in its sole discretion. Any such appropriation shall override any appropriation by the Client.

14. Indemnity

- 14.1 The Client will indemnify BWCL and any Receiver against all and any costs, charges and expenses arising:

- (a) out of any of the assets charged or assigned pursuant to clause 3 resulting in the Client or BWCL or the Receiver infringing or allegedly infringing any third party rights; and
- (b) in relation to any proceedings referable to the Client brought against BWCL and/or the Receiver or to which BWCL and/or the Receiver may be joined whether as the claimant or defendant that relate to any of the Charged Assets.

- 14.2 The Client agrees that if it fails to pay any moneys in respect of the Charged Assets or to take (or not take) any action which might diminish the value of the Charged Assets to BWCL, BWCL may pay such monies or take such action and recover the cost from the Client.



- 14.3 The Client indemnifies BWCL and its employees and agents fully at all times against any claim, liability, loss or expense incurred by BWCL directly or indirectly as a result of any delay or failure of the Client in complying with clause 6 or with any law, regulation, directive or code of practice applicable to the Client or to its business or the Charged Assets or relating to the protection of the environment or to health and safety matters.
- 14.4 Without prejudice to the generality of this clause the costs recoverable by BWCL and/or any Receiver under this Deed shall include:
- (a) all costs incurred by BWCL in preparing and administering this Deed or perfecting the security created by it;
 - (b) all costs, whether or not allowable on a taxation by the courts, of all proceedings for the enforcement of this Deed or for the recovery or attempted recovery of the Secured Liabilities;
 - (c) all money expended and all costs arising out of the exercise of any power, right or discretion conferred by this Deed;
 - (d) all costs and losses arising from any default by the Client in the payment when due of any of the Secured Liabilities or the performance of its obligations under this Deed; and
 - (e) all administrative charges of BWCL based on time spent by its employees and agents in connection with the affairs of the Client.
- 14.5 Any overdue amounts secured by the Deed will carry interest at the Default Rate. Interest will accrue on a day-to-day basis to the date of repayment in full and, if unpaid, will be compounded with quarterly rates on BWCL's usual quarter days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.
- 14.6 Money received or held by BWCL pursuant to this Deed may, from time to time after demand of all or any part of the Secured Liabilities has been made, be converted into such currency as BWCL considers necessary or desirable to discharge the Secured Liabilities in that currency at the spot rate of exchange of the Royal Bank of Scotland plc or such other bank as shall be selected by BWCL in its absolute discretion, for purchasing the currency to be acquired with the existing currency.
15. Release
- 15.1 Subject to clause 15.2 below, BWCL will, at the request and cost of the Client, execute all documents as the Client may reasonably require to release the Charged Assets from the security constituted by this Deed.
- 15.2 Any release, discharge or settlement between BWCL and the Client will be conditional upon no payment or security received by BWCL 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 and, notwithstanding any such release, discharge or settlement:



- (a) BWCL or its nominee will be at liberty to retain this Deed and the security created by or pursuant to this Deed, including all certificates and documents relating to the whole or any part of the Charged Assets, for such period as BWCL may deem necessary to provide BWCL with security against any such avoidance, reduction or order for refund; and
- (b) BWCL will be entitled to recover the value or amount of such security or payment from the Client subsequently as if such release, discharge or settlement had not occurred.

16. Continuing security

This Deed will remain as continuing security in favour of BWCL, regardless of the settlement of any account or any other matter whatever and will be without prejudice and in addition to any and all other rights, remedies or security which is or are in place now or in the future in respect of any Charged Assets in favour of BWCL for the payment of the Secured Liabilities.

17. Further security

The Client will on the demand of BWCL execute and deliver to BWCL at the cost of the Client any document that BWCL requires further to secure the payment of the Secured Liabilities, or to create, enhance or perfect any fixed security over any of the Charged Assets or to give full effect to this debenture or to vest title to any of the Charged Assets in BWCL or BWCL's nominee or any purchaser.

18. Miscellaneous

- 18.1 Notwithstanding termination of this Deed, any provisions which have not been fully implemented or performed remain in full force and effect and will continue to bind, and to be enforceable against the relevant party and will not be extinguished or affected by any other event or matter except a specific and duly authorised written waiver or release of the other party to this Deed.
- 18.2 Variations to this Deed will only have effect when agreed in writing by the Parties' authorised representatives.
- 18.3 The unenforceability of any part of this Deed will not affect the enforceability of any other part.
- 18.4 Unless otherwise agreed, no delay, act or omission by either party in exercising any right or remedy will be deemed a waiver of that, or any other, right or remedy.
- 18.5 Consent by a party, where required, will not prejudice its future right to withhold similar consent.
- 18.6 Each party will, at the cost of the Client, do all further acts and execute all further documents necessary to give effect to this Deed.



- 18.7 This Deed is not enforceable by any third party under the Contracts (Rights of Third Parties) Act 1999. This clause does not effect any right or remedy of any person which exists, or is available other than pursuant to the Contracts (Rights Third Parties) Act 1999.
- 18.8 BWCL may assign any of its rights under this Deed or transfer all its rights or obligations by novation to another bank or financial institution.
- 18.9 The Client may not assign any of it rights or transfer any rights or obligations under this Deed.
- 18.10 This Deed will bind and benefit each Party's successors and assignees.
- 18.11 This Deed may be signed in any number of separate counterparts. Each, when executed and delivered by a party, will be an original; all counterparts will together constitute one instrument.
19. SET OFF
- BWCL may at any time in its sole discretion with or without notice set off any amount due from the Client against any amount due or owing by BWCL to the Client, such part of them as BWCL may select and may convert monies received from one currency to another in order to effect such combination, application or set off and shall not be liable for any loss of interest, exchange rate benefit or opportunity which the Client may suffer as a consequence.
20. Notices
- 20.1 Notices under this Deed will be in writing and sent to the persons and addresses in clause 20.2. They may be given, and will be deemed received:
- (a) by first-class post: two Business Days after posting;
 - (b) by airmail: seven Business Days after posting;
 - (c) by hand: on delivery;
 - (d) by facsimile: on receipt of a successful transmission report from the correct number;
 - (e) by email: on receipt of a delivery return mail from the correct address.
- 20.2 Notices will be sent:
- (a) to the Client at: Hyperdrive Innovation Limited, Barmston Court, Nissan Way, Sunderland, Tyne and Wear, SR5 3NY for the attention of Aidan Lannen.
 - (b) to BWCL at: ESpark, 1 Hardman Boulevard, Byrom St, Manchester, M3 3AQ for the attention of Max Ward.
21. Confidential Information
- 21.1 BWCL may disclose:
- (a) on a confidential basis to a subsidiary and any actual or potential assignee, transferee or sub-participant of its rights or obligations under this Deed in addition



to any publicly available information such information about the Client as BWCL shall consider appropriate; and

- (b) any information about the Client to any person to the extent that it is required to do so by any applicable law, regulation or court order.

22. Governing law and jurisdiction

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

22.2 The Parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).



SCHEDULE 1 - LAND CHARGED BY WAY OF LEGAL MORTGAGE

Part 1 - Registered Land

| DESCRIPTION AND ADDRESS | TITLE NUMBER |
|-------------------------|--------------|
| | |

Part 2 - Unregistered Land

| DESCRIPTION AND ADDRESS | DOCUMENT[S] EVIDENCING ROOT OF TITLE |
|-------------------------|--------------------------------------|
| | |




SCHEDULE 2 - LIST OF INSURANCE

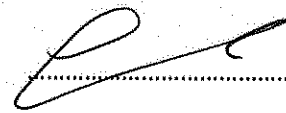
[INSERT]



EXECUTED and DELIVERED)
as a DEED by HYPERDRIVE INNOVATION LIMITED)
acting by a director, in the presence of:)


.....
Director

Witness:

Signature 

Name IMOGAN HOLLAND

Address 610 JENNIFERE AVENUE,

152 GUNNERSIDE, NEWCASTLE

Occupation SECRETARY

EXECUTED and DELIVERED)
as a DEED by BEYOND WORKING CAPITAL LTD)

acting by a director) Director
in the presence of:)

Witness:

Signature
.....

Name
.....

Address
.....
.....

Occupation
.....



