



Registration of a Charge

Company Name: **SAFE SOLVENTS EUROPE LIMITED**

Company Number: **07962674**



XBIA0U03

Received for filing in Electronic Format on the: **06/12/2022**

Details of Charge

Date of creation: **02/12/2022**

Charge code: **0796 2674 0004**

Persons entitled: **BLUE WATER CAPITAL LIMITED**

Brief description: **CHARGES BY WAY OF FIXED CHARGE OVER: (A) ALL PRESENT AND FUTURE INTERESTS OF THE CHARGOR IN, OR OVER, FREEHOLD OR LEASEHOLD PROPERTY; (B) ALL LICENCES, CONSENTS AND AUTHORISATIONS (STATUTORY OR OTHERWISE) HELD OR REQUIRED IN CONNECTION WITH THE CHARGOR'S BUSINESS OR THE USE OF ANY SECURED ASSET, AND ALL RIGHTS IN CONNECTION WITH THEM; (C) ALL ITS PRESENT AND FUTURE GOODWILL; (D) ALL ITS UNCALLED CAPITAL; (E) ALL THE EQUIPMENT; (F) ALL THE INTELLECTUAL PROPERTY; (G) ALL THE BOOK DEBTS; (H) ALL THE INVESTMENTS; (I) ALL MONIES FROM TIME TO TIME STANDING TO THE CREDIT OF ITS ACCOUNTS WITH ANY BANK, FINANCIAL INSTITUTION OR OTHER PERSON; (J) ALL ITS RIGHTS IN RESPECT OF EACH INSURANCE POLICY, INCLUDING ALL CLAIMS, THE PROCEEDS OF ALL CLAIMS AND ALL RETURNS OF PREMIUMS IN CONNECTION WITH EACH INSURANCE POLICY, TO THE EXTENT NOT EFFECTIVELY ASSIGNED UNDER CLAUSE 3.1.2(A) OF DEBENTURE; AND (K) ALL ITS RIGHTS IN RESPECT OF EACH SPECIFIC CONTRACT AND ALL OTHER AGREEMENTS, INSTRUMENTS AND RIGHTS RELATING TO THE SECURED ASSETS, TO THE EXTENT NOT EFFECTIVELY ASSIGNED UNDER CLAUSE 3.1.2(B) OF DEBENTURE**

Contains fixed charge(s).

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

Contains negative pledge.

Chargor acting as a bare trustee for the property.

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: **CARL STANLEY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7962674

Charge code: 0796 2674 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd December 2022 and created by SAFE SOLVENTS EUROPE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th December 2022 .

Given at Companies House, Cardiff on 7th December 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**

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2 December 2022

Debenture

Between

01 Safe Solvents Europe Limited;
and

02 Blue Water Capital Limited

THIS DEED is dated 2 December 2022

PARTIES

- (1) **Safe Solvents Europe Limited**, a private limited company registered and incorporated in England and Wales with registered number 07962674 whose registered office is at 158 Blackamoor Lane, Maidenhead, SL6 8RN (**Chargor**); and
- (2) **Blue Water Capital Limited** a private limited company incorporated and registered in England and Wales with registered number 10870130 whose registered office is at 53 Calthorpe Road Edgbaston, Birmingham, United Kingdom, B15 1TH (**Security Trustee**).

BACKGROUND

- (A) The Chargor confirms by entering into this Deed that all Loan Notes (as defined below) will be secured by this Deed in replacement to the Existing Security.
- (B) The Noteholders (as defined below) provided loan capital to the Chargor in the form of the Loan Notes (as defined below), on the terms and conditions set out in the Loan Note Instrument (as defined below), which are to be secured by this Deed.
- (C) The Security Trustee has accepted appointment as security trustee for and on behalf of the Noteholders in accordance with the terms of the Trust Deed (defined below).
- (D) Under this Deed, the Chargor provides security to the Security Trustee for the Secured Liabilities (defined below).

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 Chargor pursuant to clause 12.9;

Book Debts

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

Business Day

a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London;

Delegate

any person appointed by the Security Trustee or any Receiver pursuant to clause 17 and any person appointed as attorney of the Security Trustee, 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 Chargor, including any part of it and all spare parts, replacements, modifications and additions;

Event of Default

has the meaning given to that term as set out in in the Loan Note Instrument;

Existing Security

debenture dated 13 January 2021 granted by the Chargor in favour of Whitmill Corporate Services UK Limited for itself and for the Noteholders;

Financial Collateral

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

Financial Collateral Regulations

the Financial Collateral Arrangements (No 2) Regulations 2003 (*SI 2003/3226*);

Insurance Policy

each contract and policy of insurance effected or maintained by the Chargor from time to time in respect of its assets or business (including, without limitation, any insurances relating to any properties or the Equipment);

Intellectual Property

the Chargor's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights;

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 Chargor, including all rights accruing or incidental to those investments from time to time, and, for the avoidance of doubt, including the entire issued share capital of the Chargor's Subsidiaries from time to time;

Loan Note Instrument

shall mean the loan note instrument dated on or around 13 January 2021 constituting the Loan Notes as amended from time to time.

Loan Notes

the up to £1,000,000 10% secured investor loan notes 2023 to be issued by the Chargor in accordance with the terms of the Loan Note Instrument.

LPA 1925

Law of Property Act 1925;

Noteholders

the holders of the Loan Notes from time to time;

Receiver

a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Security Trustee under clause 15;

Secured Assets

all the assets, property and undertaking for the time being subject to the Security Interests created by, or pursuant to, this Deed;

Secured Liabilities

all present and future monies, obligations and liabilities owed by the Chargor to the Noteholders and the Security Trustee, including without limitation under or in connection with the Loan Note Instrument or this Deed (including, without limitation, those arising under clause 24.3.2 of this Deed), and whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity together with all interest (including, without limitation, default interest) accruing in respect of those monies or liabilities;

Security Financial Collateral Arrangement

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

Security Interest

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 Security Trustee is satisfied 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;

Specific Contracts

means any other documents designated by the Noteholders and the Security Trustee as a Specific Contract from time to time;

Subsidiaries

as defined in section 1159 of the Chargor Act 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
- (b) its nominee.

Trust Deed

means the trust deed entered into between, amongst others, the Chargor and the Security Trustee in respect of the Loan Notes and this Deed and dated on or around the date of this Deed.

1.2 Incorporation of Loan Note Instrument definitions

Unless defined otherwise in this Deed, or the context requires otherwise, all words or expressions defined in the Loan Note Instrument have the same meanings in this Deed.

1.3 Interpretation

In this Deed:

- 1.3.1 reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 1.3.2 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.3.3 unless the context otherwise requires, words in the singular include the plural and in the plural include the singular;
- 1.3.4 a reference to **continuing** in relation to an Event of Default means an Event of Default which has not been remedied or waived;
- 1.3.5 a reference to **this Deed** (or any provision of it) or any other document shall be construed as a reference to this Deed, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties;

- 1.3.6 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, or any state or any agency of any person;
- 1.3.7 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.3.8 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.3.9 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.3.10 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.3.11 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it;
- 1.3.12 a reference to the **Security Trustee** shall include its successors, permitted transferees and permitted assigns; and
- 1.3.13 clause headings shall not affect the interpretation of this Deed.
- 1.4 If the Security Trustee reasonably considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.5 A reference in this Deed to a charge or mortgage of or over any Property includes:
 - 1.5.1 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;
 - 1.5.2 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;
 - 1.5.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Chargor in respect of that Property, and any monies paid or payable in respect of those covenants; and
 - 1.5.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Property.
- 1.6 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Loan Note Instrument and of any side letters between any parties in relation to the Loan Note Instrument are incorporated into this Deed.
- 1.7 A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Deed.
- 1.8 If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

2 Covenant to pay

The Chargor shall, on demand, pay to the Security Trustee as agent for itself and the Noteholders and discharge the Secured Liabilities when they become due pursuant to the terms of the Loan Notes and this Deed.

3 Grant of security

3.1 As a continuing security for the payment and discharge of the Secured Liabilities pursuant to clause 2 above, the Chargor with full title guarantee:

3.1.1 charges by way of fixed charge:

- (a) all present and future interests of the Chargor in, or over, freehold or leasehold property;
- (b) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the use of any Secured Asset, and all rights in connection with them;
- (c) all its present and future goodwill;
- (d) all its uncalled capital;
- (e) all the Equipment;
- (f) all the Intellectual Property;
- (g) all the Book Debts;
- (h) all the Investments;
- (i) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person;
- (j) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.1.2(a); and
- (k) all its rights in respect of each Specific Contract and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.1.2(b);

3.1.2 assigns to the Security Trustee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights:

- (a) in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and
- (b) each of the Specific Contracts and the benefit of all other agreements, instruments and rights relating to the Secured Assets; and

3.1.3 charges to the Security Trustee, by way of floating charge, all the undertaking, property, assets and rights of the Chargor at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1.2.

3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.1.3.

3.3 The floating charge created by clause 3.1.3 shall automatically and immediately (without notice) be converted into a fixed charge over the assets subject to that floating charge if:

- 3.3.1 the Chargor:
- (a) creates, or attempt to create, without the prior written consent of the Security Trustee, a Security Interest 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 the Loan Notes); 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);
- 3.3.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- 3.3.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor.
- 3.4 The Security Trustee may, in its sole discretion, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Security Trustee in that notice if:
- 3.4.1 an Event of Default occurs and is continuing; or
 - 3.4.2 the Security Trustee considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 3.5 Any asset acquired by the Chargor 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 Security Trustee confirms otherwise to the Chargor in writing) be charged to the Security Trustee by way of fixed charge.

4 Liability of the Chargor

- 4.1 The Chargor'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 Security Trustee that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
 - 4.1.2 the Security Trustee 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 (including, without limitation, the Chargor); 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 Chargor.
- 4.2 The Chargor waives any right it may have to require the Security Trustee 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 Chargor.

5 Representations and warranties

- 5.1 The Chargor makes the representations and warranties set out in this clause 5 to the Security Trustee.
- 5.2 The Chargor is the legal and beneficial owner of the Secured Assets.

- 5.3 The Secured Assets are free from any Security Interest other than the Security Interests created by this Deed.
- 5.4 The Chargor has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.
- 5.5 There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.
- 5.6 There is no breach of any law or regulation by the Chargor that materially and adversely affects the Secured Assets.
- 5.7 No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.
- 5.8 As far as the Chargor is aware, having made all diligent enquiries, nothing has arisen, has been created or is subsisting that would be an overriding interest in any Property.
- 5.9 There is no prohibition on assignment in any Insurance Policy and the entry into this Deed by the Chargor does not, and will not, constitute a breach of any Insurance Policy or any other agreement or instrument binding on the Chargor or its assets.
- 5.10 Subject to certain legal reservations and principles of law, this Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor, and is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms.
- 5.11 The representations and warranties set out in clauses 5.2 to 5.10 inclusive are made by the Chargor on the date of this Deed and the representations and warranties contained in clauses 5.2 to 5.10 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 The Chargor shall not at any time, except with the prior written consent of the Security Trustee:
- 6.1.1 create, purport to create or permit to subsist any Security Interest on, or in relation to, any Secured Asset other than any Security Interest created by this Deed;
 - 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 The Chargor 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 Security Trustee, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed.
- 6.3 Compliance with laws and regulations
- 6.3.1 The Chargor shall not use or permit the Secured Assets to be used in any way contrary to law.
 - 6.3.2 Where to not do so in the opinion of the Security Trustee (acting reasonably) might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee, or materially diminish the value of any of the Security Assets or the effectiveness and/or enforceability of the security created by this Deed, the Chargor shall:

- (a) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
- (c) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

6.4 The Chargor shall use all reasonable endeavours to:

- 6.4.1 procure the prompt observance and performance of the covenants and other obligations imposed on the Chargor counterparties (including each insurer in respect of an Insurance Policy); where to not do so in the opinion of the Security Trustee (acting reasonably) might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee or materially diminish the value of any of the Secured Assets or the effectiveness and/or enforceability of the security created by this Deed; and
- 6.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Security Trustee may reasonably require from time to time.

6.5 The Chargor shall, promptly on becoming aware of any of the same, give the Security Trustee notice in writing of:

- 6.5.1 any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- 6.5.2 any breach of any covenant set out in this Deed.

6.6 The Chargor shall, as so required by the Security Trustee, deposit with the Security Trustee and the Security Trustee shall, for the duration of this Deed, be entitled to hold:

- 6.6.1 all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Chargor (and if these are not within the possession or control of the Chargor, the Chargor undertakes to obtain possession of all these deeds and documents of title);
- 6.6.2 all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Chargor is entitled to possess; and
- 6.6.3 all deeds and documents of title (if any) relating to the Book Debts as the Security Trustee may specify from time to time.

6.7 Insurance

- 6.7.1 The Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:
 - (a) loss or damage by fire or terrorist acts;
 - (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
 - (c) any other risk, perils and contingencies as the Security Trustee may reasonably require.

Any such insurance must be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Security Trustee, and must be for not less than the replacement value of the Secured Assets.

- 6.7.2 The Chargor shall, if requested by the Security Trustee, produce to the Security Trustee the policy, certificate or cover note relating to the insurance required by clause 6.7.1.
- 6.7.3 The Chargor shall, if requested by the Security Trustee, procure that a note of the Security Trustee's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with clause 6.7.1 and that the terms of each Insurance Policy require the insurer not to invalidate the policy as against the Security Trustee by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Security Trustee.
- 6.8 The Chargor shall:
 - 6.8.1 promptly pay all premiums in respect of each Insurance Policy maintained by it in accordance with clause 6.7.1 and do all other things necessary to keep that policy in full force and effect; and
 - 6.8.2 (if the Security Trustee so requires) produce to, or deposit with, the Security Trustee the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy maintained by it in accordance with clause 6.7.1.
- 6.9 The Chargor shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy maintained by it in accordance with clause 6.7.1.
- 6.10 All monies received or receivable by the Chargor under any Insurance Policy maintained by it in accordance with clause 6.7.1 (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this Deed has become enforceable) shall:
 - 6.10.1 if they are not paid directly to the Security Trustee by the insurers, be held by the Chargor as trustee of the same for the benefit of the Security Trustee (and the Chargor shall account for them to the Security Trustee); and
 - 6.10.2 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 Security Trustee so directs, in or towards discharge or reduction of the Secured Liabilities.
- 6.11 The Chargor shall if requested by the Security Trustee
 - 6.11.1 give notice to:
 - (a) each insurer that it has assigned its rights and interest in and under each Insurance Policy under clause 3.1.2(a); and
 - (b) each relevant counterparty in respect of each Specific Contract that it has assigned its rights and interest in and under each Specific Contract under clause 3.1.2(b),and shall use reasonable endeavours to procure that each addressee of any such notice promptly provides within five Business Days to the Security Trustee an acknowledgement of the notice of the Security Trustee's interest; and
 - 6.11.2 give notice to any bank, financial institution or other person (excluding the Security Trustee) with whom it has an account that it has charged to the Security Trustee its rights and interests under that account under clause 3.1.1(i) and shall use reasonable endeavours to procure that each addressee of any such notice promptly provides within

five (5) Business Days to the Security Trustee an acknowledgement of the notice of the Security Trustee's interest.

The Chargor shall obtain the Security Trustee's prior approval of the form of any notice or acknowledgement to be used under this clause 6.11.

6.12 The Chargor shall:

- 6.12.1 give the Security Trustee such information concerning the location, condition, use and operation of the Secured Assets as the Security Trustee may require;
- 6.12.2 permit any persons designated by the Security Trustee and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- 6.12.3 promptly notify the Security Trustee in writing of any action, claim or demand made by or against it in connection with any Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim or demand, together with, in each case, the Chargor's proposals for settling, liquidating, compounding or contesting any such action, claim or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at its own expense.

6.13 The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Security Trustee.

7 Investments covenants

7.1 Deposit of title documents

7.1.1 The Chargor shall:

- (a) on the execution of this Deed, deposit with the Security Trustee all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Chargor at that time; and
- (b) on the purchase or acquisition by it of Investments after the date of this Deed, deposit with the Security Trustee all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

7.1.2 At the same time as depositing documents with the Security Trustee in accordance with clause 7.1.1, the Chargor shall also deposit with the Security Trustee:

- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Chargor, 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 Chargor) that the Security Trustee may request in order 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 Security Trustee may, at any time and without notice to the Chargor, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

7.2 Nominations

- 7.2.1 The Chargor shall terminate with immediate effect all nominations it may have made (including, without limitation, any nomination made under section 145 or section 146 of

the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:

- (a) does not exercise any rights in respect of any Investments without the prior written approval of the Security Trustee; and
- (b) immediately on receipt by it, forward to the Security Trustee all communications or other information received by it in respect of any Investments for which it has been so nominated.

7.2.2 The Chargor shall not, during the Security Period, exercise any rights (including, without limitation, any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

7.3 Additional registration obligations

The Chargor shall:

- 7.3.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association of any issuer that is not a public company or otherwise, for the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser on enforcement of this Deed; and
- 7.3.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) of the articles of association of each issuer that is not a public company in any manner that the Security Trustee may require in order to permit such a transfer.

7.4 Dividends and voting rights before enforcement

- 7.4.1 Before the security constituted by this Deed becomes enforceable, the Chargor may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Security Trustee or any of its nominees, the Security Trustee will hold all those dividends, interest and other monies received by it for the Chargor and will pay them to the Chargor promptly on request.
- 7.4.2 Before the security constituted by this Deed becomes enforceable, the Chargor may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Security Trustee of any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:
 - (a) it shall not do so in any way that would breach any provision of the Loan Note Instrument or this Deed or for any purpose inconsistent with the Loan Notes or this Deed; and
 - (b) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Security Trustee's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Security Trustee's security under this Deed.
- 7.4.3 The Chargor shall indemnify the Security Trustee against any loss or liability incurred by the Security Trustee (or its nominee) as a consequence of the Security Trustee (or its nominee) acting in respect of the Investments at the direction of the Chargor.
- 7.4.4 The Security Trustee shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Security Trustee considers prejudicial to, or impairing the value of, the security created by this Deed.

7.5 Dividends and voting rights after enforcement

After the security constituted by this Deed has become enforceable:

- 7.5.1 all dividends and other distributions paid in respect of the Investments and received by the Chargor shall be held by the Chargor on trust for the Security Trustee or, if received by the Security Trustee, shall be retained by the Security Trustee; and
- 7.5.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Trustee and the Chargor shall, and shall procure that its nominees shall, comply with any directions the Security Trustee may give, in its absolute discretion, concerning the exercise of those rights and powers.

7.6 Calls on Investments

The Chargor shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Chargor acknowledges that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other payments.

7.7 No alteration of constitutional documents or rights attaching to Investments

The Chargor shall not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of:

- 7.7.1 the memorandum or articles of association, or any other constitutional documents, of the Chargor's Subsidiaries; or
- 7.7.2 the rights or liabilities attaching to any of the Investments.

7.8 Preservation of Investments

The Chargor shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer that is not a public company shall not:

- 7.8.1 consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way;
- 7.8.2 issue any new shares or stock; or
- 7.8.3 refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Security Trustee or the Chargor in accordance with this Deed.

7.9 Investments information

The Chargor shall, promptly following receipt, send to the Security Trustee copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

8 Equipment covenants

8.1 The Chargor shall:

- 8.1.1 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;
- 8.1.2 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
- 8.1.3 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.

8.2 The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Security Trustee.

8.3 The Chargor:

8.3.1 shall, if so requested by the Security Trustee, 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 [DESCRIBE ITEM] and all additions to it [and ancillary equipment] are subject to a fixed charge dated [DATE] in favour of [SECURITY TRUSTEE]."

8.3.2 shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 8.3.1

9 Book Debts covenants

The Chargor shall not (except with the prior written consent of the Security Trustee) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

10 Intellectual Property covenants

10.1 The Chargor shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

10.2 The Chargor shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Security Trustee informed of all matters relating to each such registration.

10.3 The Chargor shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

11 Perfection of security

11.1 Title Documents

The Chargor must:

11.1.1 immediately upon the execution of this Deed (and promptly upon the acquisition of any Secured Assets after the date of this Deed), deposit with the Security Trustee all deeds, title documents, certificates, account mandates, signing authorities and other documents constituting or evidencing title to each of the Secured Assets; and

11.1.2 at any time after the execution of this Deed, deposit with the Security Trustee any further deeds, title documents, certificates, account mandates, signing authorities and other documents constituting or evidencing title to the Secured Assets promptly upon coming into possession of any of them.

11.2 Document delivery and other steps to perfect security

11.2.1 The Chargor must, immediately upon the execution of this Deed (and promptly upon the acquisition of any Secured Assets after the date of this Deed), execute and deliver to the Security Trustee (at the Chargor's expense) in such form and substance as the Security Trustee may reasonably require:

- (a) all documents required to perfect the Security Interests created, or purported to be created, by or pursuant to this Deed (including any documents required in connection with any registration formalities); and
- (b) any notices to any third party of any of the charges or assignments contained in this Deed.

11.2.2 The Chargor must take all such other action as is available to it as may be necessary or as may reasonably be requested by the Security Trustee to create, perfect, protect or maintain any of the Security Interests created, or purported to be created, by or pursuant to this Deed or to vest title to any Secured Asset in the Security Trustee or its nominee or any purchaser, or to facilitate the realisation of any Secured Asset under this Deed or the exercise of any of the rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law, including:

- (a) making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including Companies House, the Land Registry and the Intellectual Property Office); and
- (b) if required by the Security Trustee, making an application to the Land Registry for a restriction to be placed on the Proprietorship Register of the Chargor's Real Property so that no disposition of any such Real Property by the Chargor is to be registered without the prior written consent of the Security Trustee.

12 Powers of the Security Trustee

12.1 Power to remedy

12.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Chargor of any of its obligations contained in this Deed.

12.1.2 The Chargor irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

12.1.3 Any monies expended by the Security Trustee in remedying a breach by the Chargor of its obligations contained in this Deed shall be reimbursed by the Chargor to the Security Trustee on a full indemnity basis and shall carry interest in accordance with clause 19.1.

12.2 Exercise of rights

The rights of the Security Trustee under clause 12.1 are without prejudice to any other rights of the Security Trustee under this Deed. The exercise of any rights of the Security Trustee under this Deed shall not make the Security Trustee liable to account as a mortgagee in possession.

12.3 Power to dispose of chattels

12.3.1 At any time after the security constituted by this Deed has become enforceable, the Security Trustee or any Receiver may, as agent for the Chargor, dispose of any chattels or produce found on any Property.

12.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 12.3.1, the Chargor shall indemnify the Security Trustee and any Receiver against any liability arising from any disposal made under clause 12.3.1.

12.4 Security Trustee 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 Security Trustee 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.

12.5 Conversion of currency

- 12.5.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 12.5) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.
- 12.5.2 Any such conversion shall be effected at such spot selling rate of exchange for such other currency against the existing currency as shall be determined by the Security Trustee.
- 12.5.3 Each reference in this clause 12.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

12.6 New accounts

- 12.6.1 If the Security Trustee receives, or is deemed to have received, notice of any subsequent Security Interest, or other interest, affecting all or part of the Secured Assets, the Security Trustee may open a new account for the Chargor in the Security Trustee's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 12.6.2 If the Security Trustee does not open a new account immediately on receipt of the notice, or deemed notice, under clause 12.6.1, then, unless the Security Trustee gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Security Trustee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Security Trustee.

12.7 Security Trustee's set-off rights

If the Security Trustee has more than one account for the Chargor in its books, the Security Trustee may at any time after:

- 12.7.1 the security constituted by this Deed has become enforceable; or
- 12.7.2 the Security Trustee has received, or is deemed to have received, notice of any subsequent Security Interest or other interest affecting all or any part of the Secured Assets,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Security Trustee shall notify the Chargor of that transfer.

12.8 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Chargor) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of the Chargor for the Secured Liabilities.

12.9 Appointment of an Administrator

12.9.1 The Security Trustee may, without notice to the Chargor, appoint any one or more persons to be an Administrator of the Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.

12.9.2 Any appointment under this clause 12.9 shall:

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

12.9.3 The Security Trustee may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 12.9 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

13 When security becomes enforceable

13.1 The security constituted by this Deed shall be immediately enforceable if an Event of Default occurs which is continuing.

13.2 After the security constituted by this Deed has become enforceable, the Security Trustee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

14 Enforcement of security

14.1 Enforcement powers

14.1.1 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall, as between the Security Trustee and a purchaser from the Security Trustee, arise on and be exercisable at any time after the execution of this Deed, but the Security Trustee shall not exercise such power of sale or other powers until the security constituted by this Deed has become enforceable under clause 13.1.

14.1.2 Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

14.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Trustee and any Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of the Chargor, to:

14.2.1 grant a lease or agreement to lease;

14.2.2 accept surrenders of leases; or

14.2.3 grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

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

14.3 Access on enforcement

14.3.1 At any time after the Security Trustee has demanded payment of the Secured Liabilities when due and payment is not made or if the Chargor defaults in the performance of its

obligations under this Deed, the Chargor will allow the Security Trustee or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Security Trustee or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Chargor for, or by any reason of, that entry.

- 14.3.2 At all times, the Chargor must use its best endeavours to allow the Security Trustee or its Receiver access to any premises for the purpose of clause 14.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.
- 14.4 At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security Interest having priority to this Deed shall have become exercisable, the Security Trustee may:
- 14.4.1 redeem that or any other prior Security Interest;
- 14.4.2 procure the transfer of that Security Interest to it; and
- 14.4.3 settle and pass any account of the holder of any prior Security Interest.
- Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor. All monies paid by the Security Trustee to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Security Trustee, be due from the Chargor to the Security Trustee on current account and shall bear interest at the default rate of interest specified in the Loan Note Instrument and be secured as part of the Secured Liabilities.
- 14.5 No purchaser, mortgagee or other person dealing with the Security Trustee, any Receiver or Delegate shall be concerned to enquire:
- 14.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 14.5.2 whether any power the Security Trustee, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- 14.5.3 how any money paid to the Security Trustee, any Receiver or any Delegate is to be applied.
- 14.6 Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.
- 14.7 Neither the Security Trustee, any Receiver, any Delegate nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.
- 14.8 The receipt of the Security Trustee or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.
- 14.9 Right of appropriation
- 14.9.1 To the extent that:
- (a) the Secured Assets constitute Financial Collateral; and

- (b) this Deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement,

the Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Security Trustee may, in its absolute discretion, determine.

14.9.2 The value of any Secured Assets appropriated in accordance with this clause shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by any other method that the Security Trustee may select (including independent valuation).

14.9.3 The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

15 Receiver

15.1 At any time after the security constituted by this Deed has become enforceable, or at the request of the Chargor, the Security Trustee 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.

15.2 The Security Trustee may, without further notice (subject to section 45 of the Insolvency Act 1986), 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.

15.3 The Security Trustee 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, which shall be due and payable immediately on its being paid by the Security Trustee.

15.4 The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Security Trustee 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.

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

15.6 Any Receiver appointed by the Security Trustee under this Deed shall be the agent of the Chargor and the Chargor 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 Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.

16 Powers of Receiver

16.1 General

16.1.1 Any Receiver appointed by the Security Trustee under this Deed shall, in addition to the powers conferred on him by statute, have the powers set out in this clause 16.

16.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

- 16.1.3 Any exercise by a Receiver of any of the powers given by clause 16 may be on behalf of the Chargor, the directors of the Chargor (in the case of the power contained in clause 16.16) or himself.
- 16.2 A Receiver may undertake or complete any works of repair, building or development on any 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.
- 16.3 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 he thinks fit.
- 16.4 A Receiver may provide services and employ, or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Chargor.
- 16.5 A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit.
- 16.6 A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Security Trustee may prescribe or agree with him.
- 16.7 A Receiver may collect and get in the Secured Assets or any part of them in respect of which he 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.
- 16.8 A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Chargor.
- 16.9 A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he 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.
- 16.10 A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Chargor.
- 16.11 A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in any manner, and generally on any terms and conditions, that he thinks fit.
- 16.12 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.
- 16.13 A Receiver may make any arrangement, settlement or compromise between the Chargor and any other person that he may think expedient.
- 16.14 A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit.
- 16.15 A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.
- 16.16 A Receiver may make calls conditionally or unconditionally on the members of the Chargor 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 Chargor on its directors in respect of calls authorised to be made by them.

- 16.17 A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 19, 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 Chargor under this Deed.
- 16.18 A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule B1 to the Insolvency Act 1986.
- 16.19 A Receiver may, for any of the purposes authorised by this clause 16, raise money by borrowing from the Security Trustee (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if the Security Trustee consents, terms under which that security ranks in priority to this Deed).
- 16.20 A Receiver may redeem any prior Security Interest and settle and pass the accounts to which the Security Interest relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Chargor, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.
- 16.21 A Receiver may delegate his powers in accordance with this Deed.
- 16.22 A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he 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.
- 16.23 A Receiver may do any other acts and things:
- 16.23.1 that he may consider desirable or necessary for realising any of the Secured Assets;
 - 16.23.2 that he 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; and
 - 16.23.3 that he lawfully may or can do as agent for the Chargor.

17 Delegation

- 17.1 The Security Trustee 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 21.1).
- 17.2 The Security Trustee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.
- 17.3 Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate, save for wilful default, gross misconduct or gross negligence.

18 Application of proceeds

- 18.1 All monies received by the Security Trustee, 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:
- 18.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Security Trustee (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;

- 18.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Security Trustee determines; and
 - 18.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.
- 18.2 Neither the Security Trustee, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.
- 18.3 All monies received by the Security Trustee, a Receiver or a Delegate under this Deed:
 - 18.3.1 may, at the discretion of the Security Trustee, Receiver or Delegate, be credited to any suspense or securities realised account;
 - 18.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and the Chargor; and
 - 18.3.3 may be held in that account for so long as the Security Trustee, Receiver or Delegate reasonably considers to be necessary.

19 Costs and indemnity

- 19.1 The Chargor shall pay to, or reimburse, the Security Trustee and any Receiver on demand, 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 Security Trustee, any Receiver or any Delegate in connection with:
 - 19.1.1 this Deed or the Secured Assets;
 - 19.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's, a Receiver's or a Delegate's rights under this Deed;
 - 19.1.3 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 up or administration of the Chargor) at the rate and in the manner specified in the Loan Note Instrument.
- 19.2 The Chargor shall indemnify the Security Trustee, each Receiver and each Delegate, and their respective employees and agents, on a full indemnity basis against any cost, charge, expense, tax, loss, liability or damage incurred by any of them as a result of:
 - 19.2.1 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;
 - 19.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
 - 19.2.3 any default or delay by the Chargor in performing any of its obligations under this Deed.

Any past or present employee or agent may enforce the terms of this clause 19.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.
- 19.3 Clause 19.2 shall not apply where the cost, charge, expense, tax, loss, liability or damage arose as a result of the gross negligence or wilful misconduct of the relevant Security Trustee, Receiver and/or Delegate.

20 Further assurance

20.1 The Chargor shall, at its own expense, take whatever action the Security Trustee or any Receiver may reasonably require for:

20.1.1 creating, perfecting or protecting the security intended to be created by this Deed;

20.1.2 facilitating the realisation of any Secured Asset; or

20.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee or any Receiver in respect of any Secured Asset,

including, without limitation (if the Security Trustee 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 Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any registration.

21 Power of attorney

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

21.1.1 the Chargor is required to execute and do under this Deed but which it has failed to do; or

21.1.2 any attorney deems necessary in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Trustee, any Receiver or any Delegate.

21.2 The Chargor 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 21.1.

22 Release

Subject to clause 24.3, on the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to:

22.1.1 release the Secured Assets from the security constituted by this Deed; and

22.1.2 reassign the Secured Assets to the Chargor.

23 Assignment and transfer

23.1 Assignment by Security Trustee

23.1.1 At any time, without the consent of the Chargor, the Security Trustee may assign or transfer the whole or any part of the Security Trustee's rights and/or obligations under this Deed to any person to the extent permitted by the Loan Note Instrument.

23.1.2 The Security Trustee may disclose to any actual or proposed assignee or transferee any information about the Chargor, the Secured Assets and this Deed that the Security Trustee reasonably considers appropriate.

23.2 Assignment by the Chargor

The Chargor may not assign any of its rights, or transfer any of its obligations, under this Deed, or enter into any transaction that would result in any of those rights or obligations passing to another person.

24 Further provisions

- 24.1 This Deed shall be in addition to, and independent of, any other security or guarantee that the Security Trustee may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee over the whole or any part of the Secured Assets shall merge in the security created by this Deed.
- 24.2 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 Security Trustee discharges this Deed in writing.
- 24.3 Any release, discharge or settlement between the Chargor and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee 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. Despite any such release, discharge or settlement:
 - 24.3.1 the Security Trustee or its nominee may retain this Deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and
 - 24.3.2 the Security Trustee may recover the value or amount of such security or payment from the Chargor subsequently as if the release, discharge or settlement had not occurred.
- 24.4 A certificate or determination by the Security Trustee as to any amount for the time being due to it from the Chargor under this Deed and/or under the Loan Notes shall be, in the absence of any manifest error, conclusive evidence of the amount due.
- 24.5 The rights and remedies of the Security Trustee conferred by this Deed are cumulative, may be exercised as often as the Security Trustee considers appropriate, and are in addition to its rights and remedies under the general law.
- 24.6 Any waiver or variation of any right or remedy by the Security Trustee (whether arising under this Deed or under the general law), or any consent given under this Deed, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 24.7 No act or course of conduct or negotiation by, or on behalf of, the Security Trustee shall, in any way, preclude the Security Trustee from exercising any right or remedy under this Deed or constitute a suspension or variation of any such right or remedy.
- 24.8 No delay or failure to exercise any right or remedy under this Deed shall operate as a waiver of that right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Trustee shall be effective unless it is in writing.
- 24.9 No single or partial exercise of any right or remedy under this Deed shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this Deed.
- 24.10 The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.
- 24.11 The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

- 24.12 This Deed may be executed and delivered in two counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

25 Notices

- 25.1 Each notice or other communication required to be given under, or in connection with, this Deed shall be:

25.1.1 in writing, delivered personally or sent by pre-paid first-class letter; and

25.1.2 sent:

- (a) to the Chargor at:
Address: the registered address of the Chargor
Attention: the directors of the Chargor
- (b) to the Security Trustee at:
Address: the registered address of the Security Trustee
Attention: the director(s) of the Security Trustee

or to any other address as is notified in writing by one party to the other from time to time.

- 25.2 Any notice or other communication that the Security Trustee gives shall be deemed to have been received:

25.2.1 if given by hand, at the time of actual delivery; and

25.2.2 if posted, on the second Business Day after the day it was sent by pre-paid first-class post.

A notice or other communication given as described in clause 25.2.1 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

- 25.3 Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt.

26 Governing law and jurisdiction

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

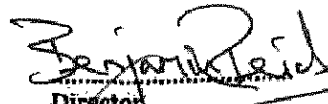
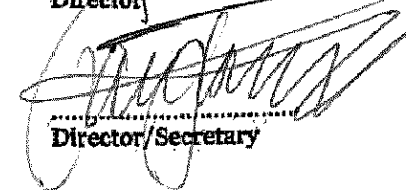
- 26.2 The parties to this Deed irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction.

- 26.3 The Chargor irrevocably consents to any process in any proceedings under clause 26.2 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.

EXECUTED and DELIVERED as a DEED by)

SAFE SOLVENTS EUROPE LIMITED)
acting by two directors, a director and a)
secretary or a director in the presence of:)
presence of:)


Director

Director/Secretary

Witness signature: 

Witness name: JAMES RUTTER

Address: 31A Dukes Ride

Crowthorne
Berkshire RG45 6NE
MANAGER

Occupation:

EXECUTED and DELIVERED as a DEED by)
BLUE WATER CAPITAL LIMITED)
(as security trustee))
acting by a director and a secretary or a director)
in the presence of:)


Director

Secretary

Witness signature: 

Witness name: SHANNON GRINDELL

Address: 53 CAITHORPE RD

B15 1TH

Occupation:

OPERATIONS MANAGER