

MR01

Particulars of a charge

121718/13.



A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the Web
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument is not a legal charge

SATURDAY



A23 12/04/2014 #294
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record

1 Company details

Company number 08921319
Company name in full Micad Investments Holdings Limited

For official use
→ **Filling in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 08/04/2014

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name ✓ Peter Harris

Name ✓ Clifford Wallworth

Name ✓ Ken Gordon

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

- 1 all freehold and leasehold property together with all buildings and fixtures thereon vested in the Company,
- 2 all future freehold and leasehold property together with all buildings and fixtures thereon, and
- 3 all copyrights, trademarks, patents, registered designs and other intellectual property rights now or at any time hereafter belonging to the Company

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X  X

This form must be signed by a person with an interest in the charge

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Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name

Company name

HowardKennedyFsi LLP

Address 179 Great Portland Street

Post town London

Country/Region

Postcode

W 1 W 5 L S

Country

DX DX 42739 Oxford Circus North

Telephone 020 3350 3350



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 NR Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8921319

Charge code: 0892 1319 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th April 2014 and created by MICAD INVESTMENTS HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th April 2014

12x

Given at Companies House, Cardiff on 22nd April 2014



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 8 APRIL

2014

MICAD INVESTMENTS HOLDINGS LIMITED (1)

- and -

PETER HARRIS & OTHERS (2)

The terms of this Debenture and any and all rights arising under it are subject to the terms of an intercreditor deed dated on or about the date of this deed entered into between (amongst others) (1) Clydesdale Bank plc (trading as Yorkshire Bank) (2) Young Associates Nominees No 2 Limited and others as subordinated creditors (3) Young Associates Nominees Limited and others as shareholders and (3) Micad Investments Holdings Limited and Micad Systems (UK) Limited

DEBENTURE TO SECURE THE JUNIOR LOAN NOTES

We hereby certify this to be a true copy of the original
Howard Kennedy F&I LLP H K F & I
179 Great Portland Street
London
W1W 5LS

DEBENTURE

This DEBENTURE is made on 8 APRIL 2014 between:-

- (1) **MICAD INVESTMENTS HOLDINGS LIMITED**, a company incorporated in England and Wales (registered number 8921319) and having its registered office at Ground Floor, 8 St George's Court, Altrincham Business Park, Dairy House Lane, Altrincham, Cheshire WA14 5UA (the "**Obligor**"), and
- (2) **PETER HARRIS** of Park Road, Burgess Hill, West Sussex RH15 8EU, **CLIFFORD WALLWORTH** of No 1 Upton Drive, Timperley, Altrincham, Cheshire WA15 5QP AND **KEN GORDON** of 527 Loughborough Road, Birstall, Leicester LE4 4BJ (together the "**Lender**")

This deed witnesses as follows -

1 DEFINITIONS

In the interpretation of this Debenture:-

- 1 1 "**Assets**" shall mean the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property, assets and undertaking of the Obligor,
- 1 2 "**Business Day**" means a day (other than a Saturday or Sunday or a public holiday in England) when the Lender is open for business;
- 1 3 "**Cross Guarantee**" means the cross guarantee made between the Obligor, Micad Systems (UK) Limited and the Lender dated on or around the date hereof,
- 1 4 "**Default Rate**" means the rate of interest payable in accordance with the terms of any agreements or letters setting out the terms of or constituting the Secured Liabilities in relation to any amount which is not paid on the due date therefor,
- 1 5 "**Intercreditor Deed**" means the intercreditor deed dated on or about the date of this Debenture entered into between (amongst others) (1) Clydesdale Bank plc (trading as Yorkshire Bank) (2) Young Associates Nominees No 2 Limited and others as subordinated creditors (3) Young Associates Nominees Limited and others as shareholders and (3) Micad Investments Holdings Limited and Micad Systems (UK) Limited,
- 1 6 "**Party**" means a Party to this Debenture and includes its successors in title permitted assigns and permitted transferee;
- 1 7 "**properties**" means at any time the freehold, heritable and leasehold properties of the Obligor at that time,
- 1 8 "**Receiver**" shall mean an administrative receiver, receiver and manager or other receiver appointed pursuant to this Debenture in respect of the Obligor or over all or any of the Assets charged by this Debenture,
- 1 9 "**Security Account**" means any account opened and or held by the Obligor at any financial institution and/or person able to accept deposits under its relevant jurisdiction,
- 1 10 "**Secured Liabilities**" shall mean all or any monies and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred under or in

connection with the Junior Loan Notes, the Cross Guarantee and/ or this deed in whatsoever manner to the Lender by the Obligor, whether actually or contingently, solely or jointly and whether as principal or surety and whether or not the Lender shall have been an original party to the relevant transaction, and including interest, discount, commission and other lawful charges or expenses which the Lender may in the course of its business charge or incur in respect of any of those matters or for keeping the Obligor's account, and so that interest shall be computed and compounded according to the usual Lender rates and practice as well after as before any demand made or decree obtained under or in relation to this Debenture;

- 1 11 "Junior Loan Notes" the £450,000 3% secured subordinated redeemable loan notes 2019 of £1.00 each constituted by the Obligor on or around the date of this Deed of which £440, are issued to the Lender,

References to -

- 1 12 statutes, statutory provisions and other legislation shall include all amendments, substitutions, modifications and re-enactments for the time being in force and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant legislation,
- 1 13 "control" of any Lender shall be interpreted in accordance with Section 840 of the Income and Corporation Taxes Act 1988,
- 1 14 "including" shall not be construed as limiting the generality of the words preceding it,
- 1.15 this Debenture shall include the Schedule,
- 1 16 any term or phrase defined in the Companies Act 1985 (as amended from time to time) shall bear the same meaning in this Debenture,
- 1.17 words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders,
- 1 18 this Debenture and to any provisions of it or to any other document referred to in this Debenture shall be construed as references to it in force for the time being as amended, varied, supplemented, restated, substituted or novated from time to time,
- 1 19 any person are to be construed to include references to a corporation, firm, Lender, partnership, joint venture, unincorporated body of persons, individual or any state or agency of a state, whether or not a separate legal entity,
- 1 20 any person are to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect,
- 1 21 clause headings are for ease of reference only and are not to affect the interpretation of this Debenture,
- 1.22 "Lender" means the Lender and any of their successors and assignees
- 1 23 The terms of the documents under which the Secured Liabilities arise and of any side letters between the Obligor and the Lender in relation thereto are incorporated herein to the extent required for any purported disposition of the Assets (or any of them) contained in this Debenture to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

2 COVENANT TO PAY

- 2.1 The Obligor, as primary obligor and not merely as surety, covenants that it will on demand in writing pay or discharge the Secured Liabilities when the same are due and payable
- 2.2 If the Obligor shall fail to pay any amount under this Debenture when it is due then such amount shall bear interest (after as well as before judgement and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to the Lender

3 CHARGING PROVISIONS

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

3.1.1 by way of legal mortgage all estates or interests in the freehold and leasehold property described in the Schedule together with all present and future buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on any such property,

3.1.2 by way of fixed charge.-

3.1.2.1 all estates or interests in any freehold or leasehold property belonging to the Obligor now or at any time after the date of this Debenture (other than any property charged in terms of Clause 3.1.1 above) together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property,

3.1.2.2 all present and future interests of the Obligor in or over land or the proceeds of sale of it and all present and future licences of the Obligor to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures) which are at any time on the property charged under this Debenture,

3.1.2.3 all present and future plant and machinery not otherwise charged under this Clause 3 and all other present and future chattels of the Obligor (excluding any of the same for the time being forming part of the Obligor's stock in trade or work in progress),

3.1.2.4 all present and future stocks, shares and other securities owned (at law or in equity) by the Obligor and all rights and interests accruing or offered at any time in relation to them,

3.1.2.5 all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Obligor and the benefit of all rights and claims to which the Obligor is now or may be entitled under any contracts,

3.1.2.6 all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks,

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

3 1 2 7 all licences, consents and authorisations held or required in connection with the Obligor's business or the use of assets described in this clause 3,

3 1 2 8 all the Obligor's goodwill and uncalled capital for the time being,

3 1 2 9 all present and future book and other debts and monetary claims of the Obligor whether payable now or in the future and the benefit of all present and future rights and claims of the Obligor against third parties relating to them and capable of being satisfied by the payment of money (save as charged under sub-clause 3 1 2 5),

3 1 2 10 all present and future bank accounts, cash at bank and credit balances of the Obligor with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest),

3 1 3 by way of floating charge all the Assets not effectively otherwise mortgaged, charged or assigned by this Clause 3, (including, without limitation, any immovable property of the Obligor in Scotland and any Assets in Scotland falling within any of the types mentioned in sub-clause 3 1 2)

3 2 Assignment by way of Security

To the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 3.1, the Obligor assigns and agrees to assign absolutely with full title guarantee to the Lender (to the fullest extent assignable or capable of assignment without first infringing any contractual provision restricting the same (unless any applicable consent or waiver to any such assignment has been granted)), as security for the payment and discharge of the Secured Liabilities, the benefit of all of its right, title and interest to, in and under all present and future

3 2 1 the benefit of any agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future so as to enable the Lender to perfect its rights under this Debenture or any such agreement, contract, deed, licence, undertaking, guarantee, covenant, warranty, representation or other document) entered into by or given to the Obligor in respect of the properties including all

- 3 2 1 1 claims, remedies, awards or judgments paid or payable to the Obligor (including, without limitation, all liquidated and ascertained damages payable to the Obligor under the above), and
 - 3 2 1 2 agreements, appointments, guarantees, warranties, bonds and representations given or made by, and any rights or remedies against, any designer, builder, contractor, professional adviser, sub-contractor, manufacturer, supplier or installer of any properties,
- in each case, relating to all or any part of the properties,
- 3 2 2 licences held now or in the future in connection with the business carried on upon all or any part of the properties and also the right to recover and receive all compensation which may at any time become payable to that Obligor,
 - 3 2 3 rental income and/or disposal proceeds arising from the properties and the right to make demand for and receive the same;
 - 3 2 4 chattels hired, leased or rented by the Obligor to any person together in each case with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract;
 - 3 2 5 insurance policies and all proceeds paid or payable thereunder, and
 - 3 2 6 Security Accounts and the debts represented thereby.
- 3 3 To the extent that any such right, title and interest as is referred to in Clause 3 2 is not assignable or capable of assignment, the assignment thereof purported to be effected by such Clause shall operate as an assignment of any and all compensation, damages, income, profit or rent which the Obligor may derive therefrom or be awarded or entitled to in respect thereof, in each case as a continuing security for the payment or discharge in full of the Secured Liabilities
- 3 4 Any mortgage, fixed charge or other fixed security created by the Obligor in favour of the Lender shall have priority over the floating charge created by this Debenture, except insofar as the Lender shall declare otherwise whether at or after the time of creation of such fixed security
- 3.5 The Lender may at any time, by notice to the Obligor, immediately convert the floating charge created under sub-clause 3 1.3 into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from the Lender, automatically be converted with immediate effect into a fixed charge -
- 3 5 1 in respect of any Assets which become subject to a fixed charge in favour of any other person,
 - 3 5 2 in respect of all the Assets charged under sub-clause 3 1 3 if and when the Obligor ceases to carry on business or to be a going concern, and

- 3.5.3 in respect of all the Assets on the making of an order for the compulsory winding-up of the Obligor, on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Obligor or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by the Obligor or any other person for the appointment of an administrator in respect of the Obligor
- 3.6 Sub-clause 3.5 will not apply to any Assets situated in Scotland if, and to the extent that, a Receiver would not be capable of exercising his powers in Scotland pursuant to Section 72 of the Insolvency Act 1986 by reason of such automatic conversion.
- 3.7 The Obligor will not without the previous written consent of the Lender -
 - 3.7.1 create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on all or any of its Assets; or
 - 3.7.2 sell, transfer, assign, factor, lease or otherwise dispose of or part with possession in any way of all or any of its Assets (other than any Assets the subject of a floating charge (but not any fixed charge or mortgage) on arms length terms in the ordinary course of trading), or
 - 3.7.3 in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset
- 3.8 The Obligor will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as the Lender may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Debenture or for facilitating the realisation of the Assets or the exercise of any rights of the Lender hereunder
- 3.9 The Obligor will, within twenty eight days of the date of execution of this Debenture, deliver to the Lender (or as it shall direct) all certificates and other documents of title to the stocks, shares and other securities referred to in sub-clause 3.1.2.4 above together with stamped stock transfer forms in respect of the same executed in blank (except for the number and class of shares and the name of the transferor) and left undated. The Lender may at any time after the date of this Debenture complete the instruments of transfer on behalf of the Obligor in favour of itself or such other person as it shall select
- 3.10 The Obligor shall
 - 3.10.1 get in and realise the Obligor's book and other debts and other monies, in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with sub-clause 3.9.2 below) upon trust for the Lender, and
 - 3.10.2 pay into such account (as the Lender may direct) all monies which it receives in respect of any book or other debts and other monies charged to the Lender
- 3.11 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Debenture

4 CONTINUING SECURITY

This security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to any other right, remedy or security of whatever sort which the Lender may hold at any time for the Secured Liabilities or any other obligation whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security

5 UNDERTAKINGS

Save to the extent that the provisions of this Clause are inconsistent with or conflict with the terms of any facility letter entered into between (inter alia) the Obligor and the Lender from time to time, the Obligor will -

- 5.1 at all times comply with the terms of this Debenture and of all agreements relating to the Secured Liabilities,
- 5.2 keep the Assets in good and substantial repair and in good working order and condition, ordinary wear and tear excepted,
- 5.3 preserve and maintain all intellectual property rights owned or used by the Obligor (including, without limitation, those referred to in Clause 3.1 2.6);
- 5.4 ensure that all of the Assets that are insurable are insured with reputable insurance companies or underwriters to such extent and against such risks as is normal for prudent companies in businesses similar to those of the Obligor (or as otherwise requested in writing by the Lender from time to time) and (without limitation to the generality of the foregoing) -
 - 5.4.1 pay all premiums and other monies due and payable under all such insurances and provide premium receipts or any other evidence of payment promptly upon request to do so by the Lender,
 - 5.4.2 ensure that the interest of the Lender is noted on the policies in respect of such insurances or, at the request of the Lender, that such policies contain such other provisions for the protection of the Lender as the Lender may from time to time require;
- 5.5 promptly pay or cause to be paid and indemnify the Lender and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of any of its properties (or any part thereof) or by the owner or occupier thereof;
- 5.6 notify the Lender immediately in the event of any creditor executing diligence against the Obligor or any distress or execution is levied or enforced against the Obligor or any third party debt order or freezing order is made and served on the Obligor,
- 5.7 notify the Lender immediately if any steps (including, without limitation, the making of any application or the giving of any notice) are taken by any person (including, without limitation, the Obligor) in relation to the administration, receivership, winding-up or dissolution of the Obligor,

5.8 not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of its Assets, and

5.9 immediately upon receipt of the same, deliver a copy to the Lender of the Register and the certificate of registration of charge, in each case as stamped or issued by the Registrar.

6 SECURITY PROTECTIONS

6.1 If the Obligor fails to keep any of the Assets in good and substantial repair and in good working order and condition or does not take out and maintain such insurances as set out above or prove to the Lender that the premiums and other moneys have been paid then the Lender may (as it thinks fit) repair and keep in repair the Assets or any of them (and for that purpose it or any of its agents may enter upon the properties of the Obligor) or take out or renew any such insurance in any sum and on terms as the Lender may think fit

6.2 The obligations of the Obligor under this Debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including (without limitation) -

6.2.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may have now or in the future from or against the Obligor or any other person in respect of the Secured Liabilities,

6.2.2 any act or omission by the Lender or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Obligor or any other person or the invalidity or unenforceability of any such security or guarantee,

6.2.3 any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Liabilities or any exercise by the Lender (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Obligor;

6.2.4 any grant of time, indulgence, waiver or concession to the Obligor or any other person,

6.2.5 any arrangement or compromise entered into between the Lender and the Obligor or any other person,

6.2.6 the administration, insolvency, bankruptcy, liquidation, winding-up, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Obligor or any other person,

6.2.7 the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any of the obligations of the Obligor,

6.2.8 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order

7 ENFORCEMENT

7 1 The security constituted by this Debenture shall become enforceable and the Lender may exercise all the powers conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Debenture), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any of the rights and powers conferred by this Debenture without further notice to the Obligor upon and at any time after the occurrence of any of the following events.

7.1 1 if the Obligor has failed to pay all or any of the Secured Liabilities in accordance with Clause 2,

7 1 2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Obligor or by any other person to appoint an administrator in respect of the Obligor in any relevant jurisdiction,

7.1 3 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Obligor or any other person to wind up or dissolve the Obligor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer to the Obligor or any part of its undertaking or assets in any relevant jurisdiction,

7 1 4 the making of a request by the Obligor for the appointment of a Receiver or administrator in any relevant jurisdiction.

7 2 Section 103 of the Law of Property Act 1925 will not apply to this Debenture but the statutory power of sale will as between the Lender and a purchaser from the Lender arise on and be exercisable at any time after the execution of this Debenture provided that the Lender will not exercise the power of sale until payment of all or any part of the Secured Liabilities has been demanded or a Receiver has been appointed but this proviso will not affect a purchaser or put him upon inquiry whether such demand or appointment has been validly made

7 3 The statutory powers of sale, leasing and accepting surrenders exercisable by the Lender under this Debenture are extended so as to authorise the Lender whether in its own name or in that of the Obligor to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of the Obligor with whatever rights relating to other parts of it and containing whatever covenants on the part of the Obligor and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Lender thinks fit

7 4 Section 93 of the Law of Property Act 1925 (consolidation of mortgages) will not apply to this Debenture

8 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

8 1 At any time after the security constituted by this Debenture has become enforceable the Lender shall be and is entitled by instrument in writing to appoint any one or more persons as -

8 1 1 a Receiver of all or any of the Assets; and/or

8 1 2 an administrator of the Obligor,

in each case in accordance with and to the extent permitted by applicable laws

- 8 2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment of the Lender specifies to the contrary)
- 8 3 Any appointment over part only of the Assets charged under this Debenture will not preclude the Lender from making any subsequent appointment of a Receiver over any part of the Assets over which an appointment has not previously been made by it.
- 8 4 The Lender may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the Assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those Assets
- 8.5 The Receiver will be the agent of the Obligor (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Obligor all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers conferred from time to time on Receivers by statute and in particular by way of addition to but without prejudice to those powers (and those of the Lender) the Receiver will have power -
- 8 5 1 to sell, let or lease or concur in selling, letting or leasing and to vary the terms or determine, surrender or accept surrenders of leases or tenancies of or grant options and licences over all or any part of the Assets and so that any such sale may be made for cash payable by instalments or for shares or securities of another Obligor and the Receiver may promote or concur in promoting a Obligor to purchase the Assets to be sold,
- 8 5 2 to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part;
- 8 5 3 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Assets, including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Obligor,
- 8 5 4 to make and effect all repairs and improvements,
- 8 5 5 to redeem any prior encumbrance and to settle and pass the accounts of the encumbrancer and any accounts so settled and passed will (subject to any manifest error) be conclusive and binding on the Obligor and the moneys so paid will be deemed to be an expense properly incurred by the Receiver,
- 8 5 6 to promote the formation of a subsidiary or subsidiaries of the Obligor, including, without limitation, any such Obligor formed for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Obligor,
- 8 5 7 to make any arrangement or compromise which the Lender or the Receiver may think fit,
- 8 5.8 to make and effect all repairs, renewals, improvements, and insurances,
- 8 5 9 to appoint managers officers and agents for any of the purposes referred to in this Clause 8 at such salaries as the Receiver may determine,

8 5 10 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Assets

8 6 No purchaser or other person dealing with the Lender, any Receiver or any agent or delegate thereof shall be obliged or concerned to enquire whether the right of the Lender or any Receiver to exercise any of the powers conferred by or referred to in this Debenture has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise the Lender or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power.

9 POWER OF ATTORNEY

The Obligor irrevocably and by way of security appoints the Lender (whether or not a Receiver or administrator has been appointed) and also (as a separate appointment) any Receiver or administrator severally as the attorney and attorneys of the Obligor, for the Obligor and in its name and on its behalf and as its act and deed or otherwise to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required of the Obligor under this Debenture or may be required or deemed proper in the exercise of any rights or powers conferred on the Lender or any Receiver or administrator hereunder or otherwise for any of the purposes of this Debenture

10. APPLICATION OF SECURITY PROCEEDS

10 1 Any moneys received under the powers conferred by this Debenture will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority -

10 1 1 in or towards satisfaction of all costs, charges and expenses incurred, and payments made, by the Lender and/or the Receiver or administrator including the remuneration of the Receiver or administrator,

10 1 2 in or towards satisfaction of the Secured Liabilities in whatever order the Lender may require;

10 1 3 as to the surplus (if any) to the person(s) entitled to it;

provided that the Receiver or administrator may retain any moneys in his hands for so long as he thinks fit, and the Lender may, without prejudice to any other rights the Lender may have at any time and from time to time, place and keep for such time as the Lender may think prudent any moneys received, recovered or realised under or by virtue of this Debenture to or at a separate or suspense account to the credit either of the Obligor or of The Lender as The Lender thinks fit without any intermediate obligation on the part of The Lender to apply such moneys or any part of such moneys in or towards the discharge of the Secured Liabilities

10.2 Subject to Clause 10, any moneys received or realised by the Lender from the Obligor or a Receiver under this Debenture or any administrator may be applied by the Lender to any item of account or liability or transaction in such order or manner as the Lender may determine

11 INTERCREDITOR DEED

Notwithstanding any other term of this Debenture, the terms of this Debenture and all rights and obligations arising or accruing pursuant to it are subject to the terms of the Intercreditor Deed

12 COSTS AND EXPENSES

The Obligor shall pay or reimburse to the Lender on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) incurred or to be incurred by the Lender in the creation, registration, perfection, enforcement, discharge and/or assignment of this Debenture (including, without limitation, the costs of any proceedings in relation to this Debenture or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities

13 NOTICES

13.1 Any communication (including, without limitation, any consent) to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, may be made by fax or by letter.

13.2 The address and the fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Debenture is that identified with its name below (or notified to the Lender on or prior to the date on which it becomes a Party) or any substitute address, fax number or department or officer as the Party may notify the other Party by not less than five Business Days' notice.

13 3 Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective

13.3.1 if by way of fax, when received in legible form; or

13 3 2 if by way of letter, when it has been left at the relevant address for five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address

and, if a particular department or officer is specified as part of its address details provided under clause 13 2, if addressed to that department or officer

13 4 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose)

13 5 A communication made on a day which is not a Business Day or after 5.00 p.m. on a Business Day at a place of receipt will be deemed to be made on the next Business Day

13 6 Any notice given under or in connection with this Debenture must be in English

13 7 All other documents provided under or in connection with this Debenture must be

13 7 1 in English, or

13 7 2 if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

14. MISCELLANEOUS

14 1 If at any time any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired

14 2 No failure or delay by the Lender in exercising any right or remedy under this Debenture shall operate as a waiver, and no single or partial exercise shall prevent further exercise, of any right or remedy.

14 3 Save to the extent expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999

14 4 A certificate by any duly authorised officer of the Lender as to the amount of the Secured Liabilities or any part of them shall, in the absence of manifest error, be conclusive and binding on the Obligor.

15 RELEASE

If the Lender is satisfied that the Secured Liabilities have been unconditionally and irrevocably repaid or discharged in full, the Lender will at the request and cost of the Obligor to take whatever action is required in order to release the Assets from the security constituted by this Debenture

16. GOVERNING LAW

This Debenture will be governed by and construed according to English law

17 JURISDICTION

17 1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**)

17 2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary

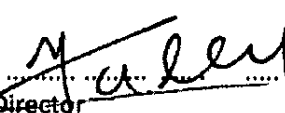
17 3 This clause 17 is for the benefit of the Lender only As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions

IN WITNESS whereof this Debenture has been executed by the Obligor and the Lender as a deed the day and year first written above

SCHEDULE 1

County and District (or London Borough)	Title No.(s) (if registered land)	Address or Description
	None at present	

EXECUTED as a Deed by
MICAD INVESTMENTS HOLDINGS LIMITED
by the signature of a
director
in the presence of a witness

)
)
)
)
)
.....

Director

Signature of witness



Name of witness **GILLIAN WHITE**

Address of witness **Howard Kennedy Fsi LLP
179 GREAT PORTLAND STREET
LONDON**

Occupation of witness. **W1W 5LS**



EXECUTED as a Deed by
PETER HARRIS
in the presence of a witness

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)
)
.....
PETER HARRIS

Signature of witness:

Name of witness

Address of witness

Occupation of witness

EXECUTED as a Deed by
CLIFFORD WALLWORTH
in the presence of a witness

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)
)
.....
CLIFFORD WALLWORTH

Signature of witness:

Name of witness

Address of witness

Occupation of witness.

EXECUTED as a Deed by
KEN GORDON
in the presence of a witness

)
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)

.. .. .
KEN GORDON

Signature of witness:

Name of witness

Address of witness

Occupation of witness