



Registration of a Charge

Company Name: **HEARTLAND ENGINEERING LIMITED**

Company Number: **09502091**



XCVZ09PT

Received for filing in Electronic Format on the: **01/02/2024**

Details of Charge

Date of creation: **29/01/2024**

Charge code: **0950 2091 0005**

Persons entitled: **JCP FIVE LIMITED (AS SECURITY AGENT)**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9502091

Charge code: 0950 2091 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th January 2024 and created by HEARTLAND ENGINEERING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st February 2024 .

Given at Companies House, Cardiff on 2nd February 2024

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



Companies House



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

Dated 29 January 2024

- (1) JCP FIVE LIMITED (AS SECURITY AGENT)
- (2) THE ENTITIES LISTED IN SCHEDULE 1

Debenture

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This debenture is dated **29 January** 2024

Parties

- (1) **THE ENTITIES LISTED IN Schedule 1**, (each a **Chargor** together the **Chargors**); and
- (2) **JCP FIVE LIMITED**, a company incorporated and registered in England and Wales with company number: 12565127 whose registered office is at 4th Floor 24 Old Bond Street, Mayfair, London, United Kingdom, W1S 4AW in its capacity as security trustee for and on behalf of itself and the other Secured Parties (the **Security Agent**).

Introduction

- A. The Chargors are under obligations to pay various fees to RCP.
- B. The Chargors have agreed to enter into this debenture to provide security over their assets to the Security Agent to hold on trust for itself and the other Secured Parties.
- C. Pursuant to the Debenture (as defined below) each Chargor created security interests over certain of its assets as security for, amongst other things, the present and future obligations and liabilities of the Obligor to the Secured Parties (in each case as defined below).
- D. It is proposed that the Loan Agreement (as defined below) be amended and restated by an amendment and restatement agreement dated on or about the date of this debenture between, among others, the Chargors (in various capacities) and the Security Agent (the "**Amendment and Restatement Agreement**").
- E. Each Chargor considers that the security created by the Chargors under the Debenture secures payment of the Secured Liabilities (as defined below), but enters into this debenture in addition.
- F. Each Chargor agrees that the execution of this debenture shall in no way prejudice or affect the security granted by it (or the covenants given by it) under the Debenture.

Agreed terms

1 Definitions and interpretation

1.1 Definitions

The definitions and rules of interpretation in this clause apply in this debenture.

Accession Deed: shall have the meaning given to that term in the Loan Agreement and the term **Accession Deeds** shall mean all of them.

Additional Security: all and any other security, assurance, guarantee, indemnity or similar commitment as may be required by the Security Agent from time to time.

Administrator: an administrator appointed to manage the affairs, business and property of a Chargor pursuant to paragraph 15 of Schedule 5.

Book Debts: all present and future book and other debts and monetary claims due or owing to each Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by a 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 and deposits are dealt with on the London Interbank Market.

Charged Property: all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Property shall include references to any part of it).

Chattels Mortgage: has the meaning given to that term in the Loan Agreement.

Costs: all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees,

disbursements and any value added tax charged on such costs and the Security Agent's internal costs including, without limitation, management time and expenses and in-house legal counsel time and expenses.

Debenture: has the meaning given to that term in the Loan Agreement.

Designated Account: any account nominated by the Security Agent as a designated account for the purposes of this debenture.

Drawdown Request: shall have the meaning given to that term in the Loan Agreement and the term **Drawdown Requests** shall mean all of them.

Encumbrance: 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.

Enforcement Event: any of the events listed in paragraph 1 of Schedule 5.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land, including (without limitation) the air within buildings and other natural or man-made structures above or below ground, ground and surface water, surface and sub-surface soil and living organisms (including man) or systems supported by those media.

Environmental Law: all applicable statutes, treaties, regulations, secondary legislation, bye laws, common law, directives or similar measures relating to the pollution or protection of the Environment that affects the Charged Property.

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 a Chargor, including any part of it and all spare parts, replacements, modifications and additions.

Excluded Property: each leasehold property held by a Chargor under a lease that either precludes absolutely, or requires consent of a third party to, the creation of any Encumbrance over a Chargor's leasehold interest in that property.

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*).

Financing Documents: the Loan Agreement, the Amendment and Restatement Agreement, the Guarantee, the Debenture, the New Parent Debenture, the Supplemental Chattels Mortgage, this debenture, the Chattels Mortgage, the Security Trust Deed, all other debentures entered into by a Chargor and/or an Obligor in favour of the Security Agent, all other guarantees entered into by a Chargor or an Obligor in favour of the Security Agent, all Accession Deeds, all Drawdown Requests, all Additional Security and all documents pursuant to any of them, all documents relating to any of the Secured Liabilities and all other documents designated as such in writing by the Security Agent from time to time and all documents designated as Finance Documents under the Loan Agreement, and the term **Financing Document** shall mean any of them.

Guarantee: shall have the meaning given to that term in the Loan Agreement.

Insurance Policies: the insurance policies referred to in clause 3.1.3.

Intellectual Property:

- (a) each Chargor's present and future patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, trade secrets (as that term is defined in regulation 2 of the Trade Secrets (Enforcement, etc) Regulations 2018), knowhow

and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered;

- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist)) and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future, whether now known or in the future arising and whether or not registered or capable of registration, in any part of the world; and
- (c) all fees, royalties and other rights derived from, or incidental to, these rights.

Investments: all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by a Chargor (including all rights accruing or incidental to those investments from time to time), including (without limitation):

- (a) the 100 ordinary shares in FGP Lufton Limited owned by FGP Systems Limited; and
- (b) the ordinary share in Ramp Surface Coatings Limited owned by Heartland Engineering Limited.

Loan Agreement: the secured facility agreement entered into between (among others) the Security Agent (as lender and security agent) and each Chargor (as original guarantors and obligors) dated 17 November 2023, as amended and restated on or about the date of this debenture.

New Parent Debenture: has the meaning given to that term in the Loan Agreement

Obligors: shall have the meaning given to that term in the Loan Agreement and such persons who become guarantors and/or obligors under the terms of any Financing Document, and the term **Obligor** shall mean any of them.

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

RCP: Rcapital Partners LLP, a limited liability partnership incorporated in England and Wales with company number OC341157 whose registered office is at 4th Floor 24 Old Bond Street, Mayfair, London, United Kingdom, W1S 4AW.

Receiver: a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5.

Secured Liabilities: all present and future monies, obligations and liabilities of any kind and in any currency owed or incurred by each Obligor to the Secured Parties, whether present or future, actual or contingent and whether owed jointly or severally, as principal or otherwise together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities, all of the Secured Parties' Costs, charges, commission and expenses.

Secured Parties: the Lender (as such term is defined in the Loan Agreement), RCP and the Security Agent, as the case may be or as the context requires and any Receiver or delegate in each case from time to time.

Security Financial Collateral Arrangement: shall have the meaning given to that expression in the Financial Collateral Regulations.

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

Security Trust Deed: has the meaning given to that term in the Loan Agreement.

Supplemental Chattels Mortgage: has the meaning given to that term in the Loan Agreement.

1.2 Interpretation

Unless the context otherwise requires, in this debenture:

- 1.2.1 a reference to a statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this debenture;
- 1.2.2 a reference to one gender includes a reference to the other genders;
- 1.2.3 words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause of, or Schedule to, this debenture and references to paragraphs are to paragraphs of the relevant Schedule;
- 1.2.5 a reference to this debenture (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- 1.2.6 a reference to a person shall include a reference to an individual, firm, corporation, unincorporated body of persons, or any state or any agency of a person;
- 1.2.7 a reference to an amendment includes a supplement, variation, novation, extension, restatement or re-enactment (and amended shall be construed accordingly);
- 1.2.8 a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.9 a reference to an authorisation includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- 1.2.10 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;
- 1.2.11 clause, schedule and paragraph headings shall not affect the interpretation of this debenture;
- 1.2.12 references to this debenture and other documents referred to in it include any supplemental or collateral document to each of them or which is entered into pursuant to each of them and any document varying, supplementing, novating or replacing the same from time to time;
- 1.2.13 each provision shall be severable and distinct from one another;
- 1.2.14 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Agreement shall be binding on, and enure to the benefit of, the parties to this Agreement and their respective successors, permitted assigns and permitted transferee;
- 1.2.15 any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms; and
- 1.2.16 any powers given in this debenture to an Administrator shall apply to the fullest

extent permitted by the Insolvency Act 1986.

1.3 Secured Liabilities

1.3.1 References in this debenture to the Secured Liabilities shall be construed in relation to the Financing Documents so as to include:

- 1.3.1.1 any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used;
- 1.3.1.2 any facilities provided in substitution for or in addition to the facilities originally made available thereunder;
- 1.3.1.3 any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing; and
- 1.3.1.4 any combination of any of the foregoing,

1.4 Inconsistency

If there is any conflict or inconsistency between any provision of this debenture and any provision of the Loan Agreement, the provision of the Loan Agreement shall prevail.

1.5 Clawback

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

1.6 Nature of security over real property

A reference in this debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:

- 1.6.1 all buildings and fixtures (including trade and tenant's fixtures) which are situated on that property at any time;
- 1.6.2 the proceeds of the sale of any part of that property; and
- 1.6.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of a Chargor in respect of that property, and any monies paid or payable in respect of those covenants.

1.7 Third party rights

Subject to clause 1.12, 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 debenture.

1.8 Perpetuity period

If the rule against perpetuities applies to any trust created by this debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.9 Insolvency Act 1986

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this debenture.

1.10 Schedules

The schedules form part of this debenture and shall have effect as if set out in full in the body of this debenture. Any reference to this debenture includes the schedules.

1.11 Joint and Several Liability

All obligations and liabilities of whatever nature, however so arising and whether past, present or future (actual or contingent) shall be a joint and several liability between the Chargors and reference to "Chargor" shall include reference to each of them, jointly and severally.

1.12 Acknowledgement

Each Chargor acknowledges that the Security Agent enters into this debenture for itself and as trustee for the Secured Parties who shall be entitled to the full benefit of this debenture.

1.13 Second-ranking security

1.13.1 All security created by the Chargors under this debenture is created in addition to and does not affect the security created by the Debenture.

1.13.2 Where this debenture purports to create a first fixed security interest over an asset of the Chargors secured by the Debenture, that security interest will be a second ranking security interest ranking subject to the equivalent fixed security interests created by the Debenture until such time as the security interests created by the Debenture cease to have effect. All references in this debenture to "full title guarantee" shall be qualified by reference to the Debenture.

1.13.3 Where a right or asset of the Chargors has been assigned (subject to a proviso for re-assignment on redemption) under the Debenture and the same asset or right is expressed to be assigned again under this debenture, that second assignment will take effect as a fixed charge over the right or asset and will only take effect as an assignment if the relevant security interest created by the Debenture ceases to have effect at a time when this debenture still has effect.

2 Covenant to Pay

Each Chargor shall, on demand, pay to the Security Agent and discharge the Secured Liabilities when they become due.

3 Grant of Security**3.1 Charging clause**

As a continuing security for the payment and discharge of the Secured Liabilities, each Chargor with full title guarantee, charges to the Security Agent (as trustee for the Secured Parties) or in respect of clauses 3.1.3 assigns by way of security to the Security Agent as trustee for the Secured Parties, all of their present and future right, title and interest in and to the following assets which are at any time owned by such Chargor, or in which they from time to time has an interest:

3.1.1 by way of legal mortgage, all estates and interests in any freehold or leasehold property wherever situate now belonging to it including, without limitation, the Properties;

3.1.2 by way of fixed charge:

3.1.2.1 all Properties acquired by any Chargor in the future;

3.1.2.2 all present and future interests of the Chargor not effectively mortgaged or charged under the provisions of clauses 3.1.1 and/or 3.1.2.1 in, or over, freehold or leasehold property;

3.1.2.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;

3.1.2.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the

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Property (other than property that is only subject to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or

- 3.3.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or
 - 3.3.3 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property; or
 - 3.3.4 the Security Agent receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of any Chargor; or
 - 3.3.5 the crystallisation of any other floating charge over any Charged Property; or
 - 3.3.6 upon the enforcement of this debenture.
- 3.4 Part A1 moratorium
- 3.4.1 Subject to clause 3.4.2, the floating charge created by clause 3.1.4 may not be converted into a fixed charge solely by reason of obtaining a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986.
 - 3.4.2 Clause 3.4.1 does not apply to any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.
- 3.5 Conversion of floating charge by notice
- The Security Agent may, in its sole discretion, at any time and by written notice to any Chargor, convert the floating charge created under this debenture into a fixed charge as regards any part of the Charged Property specified by the Security Agent in that notice. If such notice does not specify which Charged Property is the subject of the fixed charge, then the floating charge created by clause 3.1.4 shall be converted into a fixed charge over all of the relevant Charged Property that is referred in clause 3.1.4.
- 3.6 Assets acquired after any floating charge crystallisation
- Any asset acquired by a Chargor after any crystallisation of the floating charge created under this debenture which, but for such crystallisation, would be subject to a floating charge shall (unless the Security Agent confirms in writing to the contrary) be charged to the Security Agent by way of fixed charge.
- 4 Liability of the Chargors and Preservation of Security**
- 4.1 Liability not discharged
- Each Chargor's liability under this debenture 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 Agent that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
 - 4.1.2 the Security Agent renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
 - 4.1.3 any other act or omission, which but for this clause 4.1 might have discharged, or otherwise prejudiced or affected, the liability of a Chargor.
- 4.2 Immediate recourse
- Each Chargor waives any right it may have to require the Security Agent to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this debenture against a Chargor.
- 4.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Security Agent in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this debenture will continue or be reinstated as if the discharge, release or arrangement had not occurred.

4.4 Waiver of defences

The obligations of each Chargor under this debenture will not be affected by any act, omission, matter or thing which, but for this clause 4, would reduce, release or prejudice any of their obligations under this debenture including (without limitation and whether or not known to it or the Security Agent):

- 4.4.1 any time or waiver granted to, or composition with, any Obligor or other person;
- 4.4.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any Secured Party;
- 4.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 4.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 4.4.5 any amendment of any Financing Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Financing Document or other document or security;
- 4.4.6 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Financing Document or any other document or security; or
- 4.4.7 any insolvency or similar proceedings.

4.5 Deferral of any Chargor's rights

Unless the Security Period has expired or the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this debenture or by reason of any amount being payable, or liability arising, under this debenture:

- 4.5.1 to be indemnified by an Obligor;
- 4.5.2 to claim any contribution from any other person who has provided security or a guarantee in respect of any Obligor's obligations under the Financing Documents;
- 4.5.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent under the Financing Documents or of any other guarantee or security taken pursuant to, or in connection with, the Financing Documents by the Security Agent;
- 4.5.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has granted security under this debenture;
- 4.5.5 to exercise any right of set-off against any Obligor; and/or
- 4.5.6 to claim or prove as a creditor of any Obligor in competition with the Security Agent.

If a Chargor receives any benefit, payment or distribution in relation to such rights it

shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to a Secured Party by the Obligors under or in connection with the Financing Documents to be repaid in full on trust for the Security Agent and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with the terms of this debenture.

4.6 Security held by Chargors

No Chargor shall, without the prior consent of the Security Agent, hold any security from any other Obligor in respect of any Chargor's liability under this debenture. Each Chargor shall hold any security held by it in breach of this provision on trust for the Security Agent.

5 Representations and Warranties

Each Chargor represents and warrants to the Security Agent in the terms set out in Schedule 2. The representations and warranties set out in Schedule 2 are made on the date of this debenture and are deemed to be repeated by each Chargor on each day during the Security Period with reference to the facts and circumstances then existing.

6 Covenants

Each Chargor covenants with the Security Agent in the terms set out in Schedule 3.

7 Powers of the Security Agent

7.1 The Security Agent shall have the powers set out in Schedule 4.

7.2 Security Agent's exercise of rights

After the Security Agent:

7.2.1 has taken steps to enforce the security constituted by this debenture after such security has become enforceable; and

7.2.2 has also given notice to any Chargor (such notice to be effective immediately upon receipt or, if earlier, deemed receipt by that Chargor) that the Security Agent asserts the right to exercise the rights in this clause 7.2,

then, subject to clause 7.3:

7.2.3 the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any consent or authority from any Chargor) in order to protect or preserve the security under this debenture exercise the following rights and powers in respect of the Investments:

7.2.3.1 any voting rights and any powers or rights which may be exercised by a person in whose name the Investments are registered; and

7.2.3.2 all the powers exercisable by a trustee in respect of securities or property subject to a trust; and

7.2.4 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Agent and the Chargors shall, and shall procure that its nominees shall, comply with any directions the Security Agent may, in its absolute discretion, give concerning the exercise of those rights and powers in order to protect or preserve the security under this debenture.

7.3 The Security Agent shall not be entitled to exercise any voting rights or any other powers or rights attaching to the Investments under clause 7.2.3 or 7.2.4 above if and to the extent that:

7.3.1 a notifiable acquisition would, as a consequence, take place under section 6 of the National Security and Investment Act 2021 (the **NSI Act**) and any

regulations made under the NSI Act; and

7.3.2 either:

7.3.2.1 the Secretary of State has not approved that notifiable acquisition in accordance with the NSI Act; or

7.3.2.2 the Secretary of State has approved that notifiable acquisition in accordance with the NSI Act but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSI Act

7.4 Dividends, etc.

Until the Security Agent gives notice to the contrary to the Chargors, each Chorgor is permitted to allow the entity to which such Investments relate to pay dividends to that Chorgor in relation to the Investments. The Security Agent undertakes not to give such notice unless the security constituted by this debenture has become enforceable. After the security constituted by this debenture has become enforceable and such notice has been given all dividends, interest and other distributions paid in respect of the Investments shall be paid by each Chorgor or at its direction into the Designated Account or, if received by the Security Agent, may be applied by the Security Agent as though they were the proceeds of sale.

8 Enforcement

8.1 Security Trust Deed

Enforcement of the security constituted by this debenture and the distribution of any proceeds of such enforcement shall be governed, as between the Secured Parties, by the terms of the Security Trust Deed.

8.2 Enforcement events

The security constituted by this debenture shall be immediately enforceable upon the occurrence of any of the circumstances set out in paragraph 1 of Schedule 5.

8.3 Receiver's powers

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 6.

8.4 Right of appropriation

To the extent that the Charged Property constitutes Financial Collateral and this debenture and the obligations of the Chargors hereunder constitute a Security Financial Collateral Arrangement, the Security Agent shall have the right, at any time after the security constituted by this debenture has become enforceable (on the occurrence of any of the circumstances set out in paragraph 1 of Schedule 5), to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as the Security Agent in its absolute discretion may from time to time determine. The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Agent may select (including independent valuation). Each Chorgor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

9 Costs and Indemnity

9.1 Costs

The Chargors shall pay to, or reimburse, the Security Agent and any Receiver on demand, on a full indemnity basis all Costs incurred by the Security Agent and/or any Receiver in relation to:

- 9.1.1 this debenture or the Charged Property;
 - 9.1.2 taking, holding, protecting, perfecting, monitoring, preserving or enforcing (or attempting to do so) any of the Security Agent's or Receiver's rights, powers or discretions under this debenture;
 - 9.1.3 suing for, or recovering, any of the Secured Liabilities;
 - 9.1.4 any release of any security constituted by this debenture; and/or
 - 9.1.5 taking proceedings for, or recovering any of the Secured Liabilities,
- (including, without limitation, the Costs of any proceedings in relation to this debenture or the Secured Liabilities), together with interest on any amount due under clause 9.1.2 and clause 9.1.3:
- (a) at the rate and in the manner specified in the Loan Agreement (and if more than one rate shall be specified in the Loan Agreement, the higher of such rates in the manner provided in the Loan Agreement); or
 - (b) (if such document is no longer in effect or for any reason interest is not payable under such document) at the rate of 17% per annum. In the case of interest falling under this paragraph (b), such interest shall be payable after as well as before judgment and shall accrue on a day-to-day basis calculated by the Security Agent upon such terms as the Security Agent may from time to time determine and shall be compounded on the last Business Day of each month,

and all such accrued interest shall be payable without the need for any demand for payment being made.

9.2 Indemnity

The Security Agent and any Receiver, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, losses, liabilities and Costs incurred or suffered in or as a result of:

- 9.2.1 the preservation or attempted preservation, or exercise or purported exercise, or enforcement and/or attempted enforcement of any of the powers, authorities or discretions vested in them under this debenture;
- 9.2.2 taking, holding or releasing (or attempting to do so) any of the powers, authorities or discretion vested in them under this debenture;
- 9.2.3 dealing with or obtaining advice concerning any matter or question in connection with or arising out of or in relation to this debenture;
- 9.2.4 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers;
- 9.2.5 any default or delay by any Chargor in performing any of its obligations under this debenture; and/or
- 9.2.6 dealing with any amendment, consent, waiver or other request required by a Chargor from time to time in relation to any Financing Document.

10 Release

Subject to clause 12.3, on the later of (i) the expiry of the Security Period (but not otherwise) or (ii) the full and final discharge of the Secured Liabilities, the Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to release the Charged Property from the security constituted by this debenture.

11 Assignment and Transfer

- 11.1 At any time, without the consent of any Chargor, the Security Agent may assign or transfer the whole or any part of the Security Agent's rights and/or obligations under

this debenture to any person.

- 11.2 No Chargor may assign any of its rights, or transfer any of its obligations, under this debenture or enter into any transaction, which would result in any of those rights or obligations passing to another person.

12 Further provisions

12.1 Independent security

This debenture shall be in addition to, and independent of, every other security or guarantee which the Security Agent may hold for any of the Secured Liabilities at any time. No prior security held by the Security Agent over the whole or any part of the Charged Property shall merge in the security created by this debenture.

12.2 Continuing security

This debenture 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 Agent discharges this debenture in writing.

12.3 Discharge conditional

Any release, discharge or settlement between any Chargor and the Security Agent shall be deemed conditional on no payment or security received by the Security Agent 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:

12.3.1 the Security Agent or its nominee may retain this debenture and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Security Agent deems necessary to provide the Security Agent with security against any such avoidance, reduction or order for refund; and

12.3.2 the Security Agent may recover the value or amount of such security or payment from the relevant Chargor subsequently as if such release, discharge or settlement had not occurred.

12.4 Certificates

A certificate or determination by the Security Agent as to any amount for the time being due to it from any Chargor under this debenture shall (in the absence of any manifest error) be conclusive evidence of the amount due.

12.5 Rights cumulative

The rights and powers of the Security Agent conferred by this debenture are cumulative, may be exercised as often as the Security Agent considers appropriate, and are in addition to its rights and powers under the general law.

12.6 Waivers

Any waiver or variation of any right by the Security Agent (whether arising under this debenture or under the general law) shall only be effective if it is in writing and signed by the Security Agent and applies only in the circumstances for which it was given, and shall not prevent the Security Agent from subsequently relying on the relevant provision.

12.7 Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Security Agent shall, in any way, preclude the Security Agent from exercising any right or power under this debenture or constitute a suspension or variation of any such right or power.

12.8 Delay

No delay or failure to exercise any right or power under this debenture shall operate as a waiver.

12.9 Single or partial exercise

No single or partial exercise of any right under this debenture shall prevent any other or further exercise of that or any other right.

12.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this debenture.

12.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture 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.

12.12 Counterparts

This debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

13 Notices

13.1 Any notice or other communication given under this debenture (Notice**) shall be in writing and shall be served by delivering it personally or by sending it by pre-paid first-class post to the address as may be notified in writing from time to time by the relevant party to the other party or by fax or email to following fax numbers or email addresses or such other fax number(s) or email address(es) as a party may notify the other party in writing from time to time:**

13.1.1 the Chargors – all Notices shall be sent to the Company as principal and as agent for each of the other Chargors

Fax number: as advised if required and marked for the attention of The Board of Directors

Email addresses: as noted in Schedule 1

13.1.2 the Security Agent:

Fax number: 020 3923 2328 marked for the attention of The Board of Directors

Email addresses: jamie@rcapital.co.uk and chris@rcapital.co.uk

13.2 Receipt of any Notice given under clause 13.1, shall be deemed to be received:

13.2.1 if delivered personally, at the time of delivery;

13.2.2 in the case of pre-paid first-class post, 48 hours from the time of posting;

13.2.3 if sent by fax, when a successful transmission report is received by the sender; and

13.2.4 if sent by email, when received in legible form.

13.3 If deemed receipt under clause 13.2 occurs:

13.3.1 before 9:00 am on a Business Day, the Notice shall be deemed to have been received at 9:00 am on that day; or

13.3.2 after 5:00 pm on a Business Day, or on a day that is not a Business Day, the Notice shall be deemed to have been received at 9:00 am on the next

Business Day.

- 13.4 In proving service of a Notice, it shall be sufficient to prove that the envelope containing such Notice was addressed to the address of the relevant party notified by that party under clause 13.1 and delivered to that address.
- 13.5 Any Notice given to the Security Agent shall be deemed to have been given only on actual receipt by the Security Agent.
- 13.6 This clause 13 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

14 Governing law and Jurisdiction

- 14.1 This debenture 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 laws of England and Wales.
- 14.2 Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this debenture or its subject matter or formation. Nothing in this clause shall limit the right of the Security Agent to take proceedings against any 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 such other jurisdiction.

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

Schedule 1 : The Chargors

Chargor	Company number	Registered office	E-mail address for notices
FGP Lufton Limited	10867783	4th Floor 24 Old Bond Street, London, United Kingdom, W1S 4AW	ash@rcapital.co.uk and phil@rcapital.co.uk
Heartland Engineering Limited	09502091	4th Floor 24 Old Bond Street, London, United Kingdom, W1S 4AW	ash@rcapital.co.uk and phil@rcapital.co.uk
Ramp Surface Coating Limited	09961115	4th Floor 24 Old Bond Street, London, United Kingdom, W1S 4AW	ash@rcapital.co.uk and phil@rcapital.co.uk
FGP Systems Limited	09794421	4th Floor 24 Old Bond Street, London, United Kingdom, W1S 4AW	ash@rcapital.co.uk and phil@rcapital.co.uk

Schedule 2: Representations and warranties**1 Ownership of Charged Property**

The Chargors are the legal and beneficial owner of the Charged Property.

2 No Encumbrances

The Charged Property is free from any Encumbrance other than the Encumbrances created by the Guarantee, the Debenture, this debenture, the Chattels Mortgage, the Supplemental Chattels Mortgage, any Encumbrances from time to time created by a Chargor in favour of the Security Agent or otherwise as expressly set out or otherwise envisaged in the Loan Agreement.

3 Adverse claims

No Chargor has received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

4 Adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially and adversely affect the Charged Property other than those created by the Guarantee, the Debenture, this debenture, the Chattels Mortgage or any other document expressly set out or otherwise envisaged in the Loan Agreement.

5 No breach of laws

There is no breach of any law or regulation, which materially and adversely affects the Charged Property.

6 No interference in enjoyment

No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use.

7 No overriding interests

Nothing has arisen, has been created or is subsisting, which would be an overriding interest in any Property.

8 Avoidance of security

No Encumbrance expressed to be created under this debenture is liable to be avoided, or otherwise set aside, on the liquidation or administration of a Chargor or otherwise.

9 No prohibitions or breaches

There is no prohibition on assignment in any Insurance Policies or the relevant clauses of any of them, and the entry into this debenture by each Chargor does not and will not constitute a breach of any Insurance Policies or any other agreement or instrument binding on a Chargor or their assets.

10 Environmental compliance

Each Chargor has, at all times, complied in all material respects with all applicable Environmental Law.

Schedule 3: Covenants**Part 1. General covenants****1 Negative pledge and disposal restrictions**

No Chargor shall at any time, except with the prior written consent of the Security Agent (or as otherwise expressly permitted under the Loan Agreement):

- 1.1 create, purport to create or permit to subsist any Encumbrance on, or in relation to, any Charged Property other than any Encumbrances created by this debenture, the Debenture, the Guarantee, the Chattels Mortgage or otherwise as expressly set out or otherwise envisaged in the Loan Agreement; or
- 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 Charged Property, except in the ordinary course of business in the case of Charged Property which is only subject to an uncrystallised floating charge; or
- 1.3 create or grant (or purport to create or grant) any interest in any Charged Property in favour of a third party.

2 Trading and the Preservation of Charged Property

Each Chargor shall:

- 2.1 carry on its trade and business in accordance with the standards of good management from time to time current in such trade or business on those parts (if any) of the Properties as are, or may be, used for the purposes of trade or business;
- 2.2 not do, or permit to be done, any act or thing, which would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Agent or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture.

3 Enforcement of rights

Each Chargor shall:

- 3.1 comply with all statutes, byelaws and regulations relating to its trade or business and the whole or any part of the Charged Property;
- 3.2 procure the prompt observance and performance of the covenants and other obligations imposed on that Chargor's counterparties; and
- 3.3 enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property, which the Security Agent may require from time to time.

4 Provision of Information

Each Chargor shall:

- 4.1 promptly provide to the Security Agent whatever information, documents or papers relating to the Charged Property as the Security Agent may from time to time request;
- 4.2 inform the Security Agent promptly of any acquisition by that Chargor of, or contract made by that Chargor to acquire, any freehold, leasehold or other interest in Property; and
- 4.3 authorise any person that the Security Agent approaches to obtain any information and/or documents relating to that Chargor and/or any Charged Property from time to time to release any requested information and/or documents to the Security Agent.

5 Notice of breaches

Each Chargor shall promptly on becoming aware of any of the same give the Security

Agent notice in writing of any breach of:

- 5.1 any representation or warranty set out in Schedule 2; and
- 5.2 any covenant set out in this Schedule 3.

6 Title documents

Each Chargor shall on the execution of this debenture (or, if later, the date of acquisition of the relevant Charged Property), deposit with the Security Agent and the Security Agent shall, for the duration of this debenture be entitled to hold:

- 6.1 all deeds and documents of title relating to the Charged Property which are in the possession or control of that Chargor (if these are not within the possession and/or control of that Chargor, that Chargor undertakes to obtain possession of all such deeds and documents of title);
- 6.2 all certificates relating to the Investments and such instruments of transfer in blank and other documents as the Security Agent may from time to time require;
- 6.3 all Insurance Policies and any other insurance policies relating to any of the Charged Property to which policies that that Chargor is entitled to possession;
- 6.4 all deeds and documents of title (if any) relating to the Book Debts as the Security Agent may specify from time to time; and
- 6.5 any other document which the Security Agent may from time to time require for the purpose of perfecting the security created by this debenture.

7 Notices to be given by the Chargors

- 7.1 Each Chargor shall immediately on request by the Security Agent:
 - 7.1.1 give notice to the relevant insurers of the assignment of that Chargor's rights and interest in and under such insurance policies pursuant to clause 3.1.3; and
 - 7.1.2 give notice to any bank, financial institution or other person (excluding the Security Agent) with whom that Chargor has an account of the charging to the Security Agent pursuant to clause 3.1.2 of the Chargor's rights and interests under such accounts.
- 7.2 Each Chargor shall obtain the Security Agent's prior approval of the form of any notice or acknowledgement to be used under this paragraph 7.

8 Further assurance

Each Chargor, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Security Agent may reasonably require) in favour of the Security Agent as the Security Agent, in its absolute discretion may properly require, from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Security Agent may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

9 Chargors' waiver of set-off

Each Chargor waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by any Chargor under this debenture).

Part 2. Book Debts and insurance

10 Preservation of Book Debts

No Chargor shall at any time after the security constituted by this debenture shall have become enforceable or otherwise (if earlier) at any time following written notice from

the Security Agent 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.

11 Realising Book Debts

11.1 Each Chargor shall be entitled to collect in and utilise Book Debts in such manner as the Security Agent may from time to time, agree pending the security constituted by this debenture becoming enforceable or otherwise (if earlier) upon written notice from the Security Agent, whereupon that Chargor shall:

- 11.1.1 as an agent for the Security Agent, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Security Agent;
- 11.1.2 not, without the prior written consent of the Security Agent, withdraw any amounts standing to the credit of any Designated Account; and
- 11.1.3 if called on so to do by the Security Agent, execute a legal assignment of the Book Debts to the Security Agent in such terms as the Security Agent may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

12 Insurance covenant

12.1 Each Chargor shall:

- 12.1.1 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) all of its undertaking and assets with reputable and responsible insurers previously approved by the Security Agent in such manner and to such extent as is reasonable and customary for an enterprise engaged in the same or similar business and in the same or similar localities against such risks and contingencies as the Security Agent shall from time to time request;
- 12.1.2 procure (within 10 Business Days of the date of this debenture) that the interest of the Security Agent is noted on all those Insurance Policies or, at the option of the Security Agent, that any of the Insurance Policies are issued in the joint names of the Security Agent and that Chargor; and
- 12.1.3 duly and punctually pay all premiums and any other monies necessary for maintaining its insurance in full force and effect.

12.2 Each Chargor:

- 12.2.1 shall (if the Security Agent so requires) produce to, or deposit with, the Security Agent all Insurance Policies and the receipts for all premiums and other payments necessary for effecting and keeping up such policies (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as that Chargor is entitled to obtain from the landlord under the terms of the relevant lease); and
- 12.2.2 has not done or omitted to do, and shall not do or omit to do, any act or thing that may invalidate or otherwise prejudice the Insurance Policies.

13 Insurance Policies' proceeds

All sums payable under any of the Insurance Policies at any time (whether or not the security constituted by this debenture has become enforceable) shall:

- 13.1 be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received; or
- 13.2 after the security constituted by this debenture has become enforceable (on the occurrence of the circumstances set out in paragraph 1 of Schedule 5) and if the

Security Agent so directs, in or towards discharge or reduction of the Secured Liabilities.

Part 3. Property covenants

14 Maintenance and insurance

Each Chargor shall keep all buildings and all fixtures on each Property in good and substantial repair and condition;

15 Preservation of Property, fixtures and Equipment

No Chargor shall, without the prior written consent of the Security Agent:

- 15.1 pull down or remove the whole or any part of any building forming part of any Property; or
- 15.2 make any material alterations to any Property or sever or remove any of its fixtures; or
- 15.3 remove or make any material alterations to any of the Equipment belonging to, or in use by, that Chargor on any Property (except to affect necessary repairs or replace them with new or improved models or substitutes); or
- 15.4 whenever any Equipment is destroyed, damaged or deteriorates, immediately repair, replace and make good the same.

16 Conduct of business on Properties

Each Chargor shall carry on its trade and business in accordance with the standards of good management from time to time current in such trade or business on those parts (if any) of the Properties as are or may be used for the purposes of trade or business.

17 Planning information

Each Chargor shall:

- 17.1 give full particulars to the Security Agent of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority ("**Planning Notice**") that specifically applies to any Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Planning Notice; and
- 17.2 (if the Security Agent so requires) immediately, and at the cost of that Chargor, take all reasonable and necessary steps to comply with any Planning Notice, and make, or join with the Security Agent in making, such objections or representations in respect of any such Planning Notice as the Security Agent may desire.

18 Compliance with covenants and payment of rent

Each Chargor shall:

- 18.1 observe and perform all covenants, stipulations and conditions to which each Property, or the use of it, is or may be subjected and (if the Security Agent so requires) produce to the Security Agent evidence sufficient to satisfy the Security Agent that those covenants, stipulations and conditions have been observed and performed; and
- 18.2 (without prejudice to the generality of the foregoing) where a Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time and perform and observe all of the tenant's covenants and conditions.

19 Maintenance of interests in Properties

No Chargor shall, without the prior written consent of the Security Agent:

- 19.1 grant, or agree to grant, any licence or tenancy affecting the whole or any part of any

Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the Law of Property Act 1925; or

- 19.2 in any other way dispose of, or agree to dispose of, surrender or create any legal or equitable estate or interest in the whole or any part of any Property.

20 Registration restrictions

Each Chargor shall procure that no person shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of any Property without the prior written consent of the Security Agent. The Chargors shall be liable for the Costs of the Security Agent in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

21 Development restrictions

The Chargors shall not, without the prior written consent of the Security Agent, carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the use of any Property.

22 Environment

Each Chargor shall:

- 22.1 properly discharge all duties of care and responsibility placed upon it by Environmental Law;
- 22.2 observe and perform all requirements of Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and
- 22.3 apply for and obtain all authorisations, necessary to ensure that it does not breach Environmental Law.

23 No restrictive obligations

No Chargor shall, without the prior written consent of the Security Agent enter into any onerous or restrictive obligations affecting the whole or any part of any Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Property.

24 Proprietary rights

Each Chargor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property without the prior written consent of the Security Agent.

25 Inspection

Each Chargor shall permit the Security Agent and any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

26 Property information

Each Chargor shall inform the Security Agent promptly of any acquisition by any Chargor of, or contract made by any Chargor to acquire, any freehold, leasehold or other interest in any property.

27 VAT option to tax

- 27.1 No Chargor shall, without the prior written consent of the Security Agent:

- 27.1.1 exercise any VAT option to tax in relation to any Property; or
- 27.1.2 revoke any VAT option to tax exercised, and disclosed to the Security Agent, before the date of this debenture.

28 Registration at HM Land Registry

- 28.1 Each Chargor consents to an application being made by the Security Agent to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of JCP Five Limited (as Security Agent) referred to in the charges register [or [their conveyancer or specify appropriate details]]."

Part 4. Equipment covenants

29 Maintenance of Equipment

Each Chargor shall:

- 29.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear); and
- 29.2 not to permit any Equipment to be:
 - 29.2.1 used or handled, other than by properly qualified and trained persons; or
 - 29.2.2 to be overloaded or used for any purpose for which it is not designed or reasonably suitable.

30 Payment of Equipment taxes

The Chargors 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 payment to the Security Agent.

31 Equipment information

Each Chargor shall:

- 31.1 give the Security Agent such information concerning the location, condition, use and operation of any Equipment as the Security Agent may require; and
- 31.2 permit any persons designated by the Security Agent to inspect and examine any Equipment and the records relating to any Equipment at all reasonable times.

32 Equipment insurance

Each Chargor shall:

- 32.1 at its own expense, procure that the Equipment is covered and kept covered by insurance of a kind satisfactory to the Security Agent with insurers approved by the Security Agent (such approval not to be unreasonably withheld) for full comprehensive insurance cover, which shall include (but not be limited to) fire, theft and accident, for an amount which is not less than the aggregate cost of reinstating or replacing such Equipment;
- 32.2 if the Security Agent so requires, procure that the interest of the Security Agent is noted on all such insurance policies or, at the option of the Security Agent, that such

insurance policies are issued in the joint names of the Security Agent and that Chargor; and

- 32.3 maintain insurance for third party liabilities in such amount, and on such terms, as is usual for users of equipment of the same type as the relevant item of Equipment.

33 Notice of charge

The Chargors shall, if so requested by the Security Agent, place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIPTION OF ITEM] and ancillary equipment is subject to a fixed charge dated [DATE] in favour of JCP Five Limited (as Security Agent)".

Part 5. Intellectual Property covenants

34 Preservation of rights

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

35 Registration of Intellectual Property

The Chargors shall use all reasonable efforts to effect registration of applications for registration of any Intellectual Property and keep the Security Agent informed of all matters relating to such registration.

36 Maintenance of Intellectual Property

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

Part 6. Investments

37 Registration of Investments

Each Chargor shall:

- 37.1 terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of any Investments and pending such termination procure that any person so nominated:

37.1.1 does not exercise any rights in respect of any Investments without the prior written approval of the Security Agent; and

37.1.2 immediately upon receipt, forward to the Security Agent all communications or other information received in respect of any Investments for which it has been so nominated; and

37.1.3 at the direction of the Security Agent given at any time, immediately execute and deliver to the Security Agent all transfers and other documents and do all such things as may be necessary or desirable to register all or any of the Investments in the name of the Security Agent or its nominee.

- 37.2 No Chargor shall during the Security Period exercise any rights under sections 145 and 146 of the Companies Act 2006 to nominate any person in respect of any of the Investments.

38 Additional registration obligations

Each Chargor shall:

- 38.1 procure all consents, waivers, approvals and permissions which 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 Agent or its nominee, or to a purchaser on enforcement of this debenture; and
- 38.2 procure the amendment of the share transfer provisions of the articles of association of each issuer that is not a public company in such manner as the Security Agent may require in order to permit such a transfer.

39 Dividends and voting rights post enforcement

After the security constituted by this debenture has become enforceable:

- 39.1 all dividends and other distributions paid in respect of the Investments and received by any Chargor shall be held on trust for the Security Agent and immediately paid into a Designated Account or, if received by the Security Agent, shall be retained by the Security Agent; and
- 39.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Agent and each Chargor shall, and shall procure that its nominees shall, comply with any directions the Security Agent may, in its absolute discretion, give concerning the exercise of those rights and powers in order to protect or preserve its security under this debenture.

40 Calls on Investments

The Chargors shall duly and promptly pay all calls, instalments and other monies which may be payable from time to time in respect of the Investments. The Chargors acknowledge that the Security Agent shall not be under any liability in respect of any such calls, instalments or other monies.

41 No alteration of Investments

The Chargors shall not, without the prior written consent of the Security Agent, amend, or agree to the amendment of, the memorandum or articles of association or any other constitutional documents of any issuer that is not a public company, or the rights or liabilities attaching to any of the Investments.

42 Preservation of Investments

Each Chargor shall ensure (insofar as it is able to by the exercise of all voting rights, powers of control and other means available to it) that no issuer that is not a public company shall:

- 42.1 consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way;
- 42.2 issue any new shares or stock; or
- 42.3 refuse to register any transfer of any of its Investments, which may be lodged for registration by, or on behalf of, the Security Agent or that Chargor in accordance with this debenture.

43 Investments information

The Chargors shall, send to the Security Agent copies of all notices, circulars, reports, accounts and other documents, which are sent to holders generally of any Investments, promptly following receipt.

Schedule 4: Powers of the Security Agent**1 Power to remedy**

The Security Agent shall be entitled (but shall not be bound) to remedy a breach at any time by any Chargor of any of its obligations contained in this debenture and each Chargor irrevocably authorises the Security Agent and its agents to do all such things as are necessary or desirable for that purpose.

2 Exercise of rights

The rights of the Security Agent under paragraph 1 of this Schedule 4 are without prejudice to any other rights of the Security Agent under this debenture. The exercise of those rights shall not make the Security Agent liable to account as a mortgagee in possession.

3 Power to dispose of chattels

At any time after the security constituted by this debenture has become enforceable (on the occurrence of any of the circumstances set out in paragraph 1 of Schedule 5), the Security Agent or any Receiver:

- 3.1 may dispose of any chattels or produce found on any Property as agent for the relevant Chargors; and
- 3.2 without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Chargors against any liability arising from such disposal.

4 Prior Encumbrances

- 4.1 At any time after the security constituted by this debenture has become enforceable, or after any powers conferred by any Encumbrance having priority to this debenture shall have become exercisable, the Security Agent may:

- 4.1.1 redeem such or any other prior Encumbrance, or procure its transfer to itself; and

- 4.1.2 settle any account of the holder of any prior Encumbrance.

- 4.2 The settlement of any such account shall be conclusive and binding on the Chargors. All monies paid by the Security Agent to an encumbrancer in settlement of such an account shall, as from its payment by the Security Agent, be due from the relevant Chargor to the Security Agent on current account and shall bear interest and be secured as part of the Secured Liabilities.

5 Conversion of currency

For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Agent may convert any monies received, recovered or realised by the Security Agent under this debenture (including the proceeds of any previous conversion under this paragraph 5) from their existing currencies of denomination into such other currencies of denomination as the Security Agent may think fit. Any such conversion shall be effected at then prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 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.

6 New accounts

- 6.1 If the Security Agent receives notice of any subsequent Encumbrance, or other interest, affecting all or part of the Charged Property, the Security Agent may open a new account for any Chargor in the Security Agent's books. Without prejudice to the Security Agent's right to combine accounts, no money paid to the credit of that Chargor

in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

- 6.2 If the Security Agent does not open a new account immediately on receipt of notice under paragraph 6.1 of this Schedule 4, then, unless the Security Agent gives express written notice to the contrary to the relevant Chargor, all payments made by that Chargor to the Security Agent shall be treated as having been credited to a new account of that 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 Agent.

7 Security Agent's set-off rights

- 7.1 If the Security Agent has more than one account for any Chargor in its books, the Security Agent may at any time transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit whether or not the accounts are in the same currency (but the Security Agent shall notify the relevant Chargor of the transfer once made).

- 7.2 Without prejudice to paragraph 7.1 of this Schedule 3 and any right of set-off or combination of accounts contained in any Financing Document, the Security Agent may at any time after:

7.2.1 the security constituted by this debenture has become enforceable; or

7.2.2 the Security Agent has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

without notice to any Chargor combine or consolidate all or any amounts standing to the credit of any Chargor's account or accounts with the Security Agent and/or set off any amount owed by the Security Agent to the relevant Chargor against any obligation (whether or not matured) owed to the Security Agent by such Chargor whether or not each is expressed in the same currency. The Security Agent shall notify the relevant Chargor once the Security Agent has exercised its rights under this paragraph 7.2 of this Schedule 3

- 7.3 Any exercise by the Security Agent of its rights under paragraph 7 of this Schedule 4 shall not limit or affect any other rights or remedies available to it under this debenture or otherwise.

8 Indulgence

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

9 Investments: dividends and voting rights prior to enforcement

Until the security constituted by this debenture becomes enforceable:

- 9.1 the Security Agent shall, on request by a Chargor, release and pay to that Chargor any cash dividends paid in respect of any of the Investments and received by the Security Agent or its nominee; and
- 9.2 the Security Agent shall, in exercising all voting and other rights and powers of the Security Agent or its nominee attaching to the Investments, act in accordance with the directions of the relevant Chargor from time to time if acting in accordance with those directions would not, in the Security Agent's opinion, prejudice the Security Agent's security under this debenture or the value of the Investments, or contravene any agreement between the Security Agent and that Chargor.

Schedule 5: Enforcement

1 Enforcement events

The security constituted by this debenture shall be enforceable if:

- 1.1 there shall occur any event of default (as such term may be defined the Loan Agreement or in any other document or agreement evidencing Secured Liabilities);
- 1.2 demand has been made under the Loan Agreement or in any other document or agreement evidencing Secured Liabilities; or
- 1.3 any of the Secured Liabilities are not paid or discharged upon its due date (whether on demand, at scheduled maturity, or by acceleration or otherwise, as the case may be) unless the Security Agent is satisfied that such non-payment is due solely to administrative or technical delays in the transmission of funds which are not the fault of the Chargors and payment is made within two Business Days of its due date; or
- 1.4 any Chargor or any other Obligor is in breach of any of its obligations under any Financing Document or under any other agreement between either (i) any Chargor and a Secured Party (ii) any Chargor and another Obligor, (iii) another Obligor and a Secured Party, (iv) any Chargor and any of the Secured Parties or (v) another Obligor and any of the Secured Parties; or
- 1.5 any representation or warranty made by any Chargor or any other Obligor under any Financing Document or in any notice, certificate, instrument or statement contemplated by or made pursuant to any Financing Document is, or proves to be, untrue or incorrect in any material respect when made or deemed to be repeated; or
- 1.6 if, in relation to an Obligor:
 - 1.6.1 any indebtedness of an Obligor is not paid when due or becomes prematurely payable or capable of being prematurely declared payable or, if such indebtedness is on-demand, a demand is made in respect of that indebtedness, or an Encumbrance over any assets or property of an Obligor becomes enforceable or capable of being enforced;
 - 1.6.2 a mortgagee, chargee or other encumbrancer takes possession of the whole or any part of the Charged Property;
 - 1.6.3 it passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any action is taken by any person for its winding up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, trustee or similar officer of it or of any or all of its revenues or assets;
 - 1.6.4 any distress, attachment, execution, expropriation, sequestration or other analogous legal process is levied or issued against any Charged Property which is not paid within seven days;
 - 1.6.5 it is unable or admits inability to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986;
 - 1.6.6 it is unable or admits inability to pay its debts as they fall due;
 - 1.6.7 it suspends or threatens to suspend making payments of any of its debts;
 - 1.6.8 it is deemed unable or admits inability to pay its debts as they fall due within the meaning of section 123 Insolvency Act 1986;
 - 1.6.9 it convenes or holds a meeting of its creditors or commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of all or any class of its indebtedness or gives notice to any of its creditors that it has suspended or intends to suspend payment of any of its debts;

- 1.6.10 it has any Charged Property seized by or on behalf of its creditors unless they are released from seizure within seven days;
- 1.6.11 it proposes, or its directors make a proposal for, an arrangement or composition with or for the benefit of its creditors, including a voluntary arrangement under part I of Insolvency Act 1986 or a restructuring plan under Part 26A of the Companies Act 2006;
- 1.6.12 a moratorium is declared in respect of any of its indebtedness or it obtains a moratorium in accordance with Part A1, Insolvency Act 1986 and schedule ZA1 to Insolvency Act 1986 in respect of its indebtedness or anything is done by it or on its behalf for the purposes of obtaining a moratorium. If a moratorium occurs, the ending of the moratorium will not remedy the occurrence of an Enforcement Event caused by that moratorium;
- 1.6.13 an application is made to the court for an administration order under paragraph 12(1) of schedule B1 to the Insolvency Act 1986 or notice is given of intention to appoint an administrator under paragraph 12(2) or 26 of schedule B1 to the Insolvency Act 1986);
- 1.6.14 an administration order is made under paragraph 11 of schedule B1 to the Insolvency Act 1986;
- 1.6.15 an administrator is appointed under paragraph 14 or 22 of schedule B1 to the Insolvency Act 1986;
- 1.6.16 it is struck off the register of companies;
- 1.6.17 if demand has been made under the Loan Agreement or any event analogous to an event of default in any Financing Document occurs in relation to it;
- 1.6.18 any event occurs, under the law of any jurisdiction, which is analogous to any of those set in paragraphs 1.6.3 to 1.6.16 (inclusive) above;
- 1.7 any Chargor or any Obligor ceases to carry on a material part of the business it carries on at the date of this debenture or enters into any new or unrelated business; or
- 1.8 any Chargor or any Obligor fails to comply in any material respect with any environmental or other law or fails to renew or comply with any licence permit consent or other authorisation required for the conduct of its business or any such licence permit consent or other authorisation is revoked, cancelled or suspended; or
- 1.9 any circumstances arise which in the reasonable opinion of the Security Agent give grounds for belief that any Chargor or any Obligor may not, or may be unable to, perform or comply with any of its obligations under any Financing Document; or
- 1.10 any representation, warranty or statement made or deemed to be made by any Chargor under this debenture is or proves to have been incorrect or misleading in any material respect when made or deemed to be made,

and in any such circumstance (whether or not the circumstance is continuing), without prejudice to any other rights of the Security Agent, the powers of sale under the Law of Property Act 1925 shall immediately be exercisable and the Security Agent may, in its absolute discretion, enforce all or any part of the security created by this debenture as it sees fit.

2 Statutory power of sale

The statutory powers of sale conferred by the Law of Property Act 1925 shall, as between the Security Agent and a purchaser from the Security Agent, arise on and be exercisable at any time after the execution of this debenture, but the Security Agent shall not exercise such power of sale until the security constituted by this debenture has become enforceable under paragraph 1 of this Schedule 5.

3 Extension of statutory powers

The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Security Agent under this debenture and are extended so as to authorise the Security Agent, whether in its own name or in that of any Chargor, to grant a lease or agreement to lease, accept surrenders of lease or grant any option of the whole or any part of the freehold and leasehold property of any Chargor with whatever rights relating to other parts of it, containing whatever covenants on the part of any Chargor, 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 Security Agent thinks fit.

4 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Agent or any Receiver shall be concerned:

- 4.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Security Agent or a Receiver is purporting to exercise has become exercisable; or
- 4.2 to see to the application of any money paid to the Security Agent or any Receiver.

5 No liability as mortgagee in possession

Neither the Security Agent, nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, 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 Charged Property for which a mortgagee in possession might be liable as such.

6 Appointment of Receiver

- 6.1 At any time after the security constituted by this debenture has become enforceable, or at the request of a Chargor, the Security Agent may, without further notice:
 - 6.1.1 appoint by way of deed or otherwise in writing, any one or more person or persons to be a receiver, or a receiver and manager, of all or any part of the Charged Property; and
 - 6.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, by way of deed or otherwise in writing, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.
- 6.2 Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Security Agent specifies to the contrary).
- 6.3 The Security Agent may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this debenture, which shall be due and payable immediately upon its being paid by the Security Agent.

7 Power of sale additional

- 7.1 The powers of sale and appointing a Receiver conferred by this debenture shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise, and shall be exercisable without the restrictions contained in Sections 103 and 109 of the Law of Property Act 1925 or otherwise.
- 7.2 The power to appoint a Receiver (whether conferred by this debenture or by statute) shall be, and remain, exercisable by the Security Agent despite any prior appointment in respect of all or any part of the Charged Property.

8 Agent of the Chargors

Any Receiver appointed by the Security Agent under this debenture shall be the agent of the relevant Chargor and that Chargor shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

9 Powers of Receiver

Any Receiver appointed by the Security Agent under this debenture shall, in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986, have the power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and, in particular, the powers set out in Schedule 6.

10 Order of application of proceeds

All monies received by the Security Agent or a Receiver in the exercise of any enforcement powers conferred by this debenture shall be applied:

- 10.1 first in paying all unpaid fees, Costs and other liability incurred by or on behalf of the Security Agent (and any Receiver, attorney or agent appointed by it) together with interest at the rate of interest specified in clause 9.1 (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 10.2 second in paying the remuneration of any Receiver (as agreed between the Receiver and the Security Agent);
- 10.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Security Agent determines; and
- 10.4 finally in paying any surplus to the relevant Chargors or any other person entitled to it.

11 Appropriation

Neither the Security Agent nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 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.

12 Suspense account

All monies received by the Security Agent or a Receiver under this debenture may, at the discretion of the Security Agent or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, as may be agreed in writing between the Security Agent and the Chargors, and may be held in such account for so long as the Security Agent or Receiver thinks fit (save that such monies shall not be held in such an account where they would clear the Secured Liabilities in full).

13 Power of attorney

By way of security, each Chargor irrevocably appoints the Security Agent and every Receiver separately to be the attorney of such Chargor and, in its name, on its behalf and as its act and deed, to, and only after the security constituted by this debenture has become enforceable (on the occurrence of any of the circumstances set out in paragraph 1 of Schedule 5), execute any documents and do any acts and things which:

- 13.1 any Chargor is required to execute and do under this debenture, including execute any document required by the Security Agent under paragraph 7 of Part 1 of Schedule 3; and/or
- 13.2 any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on the Security Agent or any Receiver.

14 Ratification of acts of attorney

Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything, which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in paragraph 13 of this Schedule 5.

15 Appointment of an Administrator

- 15.1 The Security Agent may, without notice to any Chargor, appoint any one or more persons to be an administrator of any Chargor pursuant to Paragraph 14 Schedule B1 of the Insolvency Act 1986 if the security constituted by this debenture becomes enforceable.
- 15.2 Any appointment under this paragraph 15 shall:
- 15.2.1 be in writing signed by a duly authorised signatory of the Security Agent; and
 - 15.2.2 take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.
- 15.3 The Security Agent may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this paragraph 15 and appoint a replacement for any Administrator whose appointment ends for any reason under that paragraph.

Schedule 6: Further powers of a Receiver**1 Power to repair and develop Properties**

A Receiver may undertake or complete any works of repair, building or development on the Properties.

2 Power to surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Properties on such terms and subject to such conditions as he thinks fit.

3 Power to employ personnel and advisors

A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms as he deems expedient.

4 Power to make VAT elections

A Receiver may make such elections for value added tax purposes as he thinks fit.

5 Power to charge for remuneration

A Receiver may charge and receive such sum by way of remuneration (in addition to all Costs, charges and expenses incurred by him) as the Security Agent may prescribe or agree with him.

6 Power to realise Charged Property

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

7 Power to manage or reconstruct the Chargors' business

A Receiver may carry on, manage, develop, reconstruct, amalgamate, diversify, or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of any Chargor.

8 Power to dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of any Chargor in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of any Chargor), and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as the Receiver thinks fit and he may promote, or concur in promoting, a company to purchase the property to be sold.

9 Power to sell Book Debts

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

10 Power to make settlements

A Receiver may make any arrangement, settlement or compromise between a Chargor and any other person, which he may think expedient.

11 Power to improve the Equipment

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

12 Power to make calls on Chargor members

A Receiver may make calls conditionally or unconditionally on the members of any Chargor in respect of the uncalled capital with such and the same powers for that purpose, and for the purpose of enforcing payments of any calls so made, as are conferred by the Articles of Association of the relevant Chargor on its directors in respect of calls authorised to be made by them.

13 Power to appoint

A Receiver may appoint managers, officers, servants, workmen and agents for the purposes of this Schedule 6 at such salaries, for such periods and on such terms as he may determine.

14 Power to insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 9 effect with any insurer any policy of insurance either in lieu or in satisfaction of, or in addition to, such insurance.

15 Powers under Law of Property Act 1925

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act, and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

16 Power to borrow

A Receiver may for any of the purposes authorised by this Schedule 6 raise money by borrowing from the Security Agent (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he shall think fit (including, if the Security Agent consents, terms under which such security ranks in priority to this debenture).

17 Power to redeem prior Encumbrances

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the applicable Chargor(s), and the monies so paid shall be deemed to be an expense properly incurred by him.

18 Incidental powers

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 6, or which he lawfully may or can do as agent for the Chargors.

19 Scope of powers

Any exercise of any of the powers given by this Schedule 6 may be on behalf of a Chargor, the directors of a Chargor (in the case of the power contained in paragraph 12 of this Schedule 6) or himself.

---end of schedule---

THE CHARGORS

Executed as a deed by
FGP SYSTEMS LIMITED acting by

Peter Anthony Wall

.....
(*print name*)

a director, in the presence of:

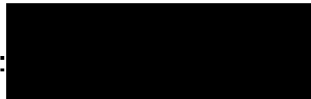


Director

....

Witness name: fiona anne wall

Witness signature:



Witness address:




☒ I confirm I was physically present with the signatory when they signed this document

Executed as a deed by
FGP LUFTON LIMITED acting by

Peter Anthony Wall

.....
(*print name*)

a director, in the presence of:



Director

....

Witness name: fiona anne wall

Witness signature:



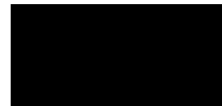
Witness address:



☒ I confirm I was physically present with the signatory when they signed this document

Executed as a deed by
RAMP SURFACE COATINGS LIMITED
acting by

Peter Anthony Wall
.....
(*print name*)
a director, in the presence of:

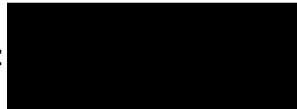


Director

....

Witness name: fiona anne wall

Witness signature:



Witness address:





☒ I confirm I was physically present with the signatory when they signed this document

Executed as a deed by
HEARTLAND ENGINEERING LIMITED
acting by

Philip emmerson
.....
(*print name*)
a director, in the presence of:

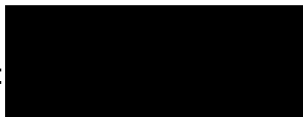


Director

....

Witness name: Karen Emmerson

Witness signature:



Witness address:





☒ I confirm I was physically present with the signatory when they signed this document

THE SECURITY AGENT

Executed as a deed by
JCP FIVE LIMITED acting by

Ashley Reek

.....
(*print name*)

a director, in the presence of:



Director

....

Witness name: Laura Reek

Witness signature:



Witness address:



X I confirm I was physically present with the signatory when they signed this document