



**Registration of a Charge**

Company name: **KNOCKAVANNON LTD**

Company number: **NI618533**



X728CJVC

Received for Electronic Filing: **22/03/2018**

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**Details of Charge**

Date of creation: **20/03/2018**

Charge code: **NI61 8533 0003**

Persons entitled: **MYROE ENERGY LTD**

Brief description: **LANDS AT KNOCKAVANNON WITHIN FOLIOS 10452,10528, 10453 AND 10527 COUNTY ARMAGH REGISTERED UNDER LEASEHOLD TITLE NUMBER AR121819L COUNTY ARMAGH; ALL (IF ANY) FREEHOLD AND LEASEHOLD PROPERTY OF THE COMPANY NOW VESTED IN IT (WHETHER OR NOT REGISTERED); ALL FUTURE FREEHOLD AND LEASEHOLD PROPERTY OF THE COMPANY; ALL OF THE COMPANY'S RIGHTS, TITLE, INTEREST AND BENEFIT IN ALL PRESENT AND FUTURE KNOW-HOW, PATENTS, TRADE MARKS, SERVICE MARKS, DESIGNS, BUSINESS NAMES, TOPOGRAPHICAL OR SIMILAR RIGHTS, TRADE NAMES, COPYRIGHTS AND OTHER INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIAL INFORMATION AND ANY INTERESTS (INCLUDING BY WAY OF LICENCE) IN ANY OF THE ABOVE (IN EACH CASE WHETHER REGISTERED (IN NORTHERN IRELAND OR ELSEWHERE) OR UNREGISTERED AND INCLUDING ALL APPLICATIONS OF ANY SUCH REGISTRATION) INCLUDING, WITHOUT LIMITATION, ALL COMPUTER SOFTWARE AND LICENCES AND ANCILLARY AND CONNECTED RIGHTS RELATING TO THE INTANGIBLE PROPERTY BOTH PRESENT AND FUTURE OF THE COMPANY.**

**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.**

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## 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: **BIRD & BIRD LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: NI618533

Charge code: NI61 8533 0003

The Registrar of Companies for Northern Ireland hereby certifies that a charge dated 20th March 2018 and created by KNOCKAVANNON LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd March 2018 .

Given at Companies House, Belfast on 22nd March 2018

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 20 March 2018

**KNOCKAVANNON LIMITED**

(the Company)

**MYROE ENERGY LTD**

(the Chargee)

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**DEBENTURE**

(Fixed and Floating Charge)

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THIS DEBENTURE is dated 20 March 2018 and made between

- (1) **KNOCKAVANNON LIMITED** incorporated and registered in Northern Ireland with company number NI618533 whose registered office is at 20 Upper Main Street, Larne, County Antrim BT40 1SX (the Company); and
- (2) **MYROE ENERGY LTD** incorporated and registered in Northern Ireland with company number NI615946 whose registered office is at 20 Upper Main Street, Larne, County Antrim BT40 1SX (the Chargee).

## RECITALS

- (A) Under a loan agreement dated on or about the date of this Debenture (the **Loan Agreement**), the Chargee has made a loan of £576,638 available to the Company (the **Loan**).
- (B) The Company has agreed to enter into this Debenture by way of security for the Secured Obligations (as defined below).

IT IS AGREED BY THIS DEED as follows:

## 1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Debenture, unless the context otherwise requires:

**1881 Act** means the Conveyancing and Law of Property Act 1881;

**1911 Act** means the Conveyancing and Law of Property Act 1911;

**Account** means the account of the Company with the Chargee used for the receipt of the Debts, or any substitute, replacement or reinstatement of any such account whether by current account or deposit account including but not limited to any substitute, replacement or reinstatement of any such account denominated in pounds sterling;

**Business Day** means a day (other than a Saturday or Sunday) on which banks are open for the conduct of their normal business in Belfast;

**Criminal Damage Claim** means a claim made by or on behalf of the Company under the Criminal Damage Order in relation to damage caused to the Specifically Charged Assets located in Northern Ireland after the date hereof;

**Criminal Damage Order** means the Criminal Damage (Compensation) (Northern Ireland) Order 1977 (or any statutory successor scheme for the compensation of criminal damage to property for the time being in force);

**Debts** means all the book debts and other debts, revenues, claims and benefits referred to in clause 3.11;

**Environmental Laws** means all laws and regulations and all codes of practice, circulars and guidance notes issued by any competent authority or agency (whether in Northern Ireland or elsewhere and whether or not having the force of law) concerning the protection of the environment (or human health), including but not limited to, the conservation of natural resources, the control of noise, the safety of the workplace, the undertaking of any manufacturing or process, the use of packaging, the labelling or advertisement of any goods in relation to the effect on the environment of their production or use, the production, storage, transportation, treatment, recycling or disposal of any waste or Hazardous Substance, the preparation of audits or assessments in relation to any such matters, or the liability of any person whether civil or criminal for any harm to human health, damage to or pollution of the environment or the rectification of it;

**Environmental Licence** means any permit, licence, authorisation, consent or other approval required by any Environmental Law;

**Hazardous Substance** means all poisonous, noxious, hazardous, infectious, radioactive or polluting substances whether natural or artificial and whether in solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any substance which may either alone or in combination be harmful to man, to the life or health of any living organism, to property or deleterious to the environment;

**Intellectual Property Rights** means all present and future know-how, patents, trade marks, service marks, designs, business names, topographical or similar rights, trade names, copyrights and other intellectual property rights and confidential information and any interests (including by way of licence) in any of the above (in each case whether registered (in Northern Ireland or elsewhere) or unregistered and including all applications of any such registration);

**Other Assets** means the property and assets referred to in clause 3.13;

**Planning Acts** means the Town and County Planning Act 1990, the Planning Orders 1972 to 2003, the Planning (Hazardous Substances) Regulations (Northern Ireland) 1993 and the Planning and Compensation Act (Northern Ireland) 2001 and any regulations made thereunder as applicable;

**Proceedings** has the meaning ascribed to it in clause 13.11.2;

**Receiver** has the meaning ascribed to it in clause 8.1;

**Secured Obligations** means all moneys and liabilities (whether actual or contingent) which are now or may at any time hereafter be due, owing or payable, or expressed to be due, owing, or payable to the Chargee from or by the Company under the terms of the Loan Agreement;

**Securities** has the meaning ascribed to it in clause 3.7; and

**Specifically Charged Property** means the property and assets referred to in clauses 3.1 to 3.12 inclusive.

1.2 In this Debenture (except where the context otherwise requires):

- 1.2.1 words and phrases the definition of which is contained in or referred to in Companies (Northern Ireland) Order 1986 as amended, are to be construed as having the meaning attributed to them there;
- 1.2.2 words importing the singular include the plural and vice versa;
- 1.2.3 words importing persons include natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations and trusts (in each case whether or not having a separate legal personality);
- 1.2.4 use of any gender includes the other genders;
- 1.2.5 any reference to a statute, statutory provision or subordinate legislation ("legislation") is (unless the contrary is clearly stated) to be construed as a reference to legislation operative in Northern Ireland and is (except where the context otherwise requires) to be construed as referring to such legislation as amended and in force from time to time and to any legislation which re-enacts or consolidates (with or without modification) any such legislation;
- 1.2.6 save as otherwise provided in this Debenture, any reference to a section, clause, paragraph, sub-clause, sub-paragraph or schedule is a reference to a section, clause, paragraph, sub-clause, sub-paragraph or schedule (as the case may be) of this Debenture;
- 1.2.7 the index and headings are inserted for convenience only and are not to affect the construction of this Debenture;

- 1.2.8 a reference to any document includes that document as it has or may be amended, varied, assigned, novated, restated or supplemented from time to time;
- 1.2.9 any reference to a legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing is, in respect of any jurisdiction other than Northern Ireland, to be deemed to include a reference to what most nearly approximates in that jurisdiction to the Northern Irish legal term; and
- 1.2.10 any phrase introduced by the terms "including", "include", "in particular" or any similar expression is to be construed as illustrative and shall not limit the sense of the words preceding those terms.

- 1.3 The Schedule forms part of this Debenture and is to have effect as if set out in full in the body of this Debenture and any reference to this Debenture includes the Schedule.

## 2 COVENANT TO PAY

The Company hereby covenants with the Chargee to pay and discharge all the Secured Obligations due, payable or owing by it or expressed to be due, owing or payable by it at the time or times when, and in the currency or currencies in which, the same are expressed to be payable by it under the Loan Agreement.

## 3 CHARGING PROVISIONS

The Company as beneficial owner to the intent that the mortgage and charge contained in this Debenture will be a continuing security for the payment and discharge of all monies, liabilities and obligations agreed to be paid or discharged by it under this Debenture:

- 3.1 **HEREBY GRANTS, AND CONVEYS**, unto the Chargee **ALL THAT AND THOSE** the freehold land, hereditaments and premises specified in the Schedule to this Debenture together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon **TO HOLD** the same unto the Chargee in fee simple subject to the proviso for redemption contained in this Debenture;
- 3.2 **HEREBY DEMISES** unto the Chargee **ALL THAT AND THOSE** the lands, hereditaments and premises of leasehold tenure specified in the Schedule to this Debenture together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon **TO HOLD** the same unto the Chargee for the residues of the respective terms of years for which the Company now holds the same less the last three days thereof of each such term the subject for the proviso for redemption contained in this Debenture;
- 3.3 As registered owner or as the person entitled to be registered as owner **HEREBY CHARGES** all the property, lands, hereditaments and premises specified in the Schedule to this Debenture the ownership of which is registered in the Land Registry of Northern Ireland, the Registry of Deeds, Belfast or is required to be so registered pursuant to Land Registration (Northern Ireland Act) 1970 together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon with the payment and discharge to the Chargee of all monies and liabilities hereby agreed to be paid or discharged and **HEREBY ASSENTS** to the registration of the charge as a burden on the said property;
- 3.4 **HEREBY CHARGES** as a first fixed charge so much of the lands, hereditaments and premises specified in the Schedule to this Debenture as are of leasehold and/or freehold tenure together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- 3.5 **HEREBY CHARGES** as a first fixed charge all other (if any) freehold and leasehold property of the Company now vested in it (whether or not registered), together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon;
- 3.6 **HEREBY CHARGES** as a first fixed charge all future freehold and leasehold property of the Company, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time



thereon, other than leasehold property in respect of which the consent of the lessor is required for such charge;

- 3.7 **HEREBY CHARGES** by way of first fixed charge any present or future stocks, shares, debentures, bonds, warrants, coupons or other securities and investments owned by the Company including, without limitation, those stocks, shares, debentures, bonds, warrants, coupons or other securities (together the "**Securities**") and any rights attaching and any dividend or interest paid or payable in relation to them and any rights, monies or property accruing or offered at any time in relation to them by way of redemption, substitution, exchange or bonus under option rights or otherwise;
- 3.8 **HEREBY CHARGES** as a first fixed charge all other plant, machinery, vehicles, computers and office and other equipment of the Company both present and future (including stock in trade of the Company);
- 3.9 **HEREBY CHARGES** as a first fixed charge all the Company's uncalled capital for the time being and the Company's present and future goodwill;
- 3.10 **HEREBY CHARGES** as a first fixed charge all of the Company's rights, title, interest and benefit in all Intellectual Property Rights including, without limitation, all computer software and licences and ancillary and connected rights relating to the intangible property both present and future of the Company;
- 3.11 **HEREBY CHARGES** by way of first fixed charge
  - 3.11.1 all present and future book debts, revenues and monetary claims now or at any time in the future due, owing or incurred to the Company together with the benefit of all rights, securities, remedies and guarantees of any nature whatsoever now or at any time enjoyed or held by the Company in relation to those book debts, revenues and monetary claims;
  - 3.11.2 all the Company's rights, title and interest in and to all other debts in and to which the Company has any right, title or interest; and
  - 3.11.3 the balance for the time being standing to the credit of the Account together with all interest on the balance and the debt represented by the balance;
- 3.12 The Company assigns absolutely by way of security, the benefit of and its whole present and future rights under all leases, licences and agreements and any other contracts or agreements to which it is or may at any time after the date of this Deed be or become a party to (being "**Future Agreements**") and the proceeds of all payments (to include rent), claims, awards and other sums (including liquidated and ascertained damages) paid or payable to the Company under or in respect thereof and all the Company's present and future claims, rights, remedies and causes of action thereunder.
- 3.13 **HEREBY CHARGES** by way of first floating charge the undertaking and all other assets and property of the Company whatsoever and wheresoever, both present and future and the property and assets referred to in clauses 3.1. to 3.12. (if and in so far as the mortgages and/or charges thereon contained in this Debenture shall be ineffective as mortgages and/or fixed charges).
- 3.14 The Company hereby attorns tenant to the Chargee of any part of the Specifically Charged Assets at the yearly rent of £1 (if demanded) provided always that the Chargee may at any time without notice to the Company determine the tenancy hereby created and enter upon such Specifically Charged Asset but so that neither the receipt of the said rent nor the said tenancy shall render the Chargee liable to account to any person as mortgagee in possession.

#### **4 SUPPLEMENTARY PROVISIONS**

- 4.1 The Company shall during the continuance of the security constituted by this Debenture from time to time do, execute, acknowledge and deliver all and every such further deeds, conveyances, assignments, demises, mortgages, charges, documents and assurances at law as are necessary or advisable or as the

Chargee may reasonably require for the purpose of giving the Chargee a valid first fixed and specific mortgage, charge or security upon all property and assets of the Company of the same nature as the Specifically Charged Property and a valid first floating charge upon the Other Assets whether already owned or acquired after the execution of this Debenture by the Company and for the better granting, conveying, assigning, transfer, demising or charging the same to the Chargee for the purpose referred to in this clause 4.1 and for conferring upon the Chargee such power of sale and other powers over the said property as are expressed to be conferred by this Debenture.

- 4.2 The Company **HEREBY DECLARES** that in respect of all or any leasehold lands, hereditaments and premises referred to in section 3 it will stand possessed of the reversion or respective reversions hereby reserved of the term or several terms of years for which the same are held **IN TRUST** for the Chargee (subject to any equity of redemption subsisting under this Debenture) and will dispose of the same as the Chargee may direct and **HEREBY AUTHORISES** the Chargee to appoint a new trustee or trustees of such reversion or respective reversions in place of the Company or any trustee or trustees appointed under this power as if it, he, she or they were incapable of acting in the trusts hereby declared and the Company **HEREBY IRREVOCABLY APPOINTS** the secretary for the time being of the Chargee the attorney of the Company to assign the said reversion or respective reversions in the name of the Company and on its behalf to the Chargee or as it may direct subject to such equity of redemption (if any), as may for the time being be subsisting as aforesaid and to execute and do all deeds, documents and acts necessary or proper for that purpose.
- 4.3 This security will be a continuing security notwithstanding any settlement of account or other matter or thing whatsoever and in particular will not be considered satisfied by any intermediate repayment or satisfaction of all or any of the monies, liabilities and obligations secured by this Debenture and will continue in full force and effect until final repayment in full and total satisfaction of all monies, liabilities and obligations secured by this Debenture; and if upon such final repayment and satisfaction there shall exist any right on the part of the Company or any other person to draw funds or otherwise which, if exercised, would or might cause the Company to become actually or contingently liable to the Chargee whether as principal debtor or as surety for another person, then the Chargee will be entitled to retain this security and all rights, remedies and powers conferred by this Debenture, the Specifically Charged Property and the Other Assets for so long as shall or might be necessary to secure the discharge of such actual or contingent liability; and in the event that any demand is made by the Chargee under this Debenture the said monies will become due and shall be paid and discharged to the Chargee and all provisions of this Debenture will apply accordingly.
- 4.4 The security constituted by this Debenture will be in addition to and will not operate so as in any way to prejudice or affect any other security which the Chargee may now or at any time in the future hold for or in respect of all or any part of the monies and liabilities secured by this Debenture, nor will any such other security or any lien to which the Chargee may be otherwise entitled or the liability of any person not party to this Debenture for all or any part of the monies and liabilities secured by this Debenture be in any way prejudiced or affected by this security. The Chargee will have full power at its discretion to give time for payment to or make any other arrangement with any such other person without prejudice to the liability of the Company under this Debenture.
- 4.5 If all monies, liabilities and obligations covenanted to be paid and discharged in this Debenture have been unconditionally and irrevocably paid and discharged in full the Chargee shall, as soon as reasonably practicable after such payment and discharge and at the request and cost of the Company, execute such documents as may be necessary to release the security created by this Debenture.
- 4.6 If the Chargee receives, or is deemed to be affected by, actual or constructive notice of any subsequent mortgage, charge or assignment or other disposition or interest affecting the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Chargee may open a new account for the Company. If the Chargee does not open a new account then, unless the Chargee gives express written notice to the contrary to the Company, the Chargee will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice and as from that time all payments made to any account of the Company shall be credited or be treated as having

been credited to the new account and will not operate to reduce the amount due from the Company to the Chargee at the time when the Chargee received or was deemed to have received that notice.

4.7 The Company hereby agrees that the Chargee may at any time without notice and notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of the Company's existing accounts wheresoever located (including accounts in the name of the Chargee or the Company jointly with others and including the Account and the balance for the time being standing to the credit of such accounts together with all interest accrued on such accounts and the debt represented by such accounts), whether such accounts are current, deposit, loan or of any other nature whatsoever, whether they are subject to notice or not and whether they are denominated in **pounds sterling** or in any other currency, and set-off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of the monies, liabilities and obligations which are now or shall for the time being be due, owing or incurred to the Chargee by the Company whether such liabilities be present, future or contingent, primary or collateral, several or joint. Where such combination, set-off or transfer requires the conversion of one currency into another, such conversion will be calculated at the then prevailing spot rate of exchange (as conclusively determined by the Chargee) for purchasing the currency for which the Chargee is liable with the existing currency.

4.8 Notwithstanding and without prejudice to any other provisions of this Debenture, the balance for the time being standing to the credit of the Account together with all interest on the balance and the debt represented by the balance (the "**Account Balance**") will be held by the Chargee on the terms that it will not become repayable to the Company and the Company shall have no entitlement whatsoever to any sums comprising the Account Balance until the date on which it is ascertained to the Chargee's satisfaction that:

4.8.1 the Chargee is under no commitment, obligation or liability (whether actual or contingent) to make advances or provide other financial accommodation to the Company or any other person for whose indebtedness or obligations to the Chargee the Company is responsible whether as principal or surety; and

4.8.2 the Company does not have any liability (whether actual or contingent) to the Chargee in respect of any matter or thing whatsoever.

## 5 CRYSTALLISATION OF FLOATING CHARGE

5.1 The Chargee may at any time (either before or after demand has been made by the Chargee for the payment of the monies secured by this Debenture) by notice in writing to the Company convert the floating charge created by clause 3.13 of this Debenture over the Other Assets into a fixed charge with immediate effect as regards any of the assets specified in the notice which the Chargee considers to be in danger of being seized or sold under any form of distress, attachment, execution, diligence or other process levied or threatened or which may be or become in jeopardy or which have been made or may become the subject of an injunction or otherwise attached.

5.2 Notwithstanding clause 5.1 and without prejudice to any rule of law which may have a similar effect, the floating charge created by clause 3.13 of this Debenture over the Other Assets will, unless otherwise agreed in writing by the Chargee, automatically and without notice from the Chargee to the Company be converted with immediate effect into a fixed charge in respect of any of the Other Assets subject to it:

5.2.1 immediately prior to the time when any of the Other Assets subject to it become subject to any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, flawed asset agreement, preferential right or trust arrangement or other security arrangement or agreement or any right conferring a priority of payment or to a disposition contrary to any of the provisions of this Debenture;

5.2.2 if and when any person levies or notifies the Company that it or any other person intends to levy any distress, execution, sequestration or other process against those Other Assets;

- 5.2.3 if and when the Company ceases to carry on business as a going concern;
- 5.2.4 if any of the monies, obligations and liabilities which are secured by this Debenture and which are now or shall for the time being be due, owing or incurred to the Chargee by the Company whether solely or jointly with any other person and whether as principal or surety and including interest, discount, commission and other expenses computed and compounded from time to time become due and outstanding prior to their stated maturity;
- 5.2.5 on the presentation of a petition for the compulsory winding-up of the Company or a petition for the making of an administration order in relation to the Company; or
- 5.2.6 if any meeting of the directors or members of the Company is convened for the purposes of considering any resolution for its winding-up or liquidation or for putting the Company into administration or insolvency or with a view to a composition, assignment or arrangement with its creditors generally (or any class of its creditors) or any meeting is convened for the purposes of considering any event similar or analogous to the foregoing.

## 6 INSURANCE

- 6.1 The Company shall at all times during the continuance of the security constituted by this Debenture insure and keep insured or cause to be insured and kept insured:

- 6.1.1 all its buildings, structures, fixed plant and machinery of a kind which is commonly insured by persons owning and operating similar property against loss or damage by fire, flood, explosion, impact by aircraft or articles dropped therefrom, riot, civil commotion and other insurable risks as are commonly insured against from time to time by persons owning and operating similar properties in an amount equal to the full reinstatement cost, allowing for inflation to the likely date of reinstatement;
- 6.1.2 the Company against loss from liability imposed by law as owner or occupier of any property for damages on account of injury suffered by any person while upon such property or the approaches, walks, roads or other ways immediately adjacent thereto in such amount as will reasonably protect the Company against loss,

provided that if any insurance policy under which such insurance is effected contains an average clause the Company shall maintain at all times a sufficient amount of insurance to meet the requirements of such average clause so as to permit full recovery in the case of loss and provided further that the said insurance policies may contain excess clauses to such amounts as may be approved by the Chargee (such approval not to be unreasonably withheld).

- 6.2 The Company shall:

- 6.2.1 notify the Chargee in writing as soon as practicable and in any event within five days after becoming aware of any event or circumstance which will or is likely to give rise to a Criminal Damage Claim specifying in reasonable detail the nature of the event or circumstance which will or is likely to give rise to the claim and the extent of the damage to the Specifically Charged Assets located in Northern Ireland.
- 6.2.2 at the Company's cost take such action (including legal proceedings) and give such information and access to personnel, premises, chattels, documents and records to the Chargee and its professional advisors as the Chargee may reasonably request in order to make, dispute, settle or appeal any Criminal Damage Claim or any adjudication in respect thereto;
- 6.2.3 at the request of the Chargee allow the Chargee to take sole conduct of such actions as the Chargee may deem appropriate in connection with any Criminal Damage Claim by or in the name of the Company and in that connection give or cause to be given to the Chargee all such

assistance as the Chargee may reasonably require in disputing, settling or appealing any such claim, and shall instruct such solicitors and other professional advisers as the Chargee and the Company shall agree to act on behalf of the Chargor but to act in accordance with the Chargee's sole instructions;

- 6.2.4 pay all monies received in relation to or arising out of any Criminal Damage Claim to the Chargee (or if not paid directly to the Chargee) hold or procure that such monies shall be held on trust for the Chargee; and
- 6.2.5 ensure that the Specifically Charged Assets located in Northern Ireland are properly insured with the appropriate terrorism insurance available on the market at that time should the Criminal Damage Order ever be repealed in Northern Ireland and notify the Chargee immediately upon having put such insurance in place.
- 6.3 The Company shall at the request of the Chargee insure its other property and assets of a character usually insured against such insurable risks and in such amounts as may be reasonably required by the Chargee.
- 6.4 All such insurance shall be effected in or with such insurance company or companies or underwriters as the Company may select and the Chargee may approve (such approval not to be unreasonably withheld) in the joint names of the Company and the Chargee or at the option of the Chargee in the name of the Company with the interest of the Chargee noted on the policies.
- 6.5 The Company shall duly and promptly pay or cause to be paid all premiums and other sums of money payable for maintaining any such insurance as aforesaid and shall cause the insurance monies under all policies covering Specifically Charged Property or Other Assets to be made payable to the Chargee or otherwise deal with such policies and contracts of insurance in such manner as to enable the insurance monies on all losses to be collected by the Chargee.
- 6.6 All policies covering Specifically Charged Property or Other Assets shall contain clauses whereby the insurer agrees that the policies will not be cancelled or terminated and will not expire without 10 days notice in writing to the Chargee or provisions to this effect to the extent from time to time available from insurers.
- 6.7 Contemporaneously with the execution of this Debenture, the Company shall deliver to the Chargee policies or cover notes or other evidence acceptable to the Chargee of the insurance required to be maintained under clause 6.1, and on or prior to the expiry of any insurance policy the Company will exhibit or deliver to the Chargee a renewal receipt, cover note or new policy (or a certified copy of such renewal receipt, cover note or new policy) replacing such expiring insurance or otherwise satisfy the Chargee that such insurance is being renewed.
- 6.8 All monies paid to the Company and representing proceeds paid under any policies or contracts of insurance as a result of actual damage to or destruction of the Specifically Charged Property or Other Assets shall be paid to the Chargee and may be applied by the Chargee:
  - 6.8.1 to the payment of the indebtedness secured by this Debenture in the event the security constituted by this Debenture is enforceable while such monies are still in the hands of the Chargee; or
  - 6.8.2 on and subject to such reasonable terms and conditions as the Chargee may impose to meet the costs of repairing, reconstructing or replacing the property damaged or destroyedand the balance, if any, shall be paid to the Company.

## 7 GENERAL PROTECTION OF ASSETS

- 7.1 The Company shall not to create or permit to subsist any mortgage, charge, pledge, debenture, lien (other than a lien arising in the ordinary and usual course of business by operation of law) or other encumbrance securing any obligation of any person or any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect.
- 7.2 The Company shall also at all times during the continuance of the security constituted by this Debenture:
- 7.2.1 not, without the previous consent in writing of the Chargee, which consent shall not be unreasonably withheld, remove or destroy any of the buildings, plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment or any structure whatsoever now or in the future owned by the Company unless that property is worn out or rendered unfit for use or unless such removal or destruction shall be with a view immediately to replacing that property by other property of a more useful or convenient character and of at least equal value or utility;
  - 7.2.2 keep all buildings for the time being comprised in its undertaking, property and assets and all plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment in, upon or about the same and used for the purpose of or in connection with its business in such state of repair and in such working order and condition as from time to time it considers proper for the purpose of the efficient and economic carrying on of its business, and permit the Chargee or any person as it may from time to time in writing for that purpose appoint to enter into and upon the said buildings to view their state and condition and of all such plant, machinery and other property referred to in this clause 7.2.2 and promptly furnish the Chargee with all information as it may from time to time require regarding the location and physical state and condition of the Specifically Charged Property and the Other Assets;
  - 7.2.3 notify the Chargee in writing of all of the Company's Intellectual Property Rights upon written demand by the Chargee and make such applications and maintain such registrations to keep those registered Intellectual Property Rights which are material to the Company's business in force and to record the Company's interest in those Intellectual Property Rights, take such steps at its own expense as are within its power (including, without limitation, the institution of legal proceedings) to prevent third parties infringing the Intellectual Property Rights and use its best endeavours to procure that any further Intellectual Property Rights licensed to it are freely assignable and chargeable to the Chargee;
  - 7.2.4 if requested to do so by the Chargee from time to time, make entries in any appropriate public register (in Northern Ireland or elsewhere) of the Company's Intellectual Property Rights which record the existence of this Debenture;
  - 7.2.5 in the event of a notice being served affecting the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets or in the event of any proceedings being commenced affecting the Specifically Charged Property or the Other Assets in a matter of material importance immediately give full particulars of the notice or proceedings to the Chargee;
  - 7.2.6
    - (a) do, observe and perform all its obligations and all matters and things necessary or expedient to be done, observed and performed under or by virtue of every lease, licence, fee farm grant, agreement or other instrument relating to its freehold and leasehold property and every other lease, licence and agreement to which the Company is party so as to preserve, protect and maintain all of the rights of the Company in them;

- (b) not suffer or permit any default for which any of the same may be terminated or as a result of which any party thereto may be relieved of any liability or obligation but, on the contrary, exercise and enforce from time to time all its rights and remedies;
- (c) if and when entitled to do so, renew all such leases, licences and agreements so long as the same have utility or commercial value; and
- (d) on the expiration of any such leases, licences and agreements, use its best endeavours to obtain new leases, licences or agreements as the case may be on the most favourable terms available so long as the same have utility or commercial value;

#### 7.2.7

- (a) not exercise the statutory powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Section 18 of the 1881 Act without the prior written consent of the Chargee;
- (b) not without such consent either in the purported exercise of the said statutory powers or otherwise grant or agree to grant or accept or agree to accept a surrender of any lease, licence or tenancy of the Specifically Charged Property or any part of the Specifically Charged Property;
- (c) and not without the written consent of the Chargee sell, convey, assign or transfer the Specifically Charged Property or any interest therein or any part of the Specifically Charged Property;
- (d) not part with possession or occupation of the Specifically Charged Property or any part of the Specifically Charged Property without the prior written consent of the Chargee; and
- (e) not cause any person to become a protected or statutory tenant of any of the Specifically Charged Property or any part of the Specifically Charged Property under the the Business Tenancies (Northern Ireland) Order 1996 or the Rent (Northern Ireland) Order 1978 or the Private Tenancies (Northern Ireland) Order 2006;

7.2.8 comply in all material respects with the provisions of all present and future statutes and every notice, order, direction, licence, consent or permission given or made under those statutes (including without limitation all applicable Environmental Laws and Environmental Licences) and the requirements of any competent authority so far as any of the same shall relate to its assets or their user or anything done on the freehold and leasehold property comprised in the Specifically Charged Property and the Other Assets, and use all freehold and leasehold property comprised in the Specifically Charged Property and the Other Assets only for purposes for the time being authorised as the permitted use or user thereof under or by virtue of the Planning Acts;

7.2.9 not carry out any development within the meaning of the Planning Acts in or upon any such freehold or leasehold property without first obtaining such permission as may be required under or by virtue of the Planning Acts;

#### 7.2.10

- (a) within seven days after the receipt of any notice or proposal for a notice or order or proposal for an order given, issued or made to the Company by a planning authority under or by virtue of the Planning Acts in respect of any such freehold and leasehold property, give full particulars of the notice, proposal or order to the Chargee;
- (b) if so required by the Chargee, produce the notice, proposal or order;

- (c) without delay take all reasonable or necessary steps to comply with such notice or order; and
  - (d) at the request of the Chargee, make or join with the Chargee in making such application, appeal or representations against or in respect of any proposal for such notice or order as the Chargee may deem expedient;
- 7.2.11 pay or cause to be paid all rents, taxes, rates, assessments, impositions, calls and outgoings, whether governmental, municipal or otherwise, imposed upon or payable in respect of the Specifically Charged Property or Other Assets or any part of the Specifically Charged Property or Other Assets as and when the same become payable, and also punctually pay and discharge, or cause to be paid and discharged, all debts and obligations to or in respect of persons employed by the Company which by law may have priority over the security created by this Debenture;
- 7.2.12 use its best endeavours not to trade under conditions imposing reservation of title in favour of creditors and, if such trading does occur, immediately advise the Chargee of the terms of such trading including details of contract, names of suppliers and amounts involved;
- 7.2.13
  - (a) procure that the Company's present and future debtors pay into the Account all monies due, owing or incurred in respect of the Debts; and
  - (b) immediately remit to the Chargee any such monies which come into the hands of the Company for payment into the Account and, until so remitted, hold such monies shall be held as trustee for the Chargee;
- 7.2.14
  - (a) not, without the prior written consent of the Chargee, purport to charge, sell, assign, factor, transfer, discount or otherwise dispose of, or permit to subsist, any charge or lien over the Debts or the Account or any interest in the Debts or the Account in favour of any other person;
  - (b) save to the extent that the Chargee otherwise agrees in writing, not withdraw or direct any payment of all or any monies (including interest) standing to the credit of the Account; and
  - (c) if called upon to do so by the Chargee, execute a legal assignment of the Debts to the Chargee;
- 7.2.15 not, without the prior written consent of the Chargee permit or agree to any variation of the rights attaching to the Debts or any of them;
- 7.2.16 not without the prior written consent of the Chargee, release, exchange, compound, set-off, grant time or indulgence in respect of or in any other manner deal with all or any of the Debts save as expressly provided in this Debenture;
- 7.2.17 at its own expense institute, continue or defend all such proceedings in connection with the Debts as the Chargee may require;
- 7.2.18 not carry on its business in relation to the Debts otherwise than as set out in clauses 7.2.13 to 7.2.17;
- 7.2.19 duly and promptly pay all calls, instalments or other monies which may from time to time become due in respect of any of the Securities, it being acknowledged by the Company that the Chargee shall not in any circumstances incur any liability whatsoever in respect of any such calls, instalments or other monies;



- 7.2.20 forthwith upon the execution of this Debenture, deposit with the Chargee all certificates or documents of title in respect of the Securities together with a duly executed instrument of transfer or an assignment (as appropriate) of the Securities in blank, and it is agreed that the Chargee will be entitled at any time to have all or any of the Securities registered in the name of the Chargee or of such nominee as the Chargee may select;
- 7.2.21 deliver or pay to the Chargee, or procure that there are delivered or paid to the Chargee, all stocks, shares, securities, rights, monies or other property accruing, offered or issued at any time by way of bonus, redemption, exchange, purchase, substitution, conversion, preference, option or otherwise in respect of any of the Securities or the certificates or other documents of title to or representing them together with an executed instrument of transfer or an assignment in blank, and the Chargee is hereby authorised to arrange at any time and from time to time for any of the Securities to be registered in the name of the Chargee or such nominee as the Chargee may select; and
- 7.2.22 not sell, assign, part with, transfer, lease, license or otherwise dispose of the benefit of all or any of the Company's right, title and interest in and to the Specifically Charged Property or the Other Assets or any part of them (save for sales of its stock in trade at not less than market value in the ordinary and usual course of its trading business and until such time as the floating charge created by clause 3.13 has been converted into a fixed charge pursuant to clause 5.1 or clause 5.2 or by operation of law), and not agree to, or grant any option in respect of, any of the foregoing

and so that, if the Company fails to perform any obligation on its part contained in this Debenture, the Chargee may itself or by any agents perform any of the said covenants capable of being performed by it or by such agents, and if any such obligation requires the payment or expenditure of money the Chargee may make such payment or expenditure with its own funds or with money borrowed by or advanced to it for such purpose but will be under no obligation so to do; all sums so expended or paid shall be added to the indebtedness secured by this Debenture and will bear interest accordingly and will be repayable to the Chargee on demand.

## 8 RECEIVERS

- 8.1 At any time after the monies secured by this Debenture shall have become payable, the Chargee may from time to time appoint by writing under the hand of a duly authorised officer of the Chargee any person or persons considered by it to be competent to be a receiver or a receiver and manager (hereinafter called a "Receiver" which expression will, where the context so admits, include the plural and any substituted receiver or receiver and manager) of any part of the Specifically Charged Property and/or any part of the Other Assets, and may from time to time in writing under the hand of a duly authorised officer of the Chargee remove any Receiver so appointed and appoint another in his stead.
- 8.2 A Receiver so appointed will be the agent of the Company, and the Company will be solely responsible for his acts and defaults, and the Chargee will have power from time to time to fix the remuneration of any Receiver appointed by the Chargee and to direct payment thereof out of the Specifically Charged Property and the Other Assets or any part thereof, but the Company will alone be liable for the payment of such remuneration, and the provisions of Section 24 of the 1881 Act (as modified by the provisions of this Debenture) with the exception of sub-sections 6 and 8 will apply hereto.
- 8.3 A Receiver so appointed will have and be entitled to exercise all powers conferred by the 1881 Act and the 1911 Act and Schedule 1 of the Insolvency (Northern Ireland) Order 1989 and all other statutes in the same way as if the Receiver had been duly appointed under the 1881 Act and the 1911 Act, and will furthermore, but without limiting any powers referred to in this Debenture, have power to:
- 8.3.1 take possession of, collect and get in all or any part of the property in respect of which the Receiver is appointed, and for that purpose take any proceedings in the name of the Company or otherwise as may seem expedient;

- 8.3.2 carry on or manage or develop or diversify or concur in carrying on or managing or developing or diversifying the business of the Company, and for that purpose raise money on any part of the property in respect of which the Receiver is appointed in priority to this security or otherwise;
- 8.3.3 exercise all or any of the powers which an absolute owner would have of managing and superintending the management of the property in respect of which the Receiver is appointed, and in particular to sell or concur in selling, let or concur in letting, surrender and/or accept surrenders of leases of any part of such property in such manner and generally on such terms and conditions as the Receiver thinks fit, and to carry any such sale, letting or surrender into effect by conveying, leasing, letting, surrendering or accepting surrenders in the name of or on behalf of the Company or otherwise; any such sale may be for cash, debentures or other obligations, shares, stock or other valuable consideration and may be payable in a lump sum or by instalments spread over such period as the Chargee or the Receiver shall think fit and so that any consideration or part of such consideration received in a form other than cash shall *ipso facto* forthwith on receipt be and become charged with the payment of all the monies secured by this Debenture as though it had been included in the charge hereby created and formed part of the Specifically Charged Property or the Other Assets (as the case may be). Plant, machinery and other fixtures may be severed and sold separately from the premises containing them without the consent of the Company being obtained thereto;
- 8.3.4 make any arrangements or compromise which the Receiver or the Chargee may think expedient;
- 8.3.5 make and effect any repairs, renewals and improvement of the plant, machinery and effects of the Company which the Receiver or the Chargee may think necessary and to maintain or renew all insurances;
- 8.3.6 make calls conditionally or unconditionally on the members of the Company in respect of the uncalled capital of the Company with such and the same powers for the purpose of enforcing payment of any calls so made as are by the Articles of Association of the Company conferred on the directors of the Company in respect of calls authorised to be made by them in the names of the directors or in that of the Company or otherwise and to the exclusion of the directors' power in that behalf;
- 8.3.7 appoint managers, officers, servants, workmen and agents for the above purposes at such salaries and for such periods as the Receiver may determine;
- 8.3.8 enter upon any part of the Specifically Charged Property and any part of the Other Assets from time to time with or without workmen and others for the purpose of making and effecting any repairs, renewals or alterations to any part of the Specifically Charged Property or the Other Assets including (without prejudice to the generality of the foregoing) the completion of any buildings in the course of erection or other works in progress thereon which the Receiver may think necessary, and appoint architects, surveyors, contractors, workmen and agents for the above purposes on such terms as the Receiver may determine, and (without prejudice to the power hereinafter conferred) borrow from the Chargee on the account of the Company all such monies as the Receiver may require for the above purposes to the intent that all monies advanced by the Chargee to the Receiver for the said purposes will be secured by this Debenture;
- 8.3.9 where the Receiver is an administrative receiver of the Company the Receiver shall have all the rights, powers and discretions of an administrative receiver under the Insolvency (Northern Ireland) Order 1989; and
- 8.3.10 do all such other acts and things as may be incidental or conducive to any of the matters or powers above and which the Receiver lawfully may or can do as agent for the Company.

8.4 All monies received by the Receiver shall be applied by the Receiver for the following purposes (subject to the claims of secured or unsecured creditors (if any) ranking in priority to this Debenture) and in the following order:

- 8.4.1 in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of the above powers and of all outgoings properly paid by the Receiver;
- 8.4.2 in payment of remuneration to the Receiver at such rate as may be agreed between the Receiver and the Chargee; and
- 8.4.3 in or towards payment to the Chargee of all monies the payment of which is secured by this Debenture

and any surplus shall be paid to the Company or any other person entitled thereto.

8.5 Neither the Chargee nor any Receiver appointed under this Debenture will be liable to account as mortgagee or mortgagees in possession in respect of any of the Specifically Charged Property or Other Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever (except to the extent that the same results from the Chargee's or the Receiver's negligence or wilful default) in connection with any of the Specifically Charged Property or Other Assets for which a mortgagee in possession might as such be liable, and all costs, charges and expenses incurred by the Chargee or any Receiver appointed under this Debenture (including the costs of any proceedings to enforce the security hereby given) shall be paid by the Company on a solicitor and own client basis and will be charged on the Specifically Charged Property and Other Assets.

8.6 The foregoing powers of appointment of a Receiver are in addition to and not to the prejudice of all statutory and other powers of the Chargee under the 1881 Act and the 1911 Act (and so that any statutory power of sale will be exercisable without the restrictions contained in Sections 19 and 20 of the 1881 Act) or otherwise, and so that such powers will be and remain exercisable by the Chargee in respect of any part of the Specifically Charged Property or Other Assets in respect of which no appointment of a Receiver by the Chargee is for the time being subsisting, notwithstanding that an appointment under the powers of clause 8.1. shall have subsisted and been withdrawn in respect of that part of the Specifically Charged Property or Other Assets or shall be subsisting in respect of any other part of the Specifically Charged Property or Other Assets.

8.7 No purchaser or other person will be bound or concerned to see or enquire whether the right of the Chargee or any Receiver appointed by the Chargee to exercise any of the powers conferred by this Debenture has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

## **9 LIABILITY OF CHARGEES AND RECEIVER**

9.1 In the event that the Chargee takes possession under this Debenture of the Specifically Charged Property or the Other Assets or any part or parts of the Specifically Charged Property or the Other Assets or otherwise exercises any statutory powers or any additional powers set forth in this Debenture, it will not be accountable as a mortgagee in possession of the Specifically Charged Property or Other Assets as the case may be.

9.2 In the event that the Chargee or any Receiver appointed by the Chargee under this Debenture enters into possession of any of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Chargee or such Receiver as the case may be is hereby irrevocably authorised as agent of the Company to list, and to remove, store, sell or otherwise dispose of, all or any furniture or other chattels which have not been removed from the said property at the expiration of seven days from the date of such entry into possession, and any list so made will be conclusive evidence as between the Chargee and such Receiver and the Company of the matters therein contained,

and the Company shall indemnify the Chargee and the Receiver against all claims and demands in respect of such removal, storage, sale or other disposition and against all costs and expenses incurred in connection therewith.

- 9.3 The Chargee will not be liable for any involuntary losses which may happen in or about the exercise or execution of the statutory power of sale or any of the powers or trusts expressed or implied which may be vested in the Chargee by virtue of this Debenture.

## **10 ADMINISTRATOR**

### **10.1 Appointment**

10.1.1 Paragraph 15 of Schedule B1 to the Insolvency (NI) Order 1989 shall apply to any floating charge created by this Debenture.

10.1.2 At any time after a floating charge created by this Debenture has become enforceable, the Chargee may appoint an administrator of the Company.

10.1.3 Any reference in this Debenture to an administrative receiver, a receiver or receiver and manager shall include, where the context so admits and the law so allows, any administrator appointed by the Chargee.

## **11 CHARGE AS MORTGAGEE IN POSSESSION**

In addition to the statutory powers incidental to the estate or interest of mortgagees contained in Section 19 of the 1881 Act, at any time after the Chargee in accordance with the provisions of this Debenture enters into possession of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets, the Chargee will have power to:

- 11.1 effect and carry out upon any building or erection for the time being comprised in such part of the Specifically Charged Property or the Other Assets of which the Chargee is in possession any such repairs, amendments, alterations and additions as the Chargee may reasonably consider necessary or desirable for the maintenance or protection of all or any part of the Specifically Charged Property or the Other Assets;
- 11.2 demise or agree to demise any of the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets of which the Chargee is in possession for such period at such rent and upon such terms with or without a premium or fine in all respects as the Chargee may from time to time think fit; and
- 11.3 perform or cause to be performed all acts and things requisite or desirable according to the law of the country in which the Specifically Charged Property or the Other Assets or any part of the Specifically Charged Property or the Other Assets of which the Chargee is in possession is situate for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions.

## **12 STATUTORY POWERS**

- 12.1 At any time after the monies secured by this Debenture have become due and payable, the statutory powers of sale and of appointing a receiver conferred by Section 19 of the 1881 Act will immediately arise and be exercisable by the Chargee free from the restrictions contained in Section 20 of that Act.
- 12.2 The restrictions on the right of consolidating mortgages contained in Section 17 of the 1881 Act will not apply to this security.

## **13 CURRENCY CLAUSES**

- 13.1 All monies received or held by the Chargee or by a Receiver under this Debenture may from time to time after demand has been made be converted into such other currency as the Chargee considers necessary or desirable to cover the obligations and liabilities of the Company in that currency at the then prevailing spot rate of exchange (as conclusively determined by the Chargee) for purchasing the currency to be acquired with the existing currency.
- 13.2 If and to the extent the Company fails to pay the amount due on demand, the Chargee may in its absolute discretion without notice to the Company purchase at any time thereafter so much of a currency as the Chargee considers necessary or desirable to cover the obligations and liabilities of the Company in such currency, secured by this Debenture, at the then prevailing spot rate of exchange (as conclusively determined by the Chargee) for purchasing such currency with sterling and the Company hereby agrees to indemnify the Chargee against the full sterling price (including all costs, charges and expenses) paid by the Chargee.
- 13.3 No payment to the Chargee (whether under any judgment or court order or otherwise) will discharge the obligation or liability of the Company in respect of which it was made unless and until the Chargee receives payment in full in the currency in which such obligation or liability was incurred, and to the extent that the amount of any such payment, on actual conversion into such currency, fall short of such obligation or liability expressed in that currency, the Chargee will have a further separate cause of action against the Company and will be entitled to enforce the charges created by this Debenture to recover the amount of the shortfall.

## **14 MISCELLANEOUS PROVISIONS**

### **14.1 Costs**

- 14.1.1 All costs, charges and expenses (on a full indemnity basis) properly occasioned by or incidental to this or any other security held by or offered to the Chargee for the same indebtedness or by or to the enforcement of any such security and incurred, suffered or paid by the Chargee will be charged on the Specifically Charged Property and the Other Assets and will be treated as monies due from the Company to the Chargee on current account and will bear interest and be secured accordingly.
- 14.1.2 The charges conferred by this Debenture will be in addition and without prejudice to any and every other remedy, lien or security which the Chargee may or but for the said charges would have for the monies and liabilities secured by this Debenture.
- 14.1.3 The Company shall pay all stamp, registration and other taxes to which this Debenture or any judgment given in connection with this Debenture is or at any time may be subject and shall indemnify the Chargee against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.
- 14.1.4 Any certificate or determination of the Chargee as to any matter provided for in this Debenture will be conclusive and binding on the Company.

### **14.2 Interest**

Any interest payable under the terms of this Debenture will be payable as well after as before any judgment.

### **14.3 Power of Attorney**

The Company by way of security hereby irrevocably appoints and constitutes the Chargee and any Receiver appointed by the Chargee under this Debenture jointly and also severally the attorney and also

the attorneys of the Company on the Company's behalf and in the name of the Company and as its act and deed to do all acts and to execute, seal or otherwise perfect any deed, assurance, agreement, instrument, document or act which the Company could itself do in relation to the Specifically Charged Property and the Other Assets or which may be required or which may be deemed proper for any of the matters provided for in this Debenture.

#### 14.4 Notices

- 14.4.1 Any notice or demand for payment to be given or served under this Debenture shall be in writing and shall be duly expressed to be a notice or demand under this Debenture and will be deemed duly given or served if sent by email at the time of transmission or if posted 48 hours after the time at which it was posted or, if delivered by hand, at the time of delivery if such a day is a Business Day or if such day is not a Business Day on the next following Business Day, to the party to whom it is to be given or served at its address set out below or such other address or email address as such party may have previously communicated for such purpose by notice to the party giving such first mentioned notice or demand. The addresses and email address for service on the parties to this Debenture are:

The Company	Address:	20 Upper Main Street, Larne, County Antrim BT40 1SX
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Attention: Marco Yu

Email Address: myu@albion.capital

The Chargee	Address:	20 Upper Main Street, Larne, County Antrim BT40 1SX
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Attention: David Gudgin

Email Address: david@albion.capital

- 14.4.2 Any party giving or serving a notice or demand under this Debenture by email shall, but without prejudice to the validity of the notice or demand given, send a copy of the notice or demand by pre-paid registered post to the party receiving such notice or demand to that party's address set out in clause 13.4.1 or to such other address as such party shall have previously communicated by notice to the party giving such first-mentioned notice or demand.
- 14.4.3 Any notice or demand given or served under this Debenture will be deemed to have been received by the party so receiving such notice or demand on the Business Day of such receipt only if the notice or demand has been received during usual business hours on such Business Day, and if the notice or demand is received outside usual business hours it will be deemed to have been received on the next following Business Day.

#### 14.5 Waiver and Forbearance

- 14.5.1 The rights of the Chargee will not be prejudiced or restricted by any indulgence or forbearance extended to the Company or other parties, and no waiver by the Chargee in respect of any breach will operate as a waiver in respect of any subsequent breach.

14.5.2 No failure or delay by the Chargee in exercising any right or remedy will operate as a waiver of such right or remedy, nor will any single or partial exercise or waiver of any right or remedy prevent its further exercise or the exercise by the Chargee of any other right or remedy.

#### **14.6 Remedies Cumulative**

The rights and remedies of the Chargee under this Debenture are cumulative and are without prejudice and in addition to any rights or remedies which the Chargee may have at law or in equity. No exercise by the Chargee of any right or remedy under this Debenture, or at law or in equity, shall (save to the extent, if any, provided expressly in this Debenture, or at law or in equity) operate so as to hinder or prevent the exercise by it of any other right or remedy. Each and every right and remedy may be exercised from time to time as often and in such order as may be deemed expedient by the Chargee.

#### **14.7 Severability**

If a term or provision in this Debenture is or becomes illegal, invalid or unenforceable, in whole or in part, in any respect (or any of the security intended to be created by or pursuant to this Debenture is ineffective) under the law of any jurisdiction, such illegality, invalidity or unenforceability shall not affect:

14.7.1 the legality, validity or enforceability of the remaining provisions or the effectiveness of any of the other provisions of this Debenture in that jurisdiction; or

14.7.2 the legality, validity or enforceability of such provision or the effectiveness of any other provision of this Debenture under the laws of any other jurisdiction.

#### **14.8 Assignment**

14.8.1 The Company may not assign nor enter into any trust arrangement with any third party in respect of any of its rights under this Debenture.

14.8.2 The Chargee will be entitled to assign the benefit of this Debenture or any part of this Debenture to any person, and the Company hereby consents to any such assignment. The Chargee will be entitled to impart any information concerning the Company to any assignee or successor in title.

14.8.3 In the event of assignment by the Chargee as permitted by clause 13.8.2, the Company shall at the request of the Chargee join in such assignment so as to cause full beneficial title to the security created by this Debenture to be passed to the relevant assignee.

#### **14.9 Counterparts**

This Debenture may be entered into in the form of two or more counterparts, each executed by one of the parties but, taken together, executed by all, and, provided that all of the parties so enter into the Debenture, each of the executed counterparts, when duly exchanged or delivered, will be deemed to be an original but, taken together, will constitute one instrument.

#### **14.10 Variation**

This Debenture may not be released, discharged, supplemented, amended, varied or modified in any manner except by an instrument in writing signed by a duly authorised officer or representative of each of the parties to this Debenture.

#### **14.11 Governing law and Jurisdiction**

14.11.1 This Debenture and all relationships created hereby will in all respects be governed by and construed in accordance with the laws of Northern Ireland.

14.11.2 The Company hereby agrees for the exclusive benefit of the Chargee that any legal action or proceedings (**Proceedings**) brought against the Company with respect to this Debenture may be brought in the High Court in Northern Ireland or such other competent court of Northern Ireland as the Chargee may elect, and the Company waives any objection to Proceedings in such courts whether on grounds of venue or on the grounds that Proceedings have been brought in any inconvenient forum. The Company undertakes to enter an unconditional appearance within 14 days after the completion of any service or process in any Proceedings. The Company hereby consents to the service by post of any process issued in connection with this Debenture. Nothing in this Debenture will affect the right to serve process in any other manner permitted by law.

14.11.3 Nothing contained in this Debenture will limit the right of the Chargee to take Proceedings against the Company in any other court of competent jurisdiction, nor will the taking of any Proceedings in any one or more jurisdictions preclude the taking by the Chargee of Proceedings in any other jurisdiction whether concurrently or not.

#### **14.12 Land Registry**

14.12.1 The address of the Chargee in the State for service of notices is 20 Upper Main Street, Larne, County Antrim BT40 1SX.

**IN WITNESS** whereof this Deed has been duly executed on the date first above written.



## **SCHEDULE**

### **Freehold Unregistered**

(clause 3.1)

None

### **Leasehold Unregistered Land**

(clause 3.2)

None

### **Registered Land**

(clause 3.3)

Lands at Knockavannon within Folios 10452, 10528, 10453 and 10527 County Armagh registered under Leasehold Title Number AR121819L County Armagh

Executed as a Deed (but not delivered until the )  
date appearing at the head of page 1) by )  
KNOCKAVANNON LIMITED acting by: *Martin Yu* )  
in the presence of: )  
)

Director

Name of witness:

*Margie Wohart*

Signature of witness:

Address:

Occupation: *PA*

Executed as a Deed (but not delivered until the )  
date appearing at the head of page 1) by MYROE )  
ENERGY LTD acting by: David Gudgin )  
in the presence of: )  
)

Director

Name of witness:

*Margie Wohart*

Signature of witness:

Address:

Occupation: *PA*

