

MR01

Particulars of a charge

43 5224/13

IRIS Laserform

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

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

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

✗ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

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

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



A11 13/12/2013 #31  
COMPANIES HOUSE

FRIDAY

**1 Company details**

Company number 0 1 0 6 8 3 4 9

Company name in full DMI (UK) Limited

For official use

1 4

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

**2 Charge creation date**

Charge creation date d0 d2 m1 m2 y2 y0 y1 y3

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

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

Name Bank of Scotland Plc

Name

Name

Name

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

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

# MR01

## Particulars of a charge

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### Description

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

#### Continuation page

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

Description

By way of first mortgage all copyrights, patents, trade marks, service marks, brand names, inventions, design rights, database rights and other intellectual property rights and know-how in or relating to the the Charged Chattels, defined as "plant, machinery, chattels or other equipment described in the Schedule [to the agreement] together with all additions, alterations, accessories, replacements and renewals from time to time and any component parts from time to time held by DMI (UK) Limited (whether or not attached to such plant, machinery, chattels or equipment) and all logbooks, maintenance records, manuals, handbooks, drawings, technical data and all other documents relating to the Charged Chattels" or licences to use the same (registered or unregistered) and the benefit of any pending applications for the same and all benefits deriving from the same including royalties, fees, profit sharing agreements and income present or future held by or belonging to DMI (UK) Limited...

*Please see continuation page*

5

### Fixed charge or fixed security

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

☒ Yes

☐ No

6

### Floating charge

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

☐ Yes Continue

☒ No Go to Section 7

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

☐ Yes

7

### Negative Pledge

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

☒ Yes

☐ No

# MR01

## Particulars of a charge

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### Trustee statement **i**

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

☐

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

9

### Signature

Please sign the form here

Signature

Signature

X *Bond Dickens* X

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

# MR01

## Particulars of a charge



### Presenter information

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

Contact name Sarah Morris

Company name Bond Dickinson LLP

Address St Ann's Wharf

112 Quayside

Post town Newcastle upon Tyne

County/Region

Postcode N E 1 3 D X

Country

DX 61191 Newcastle upon Tyne

Telephone 0845 415 0000



### Certificate

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



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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



### Important information

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



### How to pay

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

Make cheques or postal orders payable to 'Companies House'



### Where to send

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

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

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

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



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**

## MR01 - continuation page

### Particulars of a charge

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#### Description

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

Description

together with the licence (if any) to use particular software or computer programmes in relation to the Charged Chattels



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

Company number: 1068349

Charge code: 0106 8349 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd December 2013 and created by DMI (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th December 2013



Given at Companies House, Cardiff on 17th December 2013



**Companies House**



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

Bond Dickinson

[www.bonddickinson.com](http://www.bonddickinson.com)

WE CERTIFY THAT THIS IS A  
TRUE COPY OF THE ORIGINAL  
DOCUMENT

*Bond Dickinson LLP*  
BOND DICKINSON LLP

Dated 2 December 2013

CHATTEL MORTGAGE

DMI (UK) LIMITED

in favour of

BANK OF SCOTLAND PLC

2000 DICKINSON 1  
DOCUMENT  
TRUE COPY OF THE ORIGINAL  
WE CERTIFY THAT THIS IS A



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## **CHATTEL MORTGAGE**

Dated **2 DECEMBER** 2013

made by DMI (UK) LIMITED (CN 01068349) (the "Company") whose registered office is at Gloucester Road, West Chirton Industrial Estate, North Shields, NE29 8RQ,

in favour of BANK OF SCOTLAND PLC (CN SC327000) whose registered office is at The Mound, Edinburgh, EH1 1YZ (the "Lender")

### **1 INTERPRETATION**

1.1 In this Deed the following expressions have the following meanings -

"Business Day"	a day (not being a Saturday or a Sunday) on which clearing banks are open for general banking business in the City of London,
"Charged Chattels"	the assets charged by clause 3.1,
"Charged Property"	the assets, rights and interests charged by clause 3 including the Charged Chattels and the Documents,
"Documents"	all logbooks, maintenance records, manuals, handbooks, drawings, technical data and all other documents relating to the Charged Chattels,
"Encumbrance"	includes any mortgage, charge (fixed or floating), pledge, lien and any other arrangement or interest (whether by way of assignment, trust, title retention or otherwise) which has the effect of creating security or payment priority,
"Expenses"	all expenses (on a full indemnity basis) including legal and valuation fees, from time to time paid or incurred by the Lender or any Receiver at any time in connection with the Charged Property or the Obligations or in taking, perfecting or enforcing this Deed or in exercising any right or power under this Deed or otherwise together with VAT upon such expenses where appropriate and Interest from the date they are incurred,
"Interest"	interest at the rate or rates agreed between the Lender and the Company and in the absence of agreement in respect of any liability or obligation at the rate of 6% per annum above the base rate of the Lender from time to time,
"Obligations"	the obligations and liabilities to the Lender covenanted to be discharged or paid under clause 2,
"Premises"	any land or buildings where the Charged Chattels or Documents are now or in the future situated,
"Receiver"	any person appointed as receiver, manager or receiver and manager and any person who is substituted for such person,
"Relevant Currency"	in relation to each of the Obligations and Expenses, the currency in which it is from time to time expressed,

"Subsidiary Undertaking"	has the meaning given by section 1162 of the Companies Act 2006,
"Tax"	any form of taxation, levy, duty, charge, contribution or impost (including any applicable fine, penalty, surcharge or interest) imposed by any local, municipal, governmental, state, federal or other fiscal, revenue, customs and/or excise authority, body or official anywhere in the world, and
"VAT"	value added tax or any other tax on added value or on turnover for the time being in force

1 2 In this Deed -

- 1 2 1 any gender includes any other gender,
- 1 2 2 the singular includes the plural and vice versa,
- 1 2 3 references to persons include bodies corporate, unincorporated associations, governments, states, partnerships and trusts (in each case, whether or not having separate legal personality),
- 1 2 4 references to clauses and the Schedule are to clauses of and the schedule to this Deed,
- 1 2 5 the headings in this Deed are for convenience only and shall not affect its interpretation,
- 1 2 6 references to a statutory provision include a reference to any modification, consolidation or re-enactment of the provision from time to time in force and all subordinate instruments, orders or regulations made under it,
- 1 2 7 references to "Charged Chattels", "Charged Property", "Expenses" or "Obligations" include a reference to any part of them or it,
- 1 2 8 references to the "Company" include a reference to any person deriving title through the Company,
- 1 2 9 references to the "Lender" include a reference to any person who claims any title or interest through the Lender or any person to whom the business of the Lender is transferred,
- 1 2 10 general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things,
- 1 2 11 references to a person acting "directly or indirectly" include acting alone or jointly with or by means of any other person,
- 1 2 12 references to any document (including this Deed) or a provision of such document include a reference to such document or provision as supplemented, varied or replaced from time to time,
- 1 2 13 references to "writing" include any method of reproducing words in a legible and non-transitory form, and
- 1 2 14 references to "dispose" include charging, selling, leasing, hiring, assigning or transferring or agreeing to do any of the same, granting an option or similar right, creating a trust or other equitable interest or sharing or parting with possession or occupation

## **2 SECURED LIABILITIES**

### **2 1 The Company covenants to -**

- 2 1 1** discharge on demand from time to time all its obligations and liabilities to the Lender of any kind and in any currency (whether present or future, actual or contingent and whether as principal or surety or incurred alone or jointly with another and whether the Lender shall have been an original party to the relevant transaction or not),
- 2 1 2** pay to the Lender on demand from time to time the Expenses, and
- 2 1 3** pay to the Lender on demand from time to time Interest on the obligations and liabilities to the Lender covenanted to be discharged and/or paid by the Company under clauses 2 1 1 and 2 1 2 from the date on which the Company has agreed to pay Interest on them or, if there is no such agreement, from the date on which they become due

### **2 2 In the case of any of the Obligations which is not (but for this clause 2) due for discharge on demand, the Lender shall not make demand before the due date**

## **3 SECURITY**

As a continuing security for the discharge and payment of the Obligations and with full title guarantee, the Company charges in favour of the Lender by way of first mortgage -

- 3 1** the plant, machinery, chattels or other equipment described in the Schedule together with all additions, alterations, accessories, replacements and renewals from time to time and any component parts from time to time held by the Company (whether or not attached to such plant, machinery, chattels or equipment) and the Documents,
- 3 2** the benefit of any guarantee, warranty or other obligation in relation to the Charged Chattels given or incurred by any manufacturer, supplier or other person and the benefit so far as enjoyed by the Company of all agreements for the maintenance, repair or upkeep of the Charged Chattels,
- 3 3** the benefit of all agreements now or in the future entered into by the Company or the benefit of which is otherwise vested in the Company for the bailment or (in Scotland) the hiring of the Charged Chattels and all agreements now or in the future entered into under which the Charged Chattels are bailed or (in Scotland) hired on hire purchase or sold under a conditional sale agreement or other instalment credit agreement and all sums now or in the future due under any such agreement and the full benefit of any such agreement,
- 3 4** all copyrights, patents, trade marks, service marks, brand names, inventions, design rights, database rights and other intellectual property rights and know-how in or relating to the Charged Chattels or licences to use the same (registered or unregistered) and the benefit of any pending applications for the same and all benefits deriving from the same including royalties, fees, profit sharing agreements and income present or future held by or belonging to the Company together with the licence (if any) to use particular software or computer programmes in relation to the Charged Chattels,
- 3 5** any money payable to the Company for or in connection with a disposal of the Charged Chattels, including any deposit, sum on account or instalment, and
- 3 6** the full benefit of the Company's rights and interest (if any) in and to all insurance effected by the Company or by any other person of the Charged Chattels or their use

#### **4 RESTRICTIONS**

The Company will not without the Lender's prior written consent -

- 4 1 create or permit to arise or continue any Encumbrance affecting the Charged Property (including any Encumbrance affecting any Premises) or increase or extend any liability of the Company secured on any of the Charged Property,
- 4 2 dispose of the Charged Property,
- 4 3 use or permit to be used the Charged Chattels in any way which is contrary to law or for any purpose for which they are not designed or reasonably suitable,
- 4 4 allow, perform or consent to any act or omission to act which would or might cause the Charged Chattels to be forfeited under any applicable law or which might jeopardise the Charged Chattels,
- 4 5 permit or suffer any distress or execution to be levied upon the Charged Property,
- 4 6 permit the Charged Chattels or the Documents to leave the possession of the Company except for the purpose of necessary repair or maintenance under clause 8 13 when the Company shall obtain the specific written consent of the Lender to such repair or maintenance (and in any event the Company will not permit any of the Charged Chattels or Documents to be removed from the mainland of England and Wales),
- 4 7 make any substantial alterations in the nature of its business,
- 4 8 annex the Charged Chattels to the Premises if the result of such annexure is that the Charged Chattels might become fixtures, and
- 4 9 make or suffer to be made any alteration or addition of a substantial nature in or to the Charged Property other than for the purpose of effecting repair as mentioned in clause 8 13

#### **5 MARKINGS**

During the continuance of this security the Company -

- 5 1 shall affix to or engrave on the Charged Chattels such labels, plates or markings as the Lender shall require stating that the Lender has an interest in the Charged Chattels as chargee,
- 5 2 shall not allow to be disturbed or defaced any labels, plates or markings affixed to or engraved on the Charged Chattels as a means of identification by manufacturers, suppliers or any other person, and
- 5 3 shall not obliterate, obscure or cover up the same

and the Lender shall at all reasonable times have access to the Charged Chattels for the purposes of inspecting, affixing, repairing or replacing any labels, plates or markings as it may in its absolute discretion consider necessary

#### **6 INSURANCE**

- 6 1 The Company shall to the Lender's reasonable satisfaction keep comprehensively insured for their full reinstatement cost plus VAT (due allowance being made for inflation during the period of insurance and reinstatement) all of the Charged Property which is of an insurable nature in such name and in such offices as the Lender shall in writing approve and on such terms, for such

amounts and of such types as would be effected by prudent companies carrying on business similar to the Company and with the Lender as co-insured in respect of such policies and the Charged Property

- 6 2 The Company shall effect a policy or policies of insurance, at the option of the Lender in the joint names of the Company and the Lender, for such amount and in such form as the Lender may require against legal liability to third persons and their respective dependants who may suffer damage or injury to or loss of life or property arising out of or in connection with the use of the Charged Chattels by the Company or any other person for the time being having their possession or control and against such risks as may be required by any law
- 6 3 The Company will punctually pay when due all premiums payable in respect of any insurance of the Charged Property and if required by the Lender will deliver to the Lender evidence satisfactory to the Lender of payment of such premiums together with a copy of the insurance policies
- 6 4 Without prejudice to any obligation in the policy of insurance or to any other obligation having priority to the obligation imposed by this Deed, the Company shall hold in trust for the Lender all monies received by it under any insurance of the Charged Property and at the Lender's option will apply the same in making good the relevant loss or damage or in or towards discharge of the Obligations and in the meantime will pay all such monies into such account as the Lender may specify
- 6 5 The Company shall ensure that each policy of insurance referred to in this clause 6 shall include such protection for the Lender against avoidance and invalidation as the Lender may reasonably require and the Company shall procure that the insurers shall, in connection with each such policy, confirm in writing to the Lender that -
- 6 5 1 the insurers will accept payment of all premiums from the Lender to prevent the policy lapsing in the event that the insured fails to make such payments,
- 6 5 2 the Lender shall not, in any circumstances, be liable for the relevant premiums,
- 6 5 3 all money payable by the insurers will be paid to the Lender,
- 6 5 4 the Lender shall alone be entitled to give a good discharge for money paid by the insurers, and
- 6 5 5 the insurers will not permit such policy to lapse or attempt to avoid the same without giving at least 28 days notice to the Lender
- 6 6 The Company covenants with the Lender -
- 6 6 1 to comply with the requirements and recommendations of its insurers, and
- 6 6 2 not to do or allow to be done anything on the Charged Property which might prejudicially affect any insurance policy
- 6 7 If the Company defaults in its obligations under this clause 6 or at any time after the Lender has demanded repayment of the Obligations, the Lender or any Receiver may effect insurance as specified in this clause 6 without becoming liable to account as mortgagee in possession and the cost of so doing shall be an Expense
- 6 8 The Company shall notify the Lender as soon as possible after an event has happened which is likely to lead to a claim being made under any insurance policy relating to the Charged Property

- 6 9 Whenever any insurance whatsoever is effected through the agency of the Lender all sums allowed to the Lender by way of commission or otherwise by the insurers shall belong to the Lender and the Lender shall not be required to account to the Borrower for such sums

## **7 DOCUMENTS AND PROCEEDS**

The Company will from time to time deposit with the Lender -

- 7 1 the Documents and all other deeds and documents of title, invoices, insurance policies and agreements charged by this Deed, and
- 7 2 all money received by the Company on a disposal of the Charged Property and, in the meantime, hold all such moneys in trust for the Lender

## **8 UNDERTAKINGS BY THE COMPANY**

The Company undertakes with the Lender -

- 8 1 to send to the Lender not later than six months after the close of each financial year of the Company or, if earlier, when the same are issued to the Company's shareholders a copy of the directors' report and audited accounts (consolidated if appropriate) of the Company and its Subsidiary Undertakings (if any) and also from time to time to furnish to the Lender such other information regarding the assets and liabilities of the Company and its Subsidiary Undertakings (if any) as the Lender may reasonably require,
- 8 2 to permit the Lender and its representatives from time to time to inspect its books of account and other books and documents and those of its Subsidiary Undertakings (if any),
- 8 3 punctually to pay all rents, rates, Taxes, duties, assessments and other outgoings payable in respect of the Premises and on demand to produce to the Lender the receipt for every such payment,
- 8 4 to observe and perform all covenants (positive and restrictive), conditions, permissions and stipulations from time to time affecting the Premises,
- 8 5 punctually to pay all licence fees, duties, registration charges and all outgoings in respect of the Charged Property and at all times on demand produce to the Lender or its authorised agents the receipt for such payments (and if the Company defaults in its obligations under this clause 8 5 the Lender may pay and discharge such sums which at any time may be or become due assessed or payable in respect of the Premises or the Charged Property without becoming liable to account as mortgagee in possession and the cost of so doing shall be an Expense),
- 8 6 to pay and discharge as they fall due all debts, damages and liabilities which have given or may give rise to liens on or claims enforceable against the Charged Chattels or Documents and, in the event of a detention of any Charged Chattel or Document in exercise or purported exercise of any such lien or claim, to procure the release of them from such detention immediately upon receiving notice of it,
- 8 7 except as may be agreed in writing by the Lender to keep the Charged Chattels in its sole and exclusive possession and at the location (if any) specified in the Schedule,
- 8 8 to comply with the requirements of any law so far as the same relate to or affect the Charged Chattels or their user and immediately to execute or cause to be executed all works that are required by any law to be executed upon or in connection with the Charged Chattels,

- 8 9 immediately to produce to the Lender the original of any notice or any matter affecting or likely to affect the Charged Property and served upon the Company by any person and immediately at the Company's own cost to comply with the same and if so required by the Lender at the Company's own cost to make or join in making such objections or representations against or in respect of the contents of any such document as the Lender considers expedient,
- 8 10 to ensure that all persons having any interest in the Premises (whether such interest arises as lessor, lessee, mortgagee or otherwise) receives written notice of the Lender's interest as chargee,
- 8 11 if it creates an Encumbrance in relation to the Premises or its assets or undertaking or if any such Encumbrance subsists as at the date of this Deed, immediately to notify the Lender of the same and if called upon so to do by the Lender to procure from any holder of the Encumbrance or other person having an interest in the Premises or such assets or undertaking a waiver in such form as the Lender may require of all rights which the holder of such Encumbrance or interest might otherwise be entitled to claim in or to the Charged Property or its possession,
- 8 12 in case of any defect in the title, quality, fitness for purpose, condition or failure to correspond with description of the Charged Chattels or any parts of equipment supplied for incorporation in or attachment to the Charged Chattels, whether such terms are contractual or statutory and notwithstanding clause 3 2, to prosecute diligently all claims available to the Company in respect of such defect or failure against any person liable in respect of such defect or failure,
- 8 13 to keep the Charged Chattels in a good state of repair and in good working order and in accordance with all relevant legislation and renew, service and overhaul the Charged Chattels as necessary including replacing any part or parts of the Charged Chattels as may be destroyed, damaged or worn out with new parts of similar quality and permit the Lender or any person nominated by it at all reasonable times to enter upon the Premises and view the state of the Charged Chattels and to carry out such repair thereto as the Lender shall consider necessary,
- 8 14 to ensure that all services, replacements, inspections, maintenance, repairs, overhauls, tests, improvements and modifications to or on the Charged Chattels are made or carried out by properly qualified personnel,
- 8 15 to ensure that any replacements, modifications, renewals and additions to the Charged Chattels are free of any Encumbrance,
- 8 16 immediately to notify the Lender of the loss or destruction or any damage to any Charged Chattel,
- 8 17 to maintain all Documents and other materials and documents as are required by specific contractors, normal trade practice or by law to be maintained on or with respect to the Charged Chattels,
- 8 18 to comply with any requirements or recommendations of any fire officer or other inspector,
- 8 19 to maintain its centre of main interests (COMI) for the purposes of the EU Regulation on Insolvency Proceedings 2000 in the United Kingdom,
- 8 20 in the event of a notice being served affecting the Premises or in the event of any proceedings being commenced affecting the same to immediately give full particulars to the Lender, and
- 8 21 generally not to do or cause or permit to be done anything to lessen the value or marketability of the Charged Property



## **9 POWERS OF THE LENDER**

- 9 1 Section 103 of the Law of Property Act 1925 shall not apply and the Lender may exercise its power of sale and other powers under that or any other Act or this Deed at any time after the date of this Deed
- 9 2 The Lender may at any time after the Lender has demanded repayment of the Obligations or if so requested by the Company under hand or by a deed, appoint or remove a Receiver or Receivers of the Charged Property, fix and pay the fees of a Receiver and substitute any Receiver, but any Receiver shall be the agent of the Company and the Company shall be solely responsible for the Receiver's acts, defaults and remuneration
- 9 3 Once a Receiver is appointed, the Lender will not be precluded from making any subsequent appointment of a Receiver over any Charged Property, whether or not any Receiver previously appointed continues to act
- 9 4 All or any of the powers conferred on a Receiver by clause 10 may be exercised by the Lender, whether as the Company's attorney or not, without first appointing a Receiver or notwithstanding any such appointment
- 9 5 The Lender will not be liable to account to the Company as mortgagee in possession or on any other basis for any money not actually received by the Lender and if the Lender or any Receiver takes possession of the Charged Property it or he may at any time relinquish such possession (whether it or he relinquishes such possession in whole or in part)
- 9 6 If the Company defaults in repairing or keeping in repair the Charged Property or in observing or performing any of the covenants or stipulations either contained in this Deed or affecting the same the Company shall permit the Lender to enter on the Premises and comply with or object to any notice served on the Company in respect of the Charged Property, effect such repairs or generally do all such acts and pay all such costs as the Lender may consider necessary to prevent or remedy any breach of covenant or stipulation or to comply with or object to any such notice without thereby becoming liable as a mortgagee in possession and any costs so incurred by the Lender shall be an Expense
- 9 7 Section 93(1) of the Law of Property Act 1925 shall not apply to this Deed

## **10 RECEIVERS**

- 10 1 Any Receiver appointed by the Lender shall be a receiver and manager and shall have the powers specified in Schedule 1 to the Insolvency Act 1986 and the following powers exercisable upon such terms and conditions as he thinks fit -
- 10 1.1 to take possession of and generally to manage the Charged Property and for that purpose to enter upon the Premises and sever, dismantle and remove the Charged Chattels without being liable for any loss of damage thereby occasioned (other than through negligence),
- 10 1.2 to carry on, manage or concur in carrying on or managing the business of the Company in so far as it relates to the Charged Property including power to perform, repudiate, respond or vary any contracts or agreements,
- 10 1.3 to raise or borrow any money from or incur any other liability to the Lender or any other person and on such terms as to interest or otherwise and with or without security as the Receiver may think expedient and so that any such security may be or include a mortgage or charge on the Charged Property,

- 10 1 4 to immediately and without the restriction imposed by section 103 of the Law of Property Act 1925 dispose of or concur in disposing of (but where necessary with the leave of the court) and accept surrenders of all or any of the Charged Property and carry any such disposal or surrender into effect by conveying, transferring, assigning, leasing, letting, letting out on hire purchase or accepting surrenders in the name and on behalf of the Company (or the estate owner) and so that covenants and contractual obligations may be granted in the name of and so as to bind the Company (or the estate owner) so far as the Receiver may consider it necessary, appropriate or expedient for the exercise of the powers conferred by this Deed so to do Any such disposal or surrender 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 Receiver shall think fit and so that any consideration received or receivable shall immediately be and become charged with the payment of all money and liabilities and other sums secured by this Deed,
- 10 1 5 to promote the formation of subsidiaries of the Company with a view to such subsidiaries purchasing, leasing, licensing or otherwise acquiring interests in or the use of all or any of the Charged Property or with a view to such subsidiaries engaging employees or providing management or services or purchasing or selling agencies or distributors or for any other purpose or function which may be regarded as necessary or appropriate by such Receiver from time to time,
- 10 1 6 to arrange for such subsidiaries to trade or cease to trade as the Receiver may think fit from time to time,
- 10 1 7 to arrange for such purchase, lease, licence or acquisition of all or any of the Charged Property by any such subsidiaries on a basis whereby the consideration may be for cash, shares, debentures, loan stock, convertible loan stock or other securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise and whether or not secured on the assets of the subsidiaries and whether or not such consideration is payable or receivable in a lump sum or at any one time or a number of times or by instalments spread over such period as the Receiver may think fit,
- 10 1 8 to enter into any agreement or make any arrangement or compromise which he or they shall think expedient in respect of the Charged Property,
- 10 1 9 to make and effect all repairs, renewals, alterations and any improvements of the Charged Property as the Receiver may think fit,
- 10 1 10 to appoint managers, agents, officers, servants and workmen for any of the aforesaid purposes at such salaries and for such periods as the Receiver may determine,
- 10 1 11 to cause the Company to grant such powers of attorney or appoint agents as the Receiver may from time to time think expedient,
- 10 1 12 to take any proceedings in relation to the Charged Property in the name of the Company or otherwise as the Receiver may think expedient,
- 10 1 13 to insure the Charged Property in such manner as the Receiver may think fit or as the Lender shall from time to time direct,
- 10 1 14 to exploit or make use of the Charged Property with a view to profit or gain,
- 10 1 15 to make any elections for VAT purposes, and

10 1 16 to do any other acts which he may consider to be incidental or conducive to any of his powers or to the realisation of the Charged Property

10 2 In the case of joint Receivers any power may be exercised jointly or severally

10 3 The Receiver shall apply all money he receives first in discharge of all claims ranking in priority to this Deed, secondly in repayment of all money borrowed by him and in payment of his expenses, liabilities and fees and thirdly in or towards the remaining matters specified in section 109(8) of the Law of Property Act 1925

## **11 PROTECTION OF PURCHASERS AND POWER OF ATTORNEY**

11 1 No purchaser or other person shall be obliged or concerned to see or enquire whether the right of the Lender or any Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable nor be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers

11 2 The receipt of the Lender or any Receiver shall be an absolute discharge and the payer shall not be obliged to see the application of the monies paid to either of them

11 3 Neither the Lender nor any Receiver shall be liable to the Company in respect of any loss or damage arising out of the exercise or the attempted, purported exercise or failure to exercise any of their respective powers or arising out of any valuation or report relating to the Charged Property unless such loss or damage was caused by the Lender's own negligence or wilful default

11 4 The Company by way of security irrevocably appoints the Lender and any Receiver severally to be the attorney for the Company (with full power of substitution and delegation) in the Company's name and on the Company's behalf and as the Company's act and deed to sign or execute all such deeds, instruments and documents and do all such acts and things as may be required by the Lender or any Receiver pursuant to this Deed or the exercise of any of their powers

## **12 APPROPRIATION AND SET-OFF**

12 1 Subject to clause 12 2, the Lender may apply all payments received in respect of the Obligations in or towards discharge of such part of the Obligations as the Lender decides

12 2 The Lender may open a new account upon the Lender receiving actual or constructive notice of any charge or interest affecting the Charged Property and whether or not the Lender opens any such account no payment received by the Lender after receiving such notice shall (if followed by any payment out of or debit to the relevant account) be appropriated towards or have the effect of discharging the Obligations outstanding at the time of receiving such notice

12 3 The Lender shall be entitled at any time or times without notice (both before and after demand) to set off any liability of the Company to the Lender against any liability of the Lender to the Company (in either case whether actual or contingent, present or future and irrespective of the branch or office, currency or place of payment) and may for such purpose convert or exchange any currency

12 4 The Company agrees that the Lender may at any time without notice (and notwithstanding any settlement of account or other matter) combine or consolidate all or any of its then existing accounts including accounts jointly in the name of the Company and any other person (whether current, deposit, loan or of any other nature, whether subject to notice or not and whether in sterling or in any other currency)

### **13 PROTECTION OF SECURITY**

- 13 1 This Deed shall be a continuing security and shall extend to cover the ultimate balance due from the Company to the Lender notwithstanding that there may have been at any time a balance to the credit of the Company on any account of the Company or any other matter or thing
- 13 2 This Deed is in addition to any other rights or security, present or future, held by the Lender from the Company or any other person for the Obligations and shall not merge with or prejudice or be prejudiced by any such rights or security or any other contractual or legal rights of the Lender. Such rights or security may be enforced in whatever order the Lender decides
- 13 3 No security or payment which may be avoided or adjusted under any law relating to insolvency or similar legislation binding on the Company in whatever jurisdiction and no release, settlement or discharge given or made by the Lender on the faith of any such security or payment shall prejudice or affect the right of the Lender to recover from the Company (including the right to recover any monies refunded under the Insolvency Act 1986 and any costs payable by it or incurred in connection with any such process) or to enforce the security created by or pursuant to this Deed to the full extent of the Obligations. Any such release, settlement or discharge will be deemed to have been made upon the condition that it will become entirely void if the security or payment on the faith of which it was made or given is at any time avoided (in whole or in part)

### **14 FURTHER ASSURANCE**

The Company will at its own cost at the Lender's or any Receiver's request execute any deed or document and take any action required by the Lender or any Receiver to perfect or protect this security or its priority or further to secure on the Charged Property the Obligations or for facilitating the realisation of the Charged Property or the exercise of any rights or powers of the Lender or any Receiver or for establishing the nature or extent of the Charged Property (including giving notice to such persons as the Lender may require of the assignments effected by this Deed and any further assignments or securities)

### **15 ARRANGEMENTS WITH THE COMPANY AND OTHERS**

The Lender may without releasing or affecting the security created by this Deed do any of the following -

- 15 1 allow to the Company or any other person any time or indulgence,
- 15 2 grant to the Company or any other person any new or increased facility and increase any rate of interest or charge,
- 15 3 enter into, renew, vary or end any agreement or arrangement with or liability of the Company or any other person,
- 15 4 renew, vary, refrain from enforcing or release any present or future security or guarantee which the Lender holds from the Company or any other person, and
- 15 5 compound with the Company or any other person

### **16 CURRENCY**

- 16 1 The Company's liability under this Deed is to discharge the Obligations in the Relevant Currency
- 16 2 If at any time the Lender receives a payment (including by set-off) referable to any of the Obligations from any source in a currency other than the Relevant Currency, then -
- 16 2 1 such payment shall take effect as a payment to the Lender of the amount in the Relevant Currency which the Lender is able to purchase (after deduction of any relevant

costs) with the amount of the payment so received in accordance with its usual practice, and

- 16 2 2 if such payment is made under a court order and is treated by clause 16 2 1 as a payment of an amount which falls short of the relevant liability of the Company expressed in the Relevant Currency, the Company as a separate and independent obligation shall on demand from time to time indemnify the Lender against such shortfall and pay Interest on such shortfall from the date of such payment to the date on which the shortfall is paid

## **17 PAYMENTS TO BE MADE WITHOUT DEDUCTION**

- 17 1 All sums payable by the Company shall be paid in the Relevant Currency in immediately available funds and shall be paid to the credit of such account as the Lender may designate. All such payments shall be made in full without set-off of any sum owing by the Lender to the Company or counter-claim and free and clear of any deduction of or withholding for or on account of any Tax or for any other reason, except to the extent that any such deduction or withholding is required by law
- 17 2 If at any time the Company is required by law to make any deduction or withholding from any payment due from the Company to the Lender, the Company shall simultaneously pay to the Lender whatever additional amount is necessary to ensure that the Lender receives and retains a net sum equal to the payment it would have received had no deduction or withholding been made

## **18 CERTIFICATES**

A certificate signed by an official of the Lender as to the amount due or owing from the Company shall be conclusive evidence against the Company, except in the case of obvious error

## **19 MERGER OR AMALGAMATION**

The Obligations shall include all liabilities of the Company to the Lender notwithstanding any change to the name, style or constitution of the Lender and/or the Lender's absorption by or in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person and all sums in respect of advances and other facilities from such other person

## **20 PRIOR CHARGES**

If there is any Encumbrance which ranks in priority to the security created by this Deed and the person with the benefit of such Encumbrance does anything to enforce it, the Lender or any Receiver may repay the monies owed under that Encumbrance or arrange for it to be transferred to the Lender and the costs of doing so shall be an Expense

## **21 NOTICES**

### **21 1 Communications in writing**

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter

### **21 2 Addresses**

- 21 2 1 The address and fax number of the Lender for any communication or document to be made or delivered under or in connection with this Deed is 1<sup>st</sup> Floor, Black Horse House, 91 Sandyford Road, Newcastle upon Tyne, NE1 8HQ (for the attention of Susan

Sparrow) and its fax number is 0191 232 2999 or any substitute address or fax number as the Lender may notify to the Company by not less than five Business Days' notice

- 21 2 2 The address of the Company for any communication or document to be made or delivered under or in connection with this Deed shall be its registered office at the time such communication or document is made or delivered. The fax number of the Company for any such communication or document is 0191 258 6398 or the fax number most recently provided to the Lender by the Company

### **21 3 Delivery**

- 21 3 1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective -

(a) if by way of fax, when received in legible form, or

(b) if by way of letter, when it has been left at the relevant address or three Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 21 2 (Addresses), if addressed to that department or officer

- 21 3 2 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender above (or any substitute department or officer as the Lender shall specify for this purpose)

- 21 3 3 Communications to the Company may also be sent by electronic mail to the Company's most recent e-mail address held by the Lender. A communication sent by e-mail shall be deemed served when sent provided that the Lender has not received notice that the message is undeliverable. The Company undertakes to keep its current e-mail address available and live unless and until it notifies the Lender of an alternative address for the purposes of this clause 21 3 3

## **22 REPRESENTATIONS AND WARRANTIES**

The Company represents and warrants to the Lender that -

- 22 1 none of the provisions, covenants and obligations contained in this Deed contravenes any of the provisions of its constitution nor will this Deed or its performance infringe any law or obligation binding upon it,
- 22 2 it has complied with every formality and obtained every licence or consent and satisfied every other requirement (statutory or otherwise) which may be necessary to procure the effectiveness of this Deed,
- 22 3 it is the absolute beneficial owner of the Charged Property which is not subject to any Encumbrance other than the charges contained in this Deed, and
- 22 4 all information given by the Company to the Lender in connection with the Charged Property was when given and is now true, accurate and comprehensive in all material respects

## **23 LAW AND JURISDICTION**

- 23 1 This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales
- 23 2 The Company agrees for the exclusive benefit of the Lender that the courts of England and Wales shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes or claims (including any non-contractual disputes or claims) which may arise out of or in connection with this Deed, its subject matter or formation (or any documents entered into in accordance with its provisions) (in this clause 23, "Proceedings") and, for such purposes, irrevocably submits to the jurisdiction of the courts of England and Wales
- 23 3 The Company irrevocably waives any objection which it might at any time have to the courts referred to in this clause 23 being nominated as a forum to hear, determine and settle any Proceedings and agrees not to claim that any such courts are not a convenient or appropriate forum
- 23 4 The Company agrees that the process by which any Proceedings in England and Wales are begun or any document relating to Proceedings may be served in accordance with clause 21
- 23 5 The submission to the jurisdiction of the courts of England and Wales shall not limit the right of the Lender to take Proceedings against the Company in any other court of competent jurisdiction and the taking of Proceedings in one or more jurisdictions shall not preclude the taking of proceedings in any other jurisdiction, whether concurrently or not
- 23 6 A judgment in any proceedings against the Company in any court referred to in this clause 23 shall be conclusive and binding upon the Company and may be enforced in the courts of any other jurisdiction

## **24 ASSIGNMENT AND TRANSFER**

- 24 1 The successors in title of the parties shall have the benefit of and subject to this Deed
- 24 2 The Lender may at any time dispose of or deal in any manner with or without notice to any other person all or any part of its rights, beneficial interests or benefits under this Deed
- 24 3 The Lender may give such information relating to the Company, its affairs or this Deed as it thinks fit to any third party proposing to take an assignment and/or transfer from the Lender and/or to enter into contractual relations with the Lender with respect to this Deed
- 24 4 The Company may not dispose of or deal in any manner all or any part of its rights, beneficial interests or benefits under this Deed

## **25 INDEMNITY**

The Company will indemnify on demand the Lender and any Receiver -

- 25 1 against any loss or expense (including legal fees) sustained or incurred as a result either of a failure by the Company to perform any of its obligations under this Deed or of any representation or warranty made in this Deed having been incorrect when made, and
- 25 2 against all claims, demands, liabilities and costs (including legal fees) made or incurred or proceedings arising in any way out of the possession, operation or use of the Charged Chattels or their manufacture, selection or delivery

## **26 WAIVER**

- 26 1 No failure to exercise or any delay in exercising any right or remedy under this Deed shall operate as a waiver of it or of any other right or remedy under it. No single or partial exercise of any such right or remedy shall prevent any further or other exercise of it or the exercise of any other right or remedy.
- 26 2 Any waiver given by the Lender must be in writing and expressly stated by the Lender to be a waiver. Such waiver will only apply to the specific events or circumstances to which it is stated to relate, and not to any other events or circumstances, past or future.

## **27 SEVERANCE**

- 27 1 If any provision of this Deed shall be found by any court or authority of competent jurisdiction to be invalid or unenforceable, such provision shall be severed from the remainder of this Deed which shall remain in full force and effect to the extent permitted by law.
- 27 2 If any provision of this Deed is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were reduced in application, the provision in question shall apply with such modification as may be necessary to make it valid.

## **28 MISCELLANEOUS**

- 28 1 Interest will be calculated both before and after judgment on the basis agreed with the Company, or if none has been agreed, on a daily basis and on the basis of a 365 day year or according to the usual practice of the Lender and be compounded according to the usual practice of the Lender or, if there is no such practice, quarterly.
- 28 2 The charges contained in this Deed are made for securing further advances but the Lender is under no obligation to make any such further advance.

IN WITNESS whereof this Deed was executed as a deed and delivered on the date specified on page 1



## SCHEDULE

### Plant, Machinery, Equipment and Chattels

Manufacturer	Year of Manufacture	Year of Purchase	Model/Type	Serial Number	Location
Lincoln Electric		2011	4 off Submerged Arc Welding Machines		C shop
Boda		2011	6 off welding tables		C shop
Lincoln Electric		2011	5 off Idealarc DC1000 welding Power supply		C shop
Lincoln Electric		2011	2 off Mighty Mac 3000 Flux Recovery Units		C shop
Lincoln Electric		2011	4 off NA-32 Solid State Wire Feed Control Unit		C shop
Lincoln Electric		2011	Square Wave TIG 225 TIG Welder	10134U1961108719	C shop
Scheiss	1983	2011	CNC Vertical Borer with Siemens Sinumeric 810T Table Diameter 1250mm	CDR-40-08	C shop
Stanko	1981	2011	Vertical Borer- Turret Lathe 1512 Model 40-CDR-11 Table Diameter 1120mm	3365/1981	C shop
Stanko	1974	2011	2M57 type model 41-RAD-01 Radial Arm Drill machine -2000mm working width	1703/1974	C shop
Jungenthal	1968	2011	Twin Head Ring Groove Grinder PK5A Table Diameter 800mm	B 5089	C shop
Hamano		2011	Twin Head Ring Groove Grinder Table Diameter 1200mm		C shop
Jungenthal	1968	2011	Twin Head Ring Groove Grinder PK5 Table Diameter 800mm	B 5063	C shop
Hamano		2011	Twin Head Ring Groove Grinder Table Diameter 1200mm		C shop
Webster Bennet	1972	2011	Vertical Borer with Grinding Attachment Table Diameter 1370mm - DH48 type		C shop
Chevalier		2011	CNC Lathe	FCL-3860	C shop
Carl Clos		2011	D35708 Type WPV-DP-25kN Robotic Welding Manipulator	57373	C shop
Fronius		2011	VR400 Synergic Welder Wirer Feed Unit		C shop
Fronius		2011	TR4000 C Synergic welder Remote Unit		C shop
Temen Tennen		2011	Welding Stations including Column and Boom, Manipulating Table and Control Units		C shop
Fronius		2011	Trans Puls Synergic Welding Unit	14250995	C shop
Fronius		2011	Trans Puls Synergic Welding Unit	11421315	C shop
Fronius		2011	Trans Puls Synergic Welding Unit	12272147	C shop
Munk		2011	Programmable Plating Rectifier Output 6 x 10V - 500A		C shop
RGB		2011	Rectifier Output 6 x 10V - 500A Type D380 G7	19371	C shop

RGB		2011	Rectifier Output 6 x 10V - 400A Type D380 G7	24122/1	C shop
RGB		2011	Rectifier Output 6 x 10V - 400A Type D380 G7	24122/2	C shop
Built in house		2011	Rotary Plating Cell 6 Stations Nom Tank Size 800 x 800 x 800mm		C shop
Built in house		2011	Rotary Plating Cell 6 Stations Nom Tank Size 1000 x 1000 x 1000mm		C shop
Built in house		2011	Rotary Plating Cell 6 Stations Nom Tank Size 1100 x 1100 x 1100mm		C shop
RGB		2011	Plating Rectifier 4 Output 10V - 500A		C shop
Built in house		2011	Twin rotary Plating Cell		C shop
Built in house		2011	Twin rotary Plating Cell		C shop
Built in house		2011	Twin rotary Plating Cell		C shop
Hunger		2011	Valve Spindle Grinder	45-KLS-02	C shop
Munk		2011	Programmable Plating Rectifier Output 4 x 10V - 150A		C shop
Regler und Gleichrichterbau		2011	6 off Plating Rectifiers and Regulators		C shop
Built in house		2011	Rotary Tables		C shop

EXECUTED AS A DEED by DMI (UK)  
LIMITED acting by  
a director, in the presence of -

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)  
)  
)  
)



Signature of witness



Name

ALAN LEEUE GRAY

Address

19 HIGHWOOD COURT  
GATEHEAD, NE10 9NH.

Occupation

FINANCE DIRECTOR