

MG01

Particulars of a mortgage or charge



3 17178/52

A fee is payable with this form.

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page



What this form is for

You may use this form to register particulars of a mortgage or charge in England and Wales or Northern Ireland



What this form is NOT for

You cannot use this form to register particulars of a charge on company property. To do this, please use form MG01s

WEDNESDAY



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A83Q7RPY

16/02/2011

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COMPANIES HOUSE

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Company details

Company number

0 1 5 4 3 8 2 8

Company name in full

LYMINGTON PRECISION ENGINEERS CO LIMITED
(the "Company")

15

For official use



Filling in this form

Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

2

Date of creation of charge

Date of creation

d0 d9 m0 m2 y2 y0 y1 y1

3

Description

Please give a description of the instrument (if any) creating or evidencing the charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

Debenture dated 9 February 2011 entered into between (1) Lymington Precision Engineering (LPE) Limited (2) LPE (Lymington) Limited, LPE Holdings Limited, the Company (the "Obligors") and Anthony Chalk (the "Security Trustee") (the "Debenture")

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

All monies 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 Stockholders, in each case from or by any Obligor under the terms of any Finance Document and the Investment Agreement (the "Secured Obligations")

Continuation page

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

MG01

Particulars of a mortgage or charge

5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page

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

Name ANTHONY CHALK

Address 27 SOUTH STREET, PENNINGTON, LYMINGTON,
HAMPSHIRE

Postcode S O 4 1 8 E B

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page

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

Short particulars

Please see the attached continuation pages (5 in total) for particulars and definitions

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>The Company charged with full title guarantee to the Security Trustee as security for the payment and discharge of all the Secured Obligations</p> <p>FIRST - The property vested in it and described in Schedule 1 of the Debenture together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein,</p> <p>SECOND - All other freehold and leasehold property vested in it both present and future together with all buildings and fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon and therein,</p> <p>THIRD - All plant, machinery, vehicles and other equipment now or hereafter owned by the Company together with the benefit of any obligations and warranties given by the manufacturer or supplier of such plant, machinery or other equipment and the benefit of all maintenance agreements entered into between the Company and any other person in respect of such plant, machinery and other equipment,</p> <p>FOURTH - All Investments now or hereafter beneficially owned by the Company, and all dividends, interest and other distributions paid or payable in respect thereof,</p> <p>FIFTH - All Negotiable Instruments of the Company;</p> <p>SIXTH - The benefit of all present and future licences (statutory or otherwise) held in connection with the business of the Company or the user of any property the subject of the security created by or pursuant to the Debenture and the right to recover and receive all compensation which may at any time become payable to the Company in respect thereof,</p> <p>SEVENTH - All licences and patents (including applications and the rights to apply therefore), copyrights, rights in trademarks whether registered or not, trade names, rights in service marks whether registered or not, registered designs, know-how and rights in confidential information now or at any time belonging to the Company,</p> <p>EIGHTH - The goodwill and the uncalled capital of the Company both present and future,</p> <p>NINTH - The debts due or owing to the Company both present and future (whether or not the sum is such as would in the ordinary course of business be entered in the books relating to such business),</p> <p>TENTH - All benefits in respect of all contracts and policies of insurance (including, for the avoidance of any doubt, all cover notes) which are from time to time taken out by or (to the extent of such interest) in which the Company has an interest including, without limitation, keyman policies (if any) in respect of the lives of directors, officers or employees of the Company,</p> <p>ELEVENTH - The stock-in-trade and work-in-progress, prepayments, investments quoted on a recognised stock exchange and cash of the Company both present and future, and</p> <p>TWELFTH - The undertaking and all other property and assets of the Company both present and future not otherwise charged under the Debenture,</p> <p>all and any of the property and assets FIRST through TWELFTH described above being</p>	

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>the "Charged Property"</p> <p>The charges on the property and assets FIRST, SECOND, THIRD, FOURTH, FIFTH, SIXTH, SEVENTH, EIGHTH, NINTH and TENTH described are created as fixed charges and constitute charges by way of legal mortgage on the property FIRST, SECOND and FOURTH described which is now vested in the Company</p> <p>The charges on the property and assets ELEVENTH and TWELFTH described are created as floating charges unless and until the provisions of Clause 4.2 and/or Clause 4 3 of the Debenture become operative when the floating charges shall crystallise and become fixed charges. Such floating charges being qualifying floating charges for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act, the provisions of such paragraph applying to such floating charges</p> <p>The security hereby created by the Debenture is continuing security for the Secured Obligations and shall not be considered as satisfied or discharged by any intermediate payment or settlement of any part of the Secured Obligations</p> <p>The Company hereby undertakes with the Security Trustee that at no time during the subsistence of the security constituted by or pursuant to the Debenture will the Company</p> <ul style="list-style-type: none"> (a) otherwise than in respect of any Permitted Security, create, grant, extend or permit to subsist any mortgage, charge or other fixed security or any floating charge or any pledge, hypothecation or lien or other security interest of any kind on or over the Charged Property or any part thereof or dispose of the equity of redemption in any such property interest. The foregoing prohibition shall apply not only to mortgages, other fixed securities and floating charges which rank or purport to rank in point of security in priority to the security hereby constituted but also to any mortgages, securities or charges which rank or purport to rank pari passu therewith or thereafter, (b) otherwise than pursuant to a Permitted Disposal <ul style="list-style-type: none"> (i) part with, sell or transfer or otherwise dispose of or agree to dispose of all or any part of the Charged Property; (ii) allow any person any licence or other right to use or share possession of all or any part of the Charged Property; and (c) none of the foregoing prohibitions in Clause 2 4 of the Debenture shall be construed as limiting any powers exercisable by any receiver appointed by the Security Trustee hereunder and being an agent of the Company 	

MG01 - continuation page

Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>DEFINITIONS</p> <p>"Bank" means Barclays Bank PLC</p> <p>"Bank Documents" means any facility agreement and security document executed by the Company in favour of the Bank from time to time.</p> <p>"Finance Documents" means the Loan Stock Deed, the Debenture and the Intercreditor Deed</p> <p>"Intercreditor Deed" means the intercreditor agreement referred to in Clause 20 (Intercreditor Deed of the Debenture).</p> <p>"Investments" means shares, stocks, warrants, options (including the Original Shares) and all rights or other property of a capital nature which accrue or are offered issued or paid at any time in respect of such shares, stock, warrants and options</p> <p>"Loan Stock Deed" means the deed of even date herewith constituting the Stock of the Company</p> <p>"Negotiable Instruments" means all bills of exchange, promissory notes and other negotiable instruments of any description beneficially owned now or hereafter by the Company</p> <p>"Original Shares" means the shares listed in Schedule 2 of the Debenture (if any)</p> <p>"Permitted Security" means</p> <ul style="list-style-type: none"> (a) any security arising under or permitted by the Finance Documents and/or the VSC Loan Stock Security Document and/or the Bank Documents; (b) any lien arising by operation of law and in the ordinary course of trading, (c) any netting or set-off arrangement entered into by the Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Company, (d) any security arising from the Company providing cash cover, (e) any security arising under any retention of title, hire purchase or conditional sale arrangements or arrangements having similar effect in respect of goods supplied to the Company in the ordinary course of trading, (f) any security arising as a consequence of any finance or capital lease, or (g) any security permitted by the Security Trustee in writing <p>"Permitted Disposal" means any sale, lease, licence, transfer or other disposal which, except in the case of paragraph (b), is on arm's length terms</p> <ul style="list-style-type: none"> (a) of trading stock or cash made by the Company in the ordinary course of trading of the disposing entity, 	

MG01 - continuation page

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Please give the short particulars of the property mortgaged or charged

Short particulars

- (b) of any asset by the Company to another Company,
- (c) of assets (other than any shares, business, real property or intellectual property and other assets which are subject to a fixed charge in favour of the Security Trustee) in exchange (within 30 days or such longer period as the Security Trustee may agree) for other assets comparable or superior as to type, value or quality,
- (d) of obsolete or redundant vehicles, plant and equipment for cash;
- (e) constituted by a licence of intellectual property rights;
- (f) arising as a result of any Permitted Security,
- (g) of cash by way of a Permitted Loan,
- (h) of assets (other than shares, businesses, real property or intellectual property and other assets which are subject to a fixed charge in favour of the Security Trustee) for cash where the higher of the book value or the net consideration receivable in respect of such asset when aggregated with the higher of the book value or the net consideration receivable for any other sale, lease, licence, transfer or other disposal of an asset not allowed under the preceding paragraphs) does not exceed £50,000 (or its equivalent) in aggregate and does not exceed £50,000 (or its equivalent) in any financial year; or
- (i) permitted by the Security Trustee in writing.

"Permitted Loan" means

- (a) any trade credit of up to 120 days extended by the Company to its customers on normal commercial terms and in the ordinary course of its trading activities,
- (b) any loan made under the terms of any Structural Intra-Group Loan Document for the purposes of enabling the Company to meet its payment obligations under the Bank Documents and/or the Finance Documents if such payments are permitted by the Intercreditor Deed;
- (c) a loan made by the Company to another Company; or
- (d) a loan made by the Company to an employee or director of the Company if the amount of that loan when aggregated with the amount of all loans to employees and directors by the Company does not exceed £50,000 (or its equivalent) at any time.

"Stock" means the £4,000,000 Guaranteed Secured Subordinated Loan Stock 2011 to 2012 constituted under the Loan Stock Deed or as the case may require the amount thereof for the time being issued and outstanding or a specified portion thereof

MG01 - continuation page

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"Structural Intra-Group Loan Document" has the same meaning as given in the Intercreditor Deed

"VSC Loan Stock Security Documents" means the debenture created by the company in favour of Project Forest L.P. acting by its general partner Project Forest (GP) LLP.

MG01

Particulars of a mortgage or charge

7

Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

NIL

8

Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9

Signature

Please sign the form here

Signature

Signature

X Pas Smith LLP X

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

MG01

Particulars of a mortgage or charge



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name JNM/glp/98268/1

Company name Paris Smith LLP

Address 1 London Road

Post town Southampton

County/Region Hampshire

Postcode S O 1 5 2 A E

Country United Kingdom

DX DX38534 SOUTHAMPTON 3

Telephone 02380 482482



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 the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee



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.

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 or email enquiries@companieshouse.gov.uk

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



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 1543828
CHARGE NO. 15**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 9 FEBRUARY
2011 AND CREATED BY LYMINGTON PRECISION ENGINEERS
CO. LIMITED FOR SECURING ALL MONIES DUE OR TO
BECOME DUE IN EACH CASE FROM OR BY ANY OBLIGOR TO
THE STOCKHOLDERS ON ANY ACCOUNT WHATSOEVER
UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART 25 OF THE COMPANIES ACT
2006 ON THE 16 FEBRUARY 2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 17 FEBRUARY
2011

DX



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES