



**Registration of a Charge**

Company name: **ADELPHI AUTOMATION LTD**

Company number: **07966270**



X94Z1SYY

Received for Electronic Filing: **13/05/2020**

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**Details of Charge**

Date of creation: **13/05/2020**

Charge code: **0796 6270 0002**

Persons entitled: **DUNMORE HOLDINGS LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**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 THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **JM PRIESTLEY**



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

Company number: 7966270

Charge code: 0796 6270 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th May 2020 and created by ADELPHI AUTOMATION LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th May 2020 .

Given at Companies House, Cardiff on 14th May 2020

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**

Certified as a true copy of the original  
Signed [Signature]  
Name Julia [unclear]  
Date 13.5.20  
3volution

Private & Confidential

**3volution Limited**  
10 South Parade  
Leeds  
LS1 5QS

DATED

13 May

2020

ADELPHI AUTOMATION LTD

and

DUNMORE HOLDINGS LIMITED

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ASSIGNMENT OF BOOK DEBTS

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**3volution**  
10 South Parade  
Leeds  
LS1 5QS

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THIS ASSIGNMENT is made on 13 May

2020

## **PARTIES**

- (1) **ADELPHI AUTOMATION LTD**, a company incorporated in England and Wales with registered number 07966270 whose registered office is at Unit 4 Castlehill Industrial Estate, Bredbury SK6 2SU (the "**Assignor**"); and
- (2) **DUNMORE HOLDINGS LIMITED** a company incorporated in England and Wales with registered number 11451449 whose registered office is at 1 & 2 Innovation Way, Cross Green, Leeds LS9 0DR (the "**Lender**").

## **BACKGROUND**

Further to the Debenture (as defined below) the Lender wishes to protect certain of its security thereunder and has accordingly requested the Assignor to enter into this Assignment.

## **AGREED TERMS**

### **1. Definitions and Interpretation**

#### **1.1 Definitions**

In this Assignment, unless otherwise provided:

"**Assigned Rights**" means all of the present and future rights, title and interest which from time to time are the subject of any Security Interest created, or purported to be created, by or pursuant to this Assignment;

"**Book Debts**" means the inter-Company book debt in the aggregate sum of owed by the Debtor to the Assignor as at the date hereof;

"**Debenture**" means the debenture dated 3 December 2019 between the Assignor (1) and the Lender (2);

"**Debtor**" means Adelphi Developments Limited (registered number 10227064);

"**Finance Documents**" means the First Loan Agreement and the Second Loan Agreement;

**"First Loan Agreement"** means the loan agreement for a term loan of £800,000 dated 3 December 2019 and made between the Assignor (1) and the Lender (2);

**"LPA 1925"** means the Law of Property Act 1925;

**"Party"** means a party to this Assignment;

**"Payment Instruments"** means all bonds, cheques, undertakings, drafts drawn and/or accepted, negotiable instruments or other similar instruments issued in relation to the Book Debt now or from time to time existing of which the Assignor is the beneficiary;

**"Receiver"** means any receiver appointed under this Assignment or pursuant to any applicable law, whether alone or jointly, and includes a receiver and/or manager;

**"Receivables"** means all money, revenue, monetary claims or amounts due, owing or payable now or in the future to, or for the account of, the Assignor under or in respect of the Book Debt or the Payment Instruments (whether actual, contingent, contractual or otherwise);

**"Related Rights"** means:

- (a) all present and future rights to the proceeds of the Book Debt;
- (b) all present and future rights arising out of, or in connection with any Payment Instrument;
- (c) all rights, actions and remedies now or in the future accruing under or in relation to the Book Debt or any of the Payment Instruments including all rights arising out of, or in connection with, any breach or default in connection with the payment of any of the Book Debt or any of the Payment Instruments, and
- (d) any other right, benefit, insurance money or proceeds arising under or pursuant to any of the Book Debt or any of the Payment Instruments or from the disposal thereof;

**"Second Loan Agreement"** means the loan agreement for a term loan of £110,000 dated 31 January 2020 and made between the Assignor (1) and the Lender (2);

**"Secured Obligations"** means all present and future obligations and liabilities (whether actual or contingent, whether incurred alone, jointly or severally, whether as principal or surety and/or in any other capacity whatsoever and regardless of how they arise) owed by the Assignor to the Lender under or in connection with any agreement or arrangement whatsoever including the Finance Documents together with all losses, costs, charges, expenses and liabilities including interest incurred by the Lender in connection with the protection, preservation or enforcement of its rights thereunder or any other document evidencing or securing any such liabilities;

**"Security Interest"** means any charge, pledge, mortgage, lien or other security interest securing any obligations of any person or any other arrangement of any type whatsoever having the effect of conferring security or a similar effect; and

**"Security Period"** means the period beginning on the date of this Assignment and ending on the date on which the Lender is satisfied that the Secured Obligations have been unconditionally and irrevocably discharged in full and that no further Secured Obligations are capable of being outstanding.

## **1.2 Incorporation of Facility Agreement definitions**

Unless defined otherwise in this Assignment, or the context requires otherwise, all words or expressions defined in the Facility Agreement have the same meaning in this Assignment.

## **1.3 Interpretation**

- (a) In this Assignment, unless the context otherwise requires:
  - (i) words in the singular include the plural and vice versa;
  - (ii) including means including without limitation;
  - (iii) where an act is required to be performed promptly, it must be performed as soon as reasonably possible from the moment when the act could reasonably have been performed, having regard to all of the circumstances;
  - (iv) a time of day is a reference to London time;



- (v) a reference to any Party shall be construed as including, where relevant, successors in title to that Party, and that Party's permitted assigns and transferees (if any);
  - (vi) a reference to a person includes individuals, unincorporated bodies, government entities, companies and corporations;
  - (vii) a reference to a Clause or a Schedule is to a clause of, or schedule to, this Assignment;
  - (viii) a reference to this Assignment, any other Finance Document or any other agreement is a reference to that document as amended, novated, supplemented, restated or replaced from time to time in accordance with its terms; and
  - (ix) references to legislation include any modification or reenactment thereof.
- (b) A reference to this Assignment includes its Schedule, which forms part of this Assignment.
  - (c) The table of contents and any Clause title, Schedule title or other headings in this Assignment are included for convenience only and shall have no effect on the interpretation of this Assignment.
  - (d) An Event of Default is 'continuing' if it has not been waived [in writing] by the Lender.

#### **1.4 Third party rights**

- (a) Except as expressly provided for in this Assignment, a person who is not a Party (other than a Receiver or any of its delegates or sub-delegates) shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the provisions of this Assignment. This does not affect any right or remedy of such a person that exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) The Parties may terminate or rescind this Assignment, or agree to any variation, waiver or settlement in connection with it, without the consent of

any third party, whether or not it extinguishes or alters any entitlement they may have to enforce any of the provisions of this Assignment.

**2. Covenant to pay**

The Assignor covenants with the Lender that it shall, on demand by the Lender, pay and discharge all the Secured Obligations when due, (together with all interest, fees, costs and expenses charged by or incurred by the Lender in connection with the Assignor's obligations to pay and discharge the Secured Obligations).

**3. Assignments by way of security**

3.1 The Assignor, with full title guarantee, assigns absolutely to the Lender, as security for the payment and discharge of the Secured Obligations all of the Assignor's rights, title and interest from time to time in and to:

- (a) the Book Debts;
- (b) the Receivables; and
- (c) the Related Rights.

**4. Representations and warranties**

4.1 The Assignor makes the following representations and warranties to and for the benefit of the Lender on the date of this Assignment and acknowledges that the Lender has placed reliance on such representations and warranties:

- (a) this Assignment creates the Security Interests that it purports to create and each such Security Interest constitutes a legal, valid and effective Security Interest with first ranking priority;
- (b) no Security Interest subsists over any of the Assigned Rights except for the Security Interests created by or pursuant to this Assignment and no person holds an interest in any of the Assigned Rights other than the Lender under this Assignment;
- (c) it is the sole legal and beneficial owner of all of the Assigned Rights;

- (d) the obligations of the Assignor and the relevant debtor under the Book Debts are legal, valid, binding and enforceable;
- (e) each of the Assigned Rights is, or will be when it comes into existence, assignable at any time by the Assignor to the Lender, without the consent of any third party;
- (f) there have been no amendments, waivers or modifications of the terms of any contract or arrangement or any extension of time for payment in relation to any Assigned Right;
- (g) the Assigned Rights are not subject to any rights of set-off or counterclaim by any other person;
- (h) there have been no defaults in relation to or in connection with any of the Assigned Rights and the debtor has not sought to repudiate or rescind the contract or arrangement to which such Assigned Right relates and;
- (i) the Assignor has no knowledge of any fact that would or might prejudice or affect any right, power or ability of the Lender to enforce any of the Assigned Rights or any term or condition under them.

4.2 The representations contained in this Clause 4 (Representations and warranties) are deemed to be repeated by the Assignor by reference to the facts and circumstances then existing on each day during the Security Period.

## 5. Undertakings

5.1 The undertakings in this Clause 5 (Undertakings) remain in effect throughout the Security Period.

5.2 The Assignor must:

- (a) maintain and preserve any Security Interests created by or pursuant to this Assignment and the first-ranking priority of such Security Interests;
- (b) maintain, preserve, protect and keep good and marketable title to all of the Assigned Rights;

- (c) get in and realise the Receivables in the ordinary course of its business;
- (d) enforce its rights in relation to the Receivables;
- (e) perform its obligations under any contracts or arrangements entered into in connection with the Assigned Rights;
- (f) provide the Lender, promptly upon request, with originals or certified true copies, as the Lender from time to time directs, of all documents and underlying contracts evidencing or relating to any or all of the Assigned Rights together with, in the case of any Payment Instruments, all demands, notices and certificates as required by the Lender and (where relevant) signed by the Assignor in blank;
- (g) provide the Lender in due and sufficient time all documents required to be presented under each Payment Instrument, ensure that such documents are fully in conformity with such Payment Instrument and take all steps necessary or advisable to ensure due acceptance and/or payment by the issuing or confirming bank, other financial institution or person under such Payment Instrument;
- (h) take all action necessary to procure that all the Receivables and moneys from time to time payable to the Assignor under or in connection with the Assigned Rights are paid directly to the Lender;
- (i) provide to the Lender promptly on request all information, accounts and records in the possession or control of the Assignor in relation to the Assigned Rights that may be necessary or of assistance to enable the Lender to verify:
  - (i) the amount of all payments made or payable in relation to any of the Assigned Rights by the other party to any contract or arrangement relating to each Assigned Right; or
  - (ii) the performance by each such other party of all its obligations under any contract or arrangement relating to each Assigned Right;

- (j) provide the Lender with copies of all notices given to or received from the other party in relation to any of the Assigned Rights promptly after they are given or received;
- (k) provide the Lender with any reports, accounts, circulars and other documents relating to the Assigned Rights promptly when they are received; and
- (l) generally provide the Lender and its officers and any Receiver appointed under this Assignment with full and prompt cooperation and assistance.

5.3 The Assignor must not:

- (a) create or permit to subsist any Security Interest over any of the Assigned Rights other than the Security Interests created by or pursuant to this Assignment;
- (b) either in a single transaction or in a series of transactions sell, transfer, licence, grant any option in respect of or otherwise dispose of all or any part of the Assigned Rights or agree or attempt to do so;
- (c) do or omit to do anything in relation to any of the Assigned Rights which may reasonably be expected to adversely and materially affect the Assignor's ability to perform any of the Secured Obligations or the Lender's interests in the Assigned Rights; or
- (d) without the Lender's prior written consent:
  - (i) amend or waive any of the Assigned Rights;
  - (ii) release any other party to any of the contracts or arrangements entered into in respect of the Assigned Rights from any of its obligations thereunder or allow such party to exercise any right of set-off; or
  - (iii) waive any breach by such other party of, or agree to accept termination of such other party's obligations under any of the Assigned Rights.

**6. Perfection of security**

- 6.1 The Assignor must, immediately upon the execution of this Assignment, execute and deliver to the Lender (at the Assignor's expense) in such form and substance as the Lender may reasonably require all documents required to perfect the Security Interests created, or purported to be created, by or pursuant to this Assignment (including any documents required in connection with any registration formalities).
- 6.2 The Assignor must, immediately upon the execution of this Deed, give notice of assignment of the Receivables, substantially in the form set out in the Schedule (Form of notice of assignment and acknowledgement) to the relevant debtor of the Assignor and use all reasonable endeavours to procure that such debtor returns the signed acknowledgement of such notice directly to the Lender within five days from the date of this Assignment.
- 6.3 The Assignor must take all such other action as is available to it as may be necessary or as may reasonably be requested by the Lender to create, perfect, protect or maintain any of the Security Interests created, or purported to be created, by or pursuant to this Assignment or to vest title to any of the Assigned Rights in the Lender or its nominee or any purchaser, or to facilitate the realisation of any of the Assigned Rights under this Assignment or the exercise of any of the rights, powers and remedies of the Lender provided by or pursuant to this Assignment or by law, including making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including Companies House).

**7. Further assurance**

- 7.1 The Assignor must, if requested by the Lender, execute in favour of the Lender (or as the Lender directs) such further legal or other assignments or mortgages of, or charges on, the Assigned Rights as the Lender requires to secure the payment and discharge of the Secured Obligations.
- 7.2 The assignments, mortgages or charges shall be prepared by or on behalf of the Lender at the cost of the Assignor, and shall contain such provisions as the Lender may require.

## **8. Enforcement**

- 8.1 The Security Interests created by or pursuant to this Assignment shall become immediately enforceable at any time after any of the Secured Obligations is not paid in full on its due date for payment.
- 8.2 After the Security Interests created by or pursuant to this Assignment have become enforceable, the Lender may in its absolute discretion enforce all or any part of this Assignment in any manner it sees fit.

## **9. Appointment and powers of a Receiver**

### **9.1 Appointment of a Receiver**

At any time:

- (a) after the Security Interests created by or pursuant to this Assignment have become enforceable; or
- (b) if so requested by the Assignor,

the Lender may appoint in writing any person to be a Receiver of all or any part of the Assigned Rights.

### **9.2 Powers of Receivers joint and several**

Where more than one Receiver is appointed, they shall have the power to act separately unless the Lender in the appointment specifies to the contrary.

### **9.3 Remuneration of Receiver**

The Lender may from time to time determine the remuneration of the Receiver.

### **9.4 Power of the Lender to remove Receiver**

The Lender may, subject to section 45 of the Insolvency Act 1986, remove the Receiver from the assets of which it is Receiver.

### **9.5 Further appointment**

The appointment of a Receiver shall not preclude:

- (a) the Lender from making any subsequent appointment of a Receiver over all or any of the Assigned Rights over which a Receiver has not previously been appointed or has ceased to act; or
- (b) a Receiver, while continuing to act, consenting to the appointment of an additional Receiver to act with it.

#### **9.6 Status of Receiver as agent**

A Receiver shall be the agent of the Assignor and the Assignor shall be solely liable for the Receiver's acts, defaults and remuneration, unless and until the Assignor goes into liquidation, after which the Receiver shall act as principal and shall not become the agent of the Lender.

#### **9.7 Powers of Receiver**

A Receiver shall have and be entitled to exercise in relation to the Assignor all the powers set out in Schedule 1 to the Insolvency Act 1986, and in particular, by way of addition and without limiting such powers, and without prejudice to the powers of the Lender, a Receiver shall have power either in its own name or in the name of the Assignor:

- (a) in connection with any sale or other disposition of the Assigned Rights, to receive the consideration for the sale in a lump sum or in instalments and to receive shares by way of consideration;
- (b) to grant options, licences or any other interests in the Assigned Rights;
- (c) to do all other acts and things which it may consider desirable or necessary for realising any of the Assigned Rights or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Assignment; and
- (d) to exercise in relation to any of the Assigned Rights all the powers, authorities and things which it would be capable of exercising if it was the absolute beneficial owner of such Assigned Rights.



#### **9.8 Limitation on liability**

Neither the Lender nor any Receiver shall be liable:

- (a) for any loss, however caused, arising out of:
  - (i) any sale or other disposal of any of the Assigned Rights and whether or not a better price could or might have been obtained by deferring or advancing the date of such sale or other disposal; or
  - (ii) the exercise of or failure to exercise any of the Lender's powers under this Assignment; or
- (b) to account as mortgagee in possession for any of the Assigned Rights.

#### **9.9 Section 109 of the LPA 1925**

Section 109 of the LPA 1925 shall not apply to this Assignment.

### **10. Power of attorney**

#### **10.1 Power of attorney**

The Assignor, by way of security, irrevocably appoints the Lender (whether or not a Receiver has been appointed) and any Receiver separately, to be the attorney of the Assignor with full power to appoint substitutes and to delegate, for the Assignor in its name and on its behalf, and as its act and deed or otherwise, to execute, deliver and otherwise perfect any document, or perform any act:

- (a) that may be required of the Assignor under this Assignment and that the Assignor has failed to do within five days of being notified by the Lender that it is required; or
- (b) that may be deemed by the attorney necessary or desirable for any purpose of this Assignment (including, after the Security Interests created by or pursuant to this Assignment have become enforceable, to transfer legal ownership of any of the Assigned Rights).

## **10.2 Ratification**

Without prejudice to the generality of Clause 10.1 (Power of attorney), the Assignor covenants with the Lender and separately with any Receiver to ratify:

- (a) all transactions entered into by any attorney in the proper exercise of its powers in accordance with this Assignment; and
- (b) all transactions entered into by any attorney in signing, sealing or delivering any deed, assurance or document, perfecting any Security Interest or performing any act, in each case in the proper exercise of its powers in accordance with this Assignment.

## **11. Other powers exercisable by the Lender**

### **11.1 Lender may exercise Receiver's powers**

All powers of a Receiver conferred by this Assignment may be exercised by the Lender after the Security Interests created by or pursuant to this Assignment have become enforceable, whether as attorney of the Assignor or otherwise, and whether or not a Receiver has been appointed.

### **11.2 Lender empowered to receive Receivables**

The Lender or any manager or officer of the Lender is irrevocably empowered to receive all Receivables that may be assigned to the Lender under this Assignment, on payment to give an effectual discharge for them, on non-payment to take and institute if the Lender in its sole discretion so decides all steps and proceedings either in the name of the Assignor or in the name of the Lender for their recovery, and to agree accounts and to make allowances and to give time to any surety. The Assignor undertakes to ratify and confirm whatever the Lender or any manager or officer of the Lender shall do or purport to do under this Clause 11 (Other powers exercisable by the Lender).

### **11.3 Lender not obliged to take action relating to Receivables**

The Lender shall not be obliged to:

- (a) make any enquiry as to the nature or sufficiency of any sums received by it under this Assignment or pursuant to any of the Receivables;
- (b) make any enquiry as to the adequacy of performance by any other party to any of the contracts or arrangements relating to the Assigned Rights of that party's obligations under any of the contracts or arrangements relating to the Assigned Rights;
- (c) make any claim or take any other action under this Assignment; or
- (d) collect any money or enforce any of its other rights under this Assignment.

**11.4 Lender has no obligation in respect of the Receivables**

The Lender shall have no obligation in respect of the Receivables and shall have no liability in the event of failure by the Assignor to perform its obligations under any contract or arrangement relating to an Assigned Right.

**12. Statutory power of sale to arise on execution**

Section 103 of the LPA 1925 shall not apply to this Assignment, but the statutory power of sale shall, as between the Lender and a purchaser from the Lender, arise on, and be exercisable at any time after, the execution of this Assignment. However, the Lender shall not exercise such power of sale until the Security Interests created by or pursuant to this Assignment become enforceable, or a Receiver has been appointed, but this provision shall not affect a purchaser or require a purchaser to ask whether a demand or appointment has been made.

**13. Protection of third parties**

No person (including a purchaser) dealing with the Lender or any Receiver or any of their respective nominees or agents, shall be concerned to enquire:

- 13.1 whether the Security Interests created by or pursuant to this Assignment have become enforceable;
- 13.2 whether any Receiver is validly appointed or acting within its powers;
- 13.3 whether any power exercised or purported to be exercised has become exercisable;

- 13.4 whether any of the Secured Obligations remain due;
- 13.5 as to the necessity or expediency of any stipulations or conditions subject to which the sale of any of the Assigned Rights is made, or otherwise as to the propriety or regularity of the sale of any of the Assigned Rights; or
- 13.6 how any money paid to the Lender or a Receiver, or their respective nominees or agents, is applied.

**14. Consolidation of mortgages**

The restrictions on consolidation of mortgages contained in section 93 of the LPA 1925 shall not apply to this Assignment.

**15. Rights of Lender or Receiver to remedy breach**

If the Assignor defaults in its performance of any of the undertakings under Clause 5 (Undertakings) or other obligations in this Assignment, the Lender or any Receiver may (but shall not be obliged to) do whatever may be necessary to rectify the default or protect the Lender's interest under this Assignment at the expense of the Assignor.

**16. Application of money received by the Lender or a Receiver**

**16.1 Application of recoveries**

Any money received under this Assignment shall, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- (a) in payment of the remuneration of the Receiver and the costs of realisation incurred by the Lender and/or the Receiver including all costs, charges and expenses of or incidental to any exercise of any power conferred by this Assignment;
- (b) in or towards the payment of any debts or other amounts which are by statute made payable in preference to the Secured Obligations, to the extent that such debts or other amounts are made so payable;
- (c) in or towards satisfaction of the Secured Obligations in such order as the Lender determines, in its absolute discretion; and

- (d) as to the surplus, if any, to the Assignor or to any other person or persons entitled to it.

**16.2 Credit to a suspense account**

The Lender may, in its absolute discretion on or at any time or times after demand and pending the payment to the Lender of the whole of the Secured Obligations, place and keep to the credit of a separate or suspense account any money received, recovered or realised by the Lender by virtue of this Assignment for so long and in such manner as the Lender may determine without any intermediate obligation to apply it in or towards the discharge of any of the Secured Obligations.

**17. Default interest**

If the Assignor fails to make any payment due under this Assignment on its due date, interest on the unpaid amount shall accrue daily, from the date of non-payment to the date of actual payment (both before and after judgment) at a rate of 14.96%.

**18. Costs, expenses and indemnity**

18.1 The Assignor must, within three Business Days of demand by the Lender, pay to the Lender all reasonable costs and expenses (including legal fees) together with VAT thereon incurred by the Lender arising at any time in connection with:

- (a) the negotiation, preparation, execution or perfection of this Assignment (or the Security Interests created by it) including pursuant to Clauses 6 (Perfection of security) and 7 (Further assurance); and/or
- (b) responding to, considering or implementing any request for a consent, amendment or waiver to this Assignment.

18.2 The Assignor must, within three Business Days of demand by the Lender, pay to the Lender on a full indemnity basis all costs, losses and liabilities (including legal fees) together with VAT thereon incurred by or on behalf of the Lender arising at any time as a result of or in connection with the preservation and/or enforcement of any of the rights of the Lender under this Assignment.

**19. Payments**

- 19.1 All sums payable by the Assignor under this Assignment must be paid in Sterling in full without any set-off or counterclaim and in cleared funds no later than 11am on the day in question to such account as the Lender may have specified for this purpose.
- 19.2 Where the day on or by which any payment is to be made is not a Business Day, that payment must be made on or by the following Business Day.

**20. Currency indemnity**

- 20.1 The Assignor must, as an independent obligation, indemnify the Lender against any loss or liability which the Lender incurs as a consequence of:
- (a) the Lender receiving an amount in respect of the Assignor's liability under this Assignment; or
  - (b) that liability being converted into a claim, proof, judgment or order,
- in a currency other than Sterling.
- 20.2 Unless otherwise required by law, the Assignor waives any right it may have in any jurisdiction to pay any amount under this Assignment in a currency other than Sterling.

**21. Information**

The Lender may from time to time seek from any other creditor or provider of finance to the Assignor such information about the Assignor and its affairs as the Lender may think fit and the Assignor directs such third party to provide such information to the Lender.

**22. Transfers**

**22.1 Right of Lender to transfer**

The Lender is entitled at any time to assign its rights or otherwise transfer all or any part of its rights or obligations under this Assignment or any acknowledgement referred to in Clause 6.2 to any party to whom it has assigned its rights or otherwise transferred its rights or obligations under any of the Finance Documents.

## **22.2 No right of Assignor to transfer**

The Assignor is not entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Assignment.

## **22.3 Disclosure**

The Assignor irrevocably authorises the Lender to disclose any information concerning the Assignor, this Assignment or the Secured Obligations to:

- (a) any prospective assignee or transferee referred to in Clause 22.1 (Right of Lender to transfer) and any other person considered by the Lender to be concerned in the prospective assignment or transfer; and
- (b) any person who, as part of the arrangements made in connection with any transaction referred to in Clause 22.1 (Right of Lender to transfer), requires such information after the transaction has been effected.

## **23. Notices**

23.1 Any notice or other communication given by a party under this Assignment must:

- (a) be in writing and in English; and
- (b) be signed by or on behalf of the party giving it.

23.2 Notices will be sent to:

- (a) Lender-Attention: David Flannery at 1 & 2 Innovation Way, Cross Green, Leeds, West Yorkshire LS9 0DR; and
- (b) Borrower-Attention: Paul Stout at Unit 4 Castlehill Industrial Estate, Bredbury, Stockport, Cheshire SK6 2SU.

23.3 A Party may change any of its details given in Clause 23.2 by giving not less than five Business Days' notice to the other Party.

23.4 Notices may be given and will be deemed received:

- (a) by hand: on receipt of a signature at the time of delivery;

- (b) by pre-paid first class post: on the second Business Day after posting; and
- (c) by facsimile: on receipt of a transmission report from the correct number confirming uninterrupted and error-free transmission.

23.5 This Clause 23 (Notices) does not apply to any notice given in legal proceedings, arbitration or other dispute resolution proceedings.

**24. Amendments**

No amendment, waiver or variation of any of the terms of this Assignment will be valid or effective unless made in writing and signed by or on behalf of the Parties.

**25. Remedies and waivers**

25.1 No failure, delay or omission by the Lender in exercising any right, power or remedy provided by law or under this Assignment shall operate as a waiver of that right, power or remedy, nor shall it preclude or restrict any future exercise of that or any other right, power or remedy.

25.2 No single or partial exercise of any right, power or remedy provided by law or under this Assignment shall prevent any future exercise of it or the exercise of any other right, power or remedy.

25.3 The Lender's rights, powers and remedies under this Assignment are cumulative and they do not exclude any rights or remedies that arise by law.

25.4 Any release, waiver or discharge of the whole or any part of the Secured Obligations or any consent, approval or waiver given by the Lender in relation to this Assignment shall only be effective for that specific purpose and for the terms and conditions upon which it was granted.

**26. Continuing and additional security**

26.1 This Assignment shall be a continuing security for the Secured Obligations in favour of the Lender, notwithstanding any intermediate payment or settlement of account or any other matter whatever.



26.2 This Assignment shall be in addition to and shall not prejudice or be prejudiced by any other Security Interest or right of set-off, combination or other rights exercisable by the Lender against the Assignor or any Security Interest, guarantee, indemnity and/or negotiable instrument now or in the future held by the Lender.

**27. No prejudice**

27.1 The Security Interests created, or intended to be created, by or pursuant to this Assignment shall not be prejudiced by any unenforceability or invalidity of any other agreement or document.

27.2 The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person who is not a Party without prejudicing, affecting or impairing the Security Interests created by or pursuant to it, or any of the powers, rights or remedies of the Lender under this Assignment or the exercise of any one of them or other obligation or liability of the Assignor to the Lender.

**28. No merger**

Nothing contained in this Assignment shall operate so as to merge or otherwise prejudice, affect or exclude any other Security Interest which the Lender may for the time being hold for the Secured Obligations or would have but for this Assignment.

**29. Evidence of debt**

A copy of any entry in the Lender's accounts shall in any legal proceedings arising out of or in connection with this Assignment be prima facie evidence of the matters, transactions and accounts to which it relates. A certificate by the Lender as to any sum payable to it under this Assignment shall, in the absence of manifest error, be conclusive for the purposes thereof.

**30. Redemption of security and releases**

Subject to and without prejudice to Clause 31 (Conditional discharge), on the irrevocable and unconditional payment and discharge in full of the Secured Obligations, the Lender shall, at the request and cost of the Assignor:

- 30.1 take whatever action is necessary to release and cancel the Security Interests created by or pursuant to this Assignment;
  - 30.2 procure the reassignment to the Assignor of the Assigned Rights to the extent that they have not been applied by the Lender in or towards satisfaction of the Secured Obligations; and
  - 30.3 return all deeds and other documents of title delivered to the Lender under this Assignment,
- in each case without recourse to, or any representation or warranty by, the Lender or any of its nominees.

**31. Conditional discharge**

- 31.1 Any release, settlement or discharge between the Lender and the Assignor will be conditional upon no security, disposition or payment to the Lender by the Assignor or any other person in respect of the Secured Obligations being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation or for any reason whatsoever.
- 31.2 If any such release, settlement or discharge is so avoided, set aside, reduced or ordered to be refunded, the liability of the Assignor under this Assignment shall continue or be reinstated and the Lender shall be entitled to recover the value or amount of any such security, disposition or payment from the Assignor as if the release, settlement or discharge had not occurred.
- 31.3 Subject to the above provisions, the Lender shall be entitled to retain this Assignment after as well as before payment of all the Secured Obligations for such period as the Lender may determine.

**32. Partial invalidity**

- 32.1 If any provision of this Assignment (or part of any provision of this Assignment) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of this Assignment (or other part of that provision of this Assignment) shall not be affected.

- 32.2 If any provision of this Assignment (or part of any provision of this Assignment) is or becomes illegal, invalid or unenforceable but would be legal, valid or enforceable if some part of it was deleted or modified, the provision or part-provision in question shall apply with such deletions or modifications as may be necessary to make the provision legal, valid and enforceable. In the event of such deletion, the Parties shall negotiate in good faith in order to agree the terms of a mutually acceptable alternative provision in place of the provision or part-provision so deleted.

**33. Counterparts**

This Assignment may be signed in any number of separate counterparts and this has the same effect as if the signatures on those counterparts were on a single copy of this Assignment.

**34. Governing law and jurisdiction**

- 34.1 This Assignment and any dispute or claim arising out of, or in connection with it, 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.
- 34.2 Subject to Clause 34.3, the Parties irrevocably agree, for the sole benefit of the Lender, that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of, or in connection with, this Assignment, its subject matter or formation (including non-contractual disputes or claims).
- 34.3 Notwithstanding Clause 34.2, the Parties irrevocably agree that the Lender shall have the right to take, and shall not be prevented from taking, proceedings against the Assignor to settle any dispute or claim arising out of, or in connection with, this Assignment, its subject matter or formation (including non-contractual disputes or claims) in any other court of competent jurisdiction and that the Lender may take such proceedings in any number of jurisdictions, whether concurrently or not, to the extent permitted by law.

THIS Assignment has been executed and delivered as a deed and is intended to take effect as a deed by the Parties on the date written at the beginning of this Assignment.

Schedule      Form of notice of assignment and acknowledgement

**Part 1 Form of notice of assignment to debtor**

From: Adelphi Automation Ltd (registered number 07966270), Unit 4, Castlehill Industrial Estate, Bredbury, Stockport, Cheshire SK6 2SU

To: Adelphi Developments Ltd (registered number 10227064), Unit 4, Castlehill Industrial Estate Bredbury, Stockport, Cheshire SK6 2SU

Date: 2020

Dear Sirs

Inter – company on demand debt of £ 755k (the "Debt") as at today's date owing by you to us

We refer to the assignment of receivables (the "Assignment") of even date and granted by us as assignor (the 'Assignor') in favour of Dunmore Holdings Limited (the "Lender").

We refer to the Debt.

1. We give you notice that pursuant to the terms of the Assignment, we have assigned to the Lender by way of security all of our rights, title and interest from time to time in any amounts payable to us as the Assignor under and/or in relation to the Debt including any claims for damages in respect of any breach thereof.
2. With effect from the date of receipt of this notice:
  - 2.1 you shall treat the Lender as entitled to exercise all rights exercisable by the Assignor under and/or in relation to the Debt;
  - 2.2 you are authorised and instructed, without requiring further approval from us, to make any payments under and/or in relation to the Debt in accordance with the written instructions of the Lender from time to time (and to hold the money for any such payments to the Lender's order pending receipt of written instructions from the Lender); and

- 2.3 subject to paragraph 4 below, you shall allow the Lender to perform all the obligations assumed by the Assignor under and/or in relation to the Debt.
3. You shall not be released from your obligations under and/or in relation to the Debt without the prior written consent of the Lender.
4. The Assignor shall remain liable to perform all its obligations under and/or in relation to the Debt and the Lender shall be under no obligation of any kind whatsoever in respect of the Debt.
5. You must not (without the Lender's prior written consent):
- 5.1 amend, novate, supplement, restate or replace the Debt;
- 5.2 agree to any waiver or release of any of your payment obligations under/or and in relation to the Debt; or
- 5.3 exercise any right of set-off or counterclaim in relation to any amounts owed under and/or in relation to the Debt.
6. We irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
- 6.1 promptly disclose to the Lender such information relating to the Debt as the Lender may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable the Lender to verify the amount of all payments made or payable under and/or in relation to the Debt by you; and
- 6.2 provide the Lender with copies of all notices given to or received from us under and/or in relation to the Debt promptly after they are given or received.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of the Lender.
8. This notice and any dispute or claim arising out of, or in connection with it, 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.

9. Please acknowledge safe receipt of this notice within 7 days of receipt of this notice, by signing, dating and returning the attached acknowledgement directly to the Lender at 1&2 Innovation Way, Cross Green, Leeds LS9 0DR (marked for the attention of "the Directors" and by sending a copy to us at our above address, (marked for the attention of the Directors).

Yours faithfully



Director/Authorised signatory

for and on behalf of Adelphi Automation Limited

**Part 2 Form of acknowledgement of notice of assignment from debtor**

From: Adelphi Developments Ltd (registered number 10227064), Unit 4, Castlehill Industrial Estate, Bredbury, Stockport, Cheshire SK6 2SU

To: Dunmore Holdings Limited (registered number 11451449), 1&2 Innovation Way, Cross Green, Leeds LS9 0DR

For the attention of: the Directors

Copy to: Adelphi Automation Ltd (registered number 07966270), Unit 4, Castlehill Industrial Estate, Bredbury, Stockport, Cheshire SK6 2SU

For the attention of: the Directors

Date: 22<sup>nd</sup> April 2020

Dear Sirs,

Inter-company on demand debt of £ 755K (the "Debt") as at today's date owing by us to Adelphi Automation Ltd

We acknowledge receipt of the notice of assignment of even and sent to us by Adelphi Automation Ltd (the "Assignor") in connection with the Debt (the "Notice").

We hereby consent to the assignment referred in the Notice.

In this acknowledgement, unless the context requires otherwise: (i) all words or expressions defined in the Notice have the same meaning in this acknowledgement (unless defined otherwise in this acknowledgement) and (ii) a reference to any person shall be construed as including, where relevant, successors in title to that person, and that person's permitted assigns and transferees (if any).

We accept the instructions and authorisations contained in the Notice and agree to comply with the terms of the Notice.

We also agree that:

1. the full amount of the Debt is outstanding as at today's date;
2. we will provide you promptly with any documents or other relevant information you may from time to time request in order to exercise rights in relation to the Debt; and
3. you are entitled at any time to assign your rights under this acknowledgement to any party to whom you have assigned or otherwise transferred your rights under the Assignment.

We confirm that we have not received notice of any other assignment or other third party interest whatsoever of or in any of the rights, title or interest of the Assignor under and/or in relation to the Debt.

This acknowledgement and any dispute or claim arising out of, or in connection with it, 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.

Yours faithfully



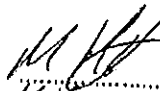
Director/Authorised signatory

for and on behalf of Adelphi Developments Ltd

Executed as a deed (but not delivered  
until the date first stated) by a director  
for and on behalf of **ADELPHI**

**AUTOMATION LTD**, in the presence  
of:

Witness

Signature: 

Name: M. HOGAN-DANIELSEN

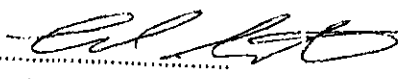
Address: 15 DUFFIELD RD

SALFORD

MANCHESTER

M6 7PC

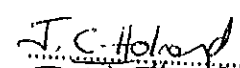
Occupation: OPS DIRECTOR

  
Director

Executed as a deed (but not delivered  
until the date first stated) by a director  
for and on behalf of **DUNMORE**

**HOLDINGS LIMITED**, in the presence  
of:

Witness

Signature: 

Name: JOHN HOLKOLL

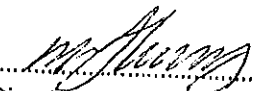
Address: NEW BIRCH FARM

GOLD HILL LANE

NEW MILL HAMFIRTH

HA9 7BN

Occupation: CHARTERED ACCOUNTANT

  
Director