



Registration of a Charge

Company name: **BRAD-CHEM LIMITED**

Company number: **02232890**



X6JTU4JC

Received for Electronic Filing: **23/11/2017**

Details of Charge

Date of creation: **22/11/2017**

Charge code: **0223 2890 0003**

Persons entitled: **AUDREY FRANCES BRADY**

Brief description: **FIXED CHARGE OVER ALL ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY BELONGING TO THE COMPANY NOW OR AT ANY TIME AFTER THE DATE OF THIS DEBENTURE. FIXED CHARGE OVER ALL PATENTS, PATENT APPLICATIONS, TRADE MARKS AND TRADE MARK APPLICATIONS (AS SET OUT IN MORE DETAIL IN THE INSTRUMENT).**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SEAN LIGHTFOOT**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2232890

Charge code: 0223 2890 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd November 2017 and created by BRAD-CHEM LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd November 2017 .

Given at Companies House, Cardiff on 27th November 2017

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 22 November 2017

COMPOSITE GUARANTEE AND DEBENTURE

between

- (1) The Companies listed in the Schedule
- and
- (2) Audrey Frances Brady

CONTENTS

CLAUSE	PAGE
1	DEFINITIONS AND INTERPRETATIONS 1
2	COVENANT TO PAY 3
3	GUARANTEE AND INDEMNITY 4
4	CHARGING PROVISIONS 4
5	CONTINUING SECURITY 7
6	UNDERTAKINGS 8
7	SECURITY PROTECTIONS 9
8	IMMEDIATE RECOURSE 11
9	DEFERRAL OF CHARGING COMPANY'S RIGHTS 11
10	ENFORCEMENT 12
11	APPOINTMENT OF RECEIVER OR ADMINISTRATOR 13
12	POWER OF ATTORNEY 15
13	APPLICATION OF SECURITY PROCEEDS 15
14	COSTS AND EXPENSES 16
15	NOTICES 16
16	MISCELLANEOUS 16
17	RELEASE 17
18	GOVERNING LAW 17
SCHEDULE 18
CHARGING COMPANIES 18

THIS DEBENTURE is made on

22 November

2017

BETWEEN:

- (1) **THE COMPANIES** listed in the Schedule (each a **Charging Company** and together the **Charging Companies**); and
- (2) **AUDREY FRANCES BRADY** of 69 Culcheth Hall Drive, Culcheth, Warrington, Cheshire WA3 4PX (**AFB**).

WITNESSES as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this debenture the following words and expressions shall, save where the context or the express provisions of this debenture otherwise requires or admits, have the following respective meanings:

Assets means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of each Charging Company;

Borrower means Brad-Chem Holdings Limited, a company registered in England and Wales (company number 11028075) whose registered office is at C/O Fairhurst Accountants, Douglas Bank House, Wigan Lane, Wigan, Lancashire, WN1 2TB;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Group means the Borrower and each of its holding companies and each subsidiary of it or its holding companies and **member of the Group** shall be construed accordingly;

Obligor means any person which is or has been a member of the Group and which has or will have any liability (actual or contingent) and whether alone or jointly with any other person and whether as principal debtor, guarantor or surety or otherwise (or as the equivalent obligor under the laws of any other jurisdiction) to the Secured Party (or any of them) for the payment or repayment of any amounts outstanding or capable of becoming outstanding under the Secured Loan Notes or this debenture;

Receiver means an administrative receiver, receiver and manager or other receiver appointed pursuant to this debenture in respect of a Charging Company or over all or any of the Assets charged by this debenture;

Secured Liabilities means all present and future monies, obligations and liabilities owed by each Obligor to the Secured Party (or any of them), whether actual or contingent, as principal or surety or in any other capacity, including (without limitation) under or in connection with the Secured Loan Notes, together with:

- (a) all costs, charges and expenses incurred by AFB or by any Secured Party in connection with the protection, preservation or enforcement of its rights under or in connection with the Secured Loan Notes;
- (b) any refinancing, novation, refunding, deferral or extension of any of those obligations or liabilities;
- (c) any further advances and additional facilities which may be made by any Secured Party to an Obligor under any agreement expressed to be supplemental to the Secured Loan Notes and all interest, fees and costs in connection therewith;
- (d) any claim for damages in connection with the Secured Loan Notes;
- (e) all interest (including, without limitation, default interest) accruing in respect of those monies or liabilities; and
- (f) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

Secured Loan Note Instrument means the instrument constituting the Secured Loan Notes entered into by the Borrower on the date of this deed;

Secured Loan Notes means the £300,000 Fixed Rate Secured Loan Notes in issue from time to time to AFB pursuant to the Secured Loan Note Instrument, including any certificates issued pursuant to the Secured Loan Note Instrument and any conditions attached thereto, each as amended and/or varied from time to time in accordance with their terms; and

Secured Party means AFB.

1.2 Interpretation and construction

1.2.1 In this debenture, unless the context otherwise requires:

- 1.2.1.1 clause headings are inserted for ease of reference only and are not to affect the interpretation of this debenture;
- 1.2.1.2 references to clauses are to clauses of this debenture;
- 1.2.1.3 words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- 1.2.1.4 reference to a person are to be construed to include corporations, firms, companies, partnerships, individuals, associations, states and administrative and governmental and other entities whether or not a separate legal entity;
- 1.2.1.5 references to any person are to be construed to include references to that person's successors transferees and assigns whether direct or indirect;
- 1.2.1.6 reference to any other documents referred to in this debenture shall be construed as a reference to such documents as amended and/or restated from time to time and be deemed to include any instruments amending, varying, supplementing, novating or replacing the terms respectively thereof from time to time;
- 1.2.1.7 references to any statutory provision are to be construed as references to that statutory provision as amended supplemented re-enacted or replaced from time to time (whether before or after the date of this debenture) and are to include any orders, regulations, instruments or other subordinated legislation made under or deriving validity from that statutory provision;
- 1.2.1.8 **including** shall not be construed as limiting the generality of the words preceding it; and
- 1.2.1.9 any term or phrase defined in the Companies Act 2006 (as amended from time to time) shall bear the same meaning in this debenture.

2 COVENANT TO PAY

Each Charging Company as principal debtor and not merely as surety, hereby jointly and severally covenants with AFB for itself and on behalf of the Secured Party that it will pay or

discharge the Secured Liabilities when the same are due and payable in the manner provided in the Secured Loan Notes.

3 GUARANTEE AND INDEMNITY

Each Charging Company hereby irrevocably and unconditionally, jointly and severally:

- 3.1 guarantees to AFB the due and punctual payment, observance and performance of the Secured Liabilities owing by each other Obligor when and as the same shall become due;
- 3.2 as principal debtor undertakes to AFB that if and each time another Obligor is in default in the payment or performance of any of the Secured Liabilities, it will on demand from AFB make good the default and pay all sums which may be payable in respect thereof as if it instead of such Obligor were the principal debtor in respect thereof, together with interest thereon at the rate per annum from time to time payable by such Obligor on such sums from the date when such sums become payable by that Charging Company hereunder until payment of the Secured Liabilities in full; and
- 3.3 agrees as a primary obligation to indemnify AFB on demand from and against any loss incurred by AFB in connection with the non-payment or non-performance of any of the Secured Liabilities owing by any other Obligor or as a result of the being or becoming void, voidable, unenforceable or ineffective of any of the Secured Liabilities or the Loan Notes as against any other Obligor for any reason whatsoever, whether or not known to AFB or to any other person, the amount of such loss being the amount which the person or persons suffering it would otherwise have been entitled to recover from such Obligor.

4 CHARGING PROVISIONS

- 4.1 Each Charging Company with full title guarantee hereby charges to AFB (as agent and trustee) as a continuing security for the payment or discharge of the Secured Liabilities:
 - 4.1.1 by way of fixed charge:
 - 4.1.1.1 all estates or interests in any freehold or leasehold property belonging to the Charging Company now or at any time after the date of this debenture together with all buildings, fixtures (including trade and tenant's fixtures), plant and machinery which are at any time on the property;
 - 4.1.1.2 all present and future interests of the Charging Company in or over land or the proceeds of sale of it and all present and

future licences of the Charging Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become party or otherwise entitled and all fixtures (including trade and tenant's fixtures) which are at any time on the property charged under this debenture;

- 4.1.1.3 all present and future plant and machinery not otherwise charged under this clause 4.1.1.3 and all other present and future chattels of the Charging Company (excluding any of the same for the time being forming part of the Charging Company's stock in trade or work in progress);
- 4.1.1.4 all rights and interests in and claims under all policies of insurance and assurance held or to be held by or insuring to the benefit of the Charging Company and the benefit of all rights and claims to which the Charging Company is now or may be entitled under any contracts;
- 4.1.1.5 all patents, patent applications, trade marks, trade mark applications, trading names, brand names, service marks, copyrights, rights in the nature of copyright, moral rights, inventions, design rights, registered designs, all trade secrets and know-how, computer rights, programmes, systems, tapes, disks, software, all applications for registration of any of them and other intellectual property rights held or to be held by the Charging Company or in which it may have an interest and the benefit of all present and future agreements relating to the use of or licensing or exploitation of any such rights (owned by the Charging Company or others) and all present and future fees, royalties or similar income derived from or incidental to any of the foregoing in any part of the world;
- 4.1.1.6 all the Charging Company's goodwill and uncalled capital for the time being;
- 4.1.1.7 all present and future book and other debts and monetary claims of the Charging Company whether payable now or in the future and the benefit of all present and future rights and claims of the Charging Company against third parties relating to them and capable of being satisfied by the payment of money; and

- 4.1.1.8 all present and future bank accounts, cash at bank and credit balances of the Charging Company with any bank or other person whatsoever and all rights relating or attaching to them (including the right to interest);
- 4.1.2 by way of floating charge all the Assets not effectively otherwise mortgaged, charged or assigned by this clause 4.1.
- 4.2 Any mortgage, fixed charge or other fixed security created by the Charging Companies in favour of AFB shall have priority over the floating charge created by this debenture, except insofar as AFB shall declare otherwise whether at or after the time of creation of such fixed security.
- 4.3 AFB may at any time, by notice to any Charging Company, immediately convert the floating charge created under clause 4.1.2 into a fixed charge over any Assets specified in that notice and the floating charge will, without notice from AFB, automatically be converted with immediate effect into a fixed charge:
 - 4.3.1 in respect of any Assets which become subject to a fixed charge in favour of any other person;
 - 4.3.2 in respect of all the Assets charged under clause 4.1.2 if and when the Charging Company ceases to carry on business or to be a going concern; and
 - 4.3.3 in respect of all the Assets on the making of an order for the compulsory winding-up of the Charging Company, on the convening of a meeting for the passing of a resolution for the voluntary winding-up of the Charging Company or the taking of any steps (including, without limitation, the making of an application or the giving of any notice) by the Charging Company or any other person for the appointment of an administrator in respect of the Charging Company.
- 4.4 The Charging Companies will not without the previous written consent of AFB:
 - 4.4.1 create or attempt to create or permit to subsist any mortgage, charge, lien (other than a lien arising in the ordinary course of business by operation of law) or encumbrance on all or any of their Assets; or
 - 4.4.2 sell, transfer, assign, factor, lease or otherwise dispose of or part with possession in any way of all or any of their Assets (other than any Assets the subject of a floating charge (but not any fixed charge or mortgage) on arm's length terms in the ordinary course of trading); or

- 4.4.3 in any way dispose of the equity of redemption of any such Asset or any interest in any such Asset.
- 4.5 The Charging Companies shall apply for a restriction to be entered on the Register of Title of all present and future registered freehold and leasehold property of the Charging Companies in the following terms:
- "No disposition or charge or other security interest of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the dates of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [●] referred to in the Charges Register or, if appropriate, signed on behalf of such proprietor by its authorised signatory".
- 4.6 The Charging Companies (at their own cost) will on demand in writing by AFB execute and deliver in such form as AFB may reasonably require:
- 4.6.1 a legal mortgage of any freehold or leasehold property of the Charging Company and of any freehold or leasehold property acquired by the Charging Company after the date of this debenture;
- 4.6.2 a fixed charge or assignment in security of any Asset subject to a floating charge under clause 4.1.2; and
- 4.6.3 a chattel mortgage over such chattels, plant and machinery as AFB may specify,
- and the Charging Companies will execute such other deeds, documents, agreements and instruments and will otherwise do and concur in all such other acts or things as AFB may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this debenture or for facilitating the realisation of the Assets or the exercise of any rights of AFB hereunder.
- 4.7 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this debenture.

5 CONTINUING SECURITY

This security will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities and will be without prejudice and in addition to any other right, remedy or security of whatever sort which AFB may hold at any time for the Secured Liabilities or any other obligation

whatsoever and will not be affected by any release, reassignment or discharge of such other right remedy or security.

6 UNDERTAKINGS

6.1 Each Charging Company will:

- 6.1.1 at all times comply with the terms of this debenture;
- 6.1.2 keep the Assets in good and substantial repair and in good working order and condition, ordinary wear and tear excepted;
- 6.1.3 preserve and maintain all intellectual property rights owned or used by the Charging Company;
- 6.1.4 comply in all material respects with the terms of all applicable laws and regulations including (without limitation) all environmental laws, legislation relating to public health, town & country planning, control and handling of hazardous substances or waste, fire precautions and health and safety at work;
- 6.1.5 promptly notify AFB of the acquisition by the Charging Company of any estate or interest in any freehold or leasehold property;
- 6.1.6 deposit with AFB all deeds, certificates and documents of title relating to the Assets or any part thereof charged by this debenture and all policies of insurance and assurance;
- 6.1.7 promptly pay or cause to be paid and indemnify AFB and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever now or at any time in the future payable in respect of any of its properties (or any part thereof) or by the owner or occupier thereof;
- 6.1.8 not make any structural or material alteration to or to the user of any of its properties or do or permit to be done anything which is a "development" within the meaning of the Town and Country Planning Acts from time to time (or any orders or regulations under such Acts) or do or permit to be done any act, matter or thing where to do so would have a material and adverse effect on the value of any of its properties or on the marketability of any of such properties;
- 6.1.9 not grant any lease of, part with possession or share occupation of, the whole or any part of any of its properties or confer any licence, right or interest to occupy or grant any licence or permission to assign, under-let or part with possession of the same in any way which is likely to

have a material and adverse effect upon the value of any of such properties;

- 6.1.10 not vary, surrender, cancel or dispose of, or permit to be forfeit, any leasehold interest in any of its properties;
- 6.1.11 observe and perform all covenants, agreements and stipulations from time to time affecting its interest in any of its properties or contained in any lease, agreement for lease or tenancy agreement under which any part of such properties may be held;
- 6.1.12 notify AFB immediately in the event of any creditor executing diligence against the Charging Company or any distress or execution is levied or enforced against the Charging Company or any third party debt order or freezing order is made and served on the Charging Company;
- 6.1.13 notify AFB immediately if any steps (including, without limitation, the making of any application or the giving of any notice) are taken by any person (including, without limitation, the Charging Company) in relation to the administration, receivership, winding-up or dissolution of the Charging Company;
- 6.1.14 not to allow any person other than itself to be registered under the Land Registration Act 1925 or Land Registration Act 2002 (as appropriate) as proprietor of any of its properties (or any part thereof) or create or permit to arise any overriding interest (as specified in Section 70(1) of the Land Registration Act 1925 or as specified in Schedule 1 or Schedule 3 to the Land Registration Act 2002) affecting any such property; and
- 6.1.15 not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of its Assets.

7 SECURITY PROTECTIONS

- 7.1 If any Charging Company fails to keep any of the Assets in good and substantial repair and in good working order and condition or does not take out and maintain such insurances as set out above or prove to AFB that the premiums and other monies have been paid then AFB may (as he thinks fit) repair and keep in repair the Assets or any of them (and for that purpose it or any of its agents may enter upon the properties of the Charging Company) or take out or renew any such insurance in any sum and on terms as AFB may think fit.

- 7.2 AFB will be entitled to be paid the proceeds of any policy of insurance of the Charging Companies (other than in respect of employers' or public liability) and the Charging Companies will promptly irrevocably instruct any insurer of a policy to pay the proceeds of it to AFB and undertakes to AFB to repeat that instruction if AFB requires.
- 7.3 All monies received on any insurance policy of the Charging Companies (unless paid to AFB in terms of clause 7.2) will, as AFB requires, be applied either in making good the loss or damage in respect of which the money is received or in or towards discharge of the Secured Liabilities.
- 7.4 The Charging Companies will permit any authorised representative of AFB at all reasonable times to enter upon any part of the properties of the Charging Companies and of any other property where the Charging Companies may be carrying out any contract or other works and to inspect the Charging Companies' books of account and other books and documents and those of its subsidiaries.
- 7.5 No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of the whole or any part of the properties charged under this debenture will be capable of being exercised by any Charging Company without the previous written consent of AFB.
- 7.6 The Charging Companies shall not be entitled to part with possession (otherwise than on the determination of any lease, tenancy or licence) of any properties hereby charged, or to share the occupation thereof with any other person or persons, or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property hereby charged without the prior written consent of AFB.
- 7.7 The obligations of the Charging Companies under this debenture will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate them from any of their obligations hereunder in whole or in part, including (without limitation):
- 7.7.1 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which AFB may have now or in the future from or against the Charging Companies or any other person in respect of the Secured Liabilities;
 - 7.7.2 any act or omission by AFB or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Charging Companies or any other person or the invalidity or unenforceability of any such security or guarantee;
 - 7.7.3 any amendment to, or variation of, the Loan Notes;

- 7.7.4 any grant of time, indulgence, waiver or concession to the Charging Companies or any other person;
- 7.7.5 any arrangement or compromise entered into between AFB and the Charging Companies or any other person;
- 7.7.6 the administration, insolvency, bankruptcy, liquidation, winding-up, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Charging Companies or any other person;
- 7.7.7 the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any of the obligations of the Charging Companies; and
- 7.7.8 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order.

8 IMMEDIATE RECOURSE

Each Charging Company waives any right it may have of first requiring AFB to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Charging Company under this debenture. This waiver applies irrespective of any law to the contrary.

9 DEFERRAL OF CHARGING COMPANY'S RIGHTS

- 9.1 Until all of the Secured Liabilities have been irrevocably paid in full and unless AFB otherwise directs, no Charging Company will exercise any rights which it may have by reason of performance by it of its obligations under this debenture or by reason of any amount being payable, or liability arising, under this debenture:
 - 9.1.1 to be indemnified by an Obligor;
 - 9.1.2 to claim any contribution from any other Charging Company;
 - 9.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of AFB under this debenture;
 - 9.1.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Charging Company has given a guarantee, undertaking or indemnity under clause 3 (*Guarantee and indemnity*);

- 9.1.5 to exercise any right of set-off against any Obligor; and/or
- 9.1.6 to claim or prove as a creditor of any Obligor in competition with AFB.

9.2 If a Charging Company receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to AFB by any Obligor under or in connection with the Secured Liabilities or this debenture to be repaid in full on trust for AFB and shall promptly pay or transfer the same to AFB.

10 ENFORCEMENT

10.1 The security constituted by this debenture shall become enforceable and AFB may exercise all the powers conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this debenture), all the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986 and all or any of the rights and powers conferred by this debenture without further notice to the Charging Companies upon and at any time after the occurrence of any of the following events:

- 10.1.1 if any Charging Company has failed to pay all or any of the Secured Liabilities in accordance with clause 2;
- 10.1.2 any step is taken (including, without limitation, the making of an application or the giving of any notice) by a Charging Company or by any other person to appoint an administrator in respect of any Charging Company;
- 10.1.3 any step is taken (including, without limitation, the making of an application or the giving of any notice) by a Charging Company or any other person to wind up or dissolve any Charging Company or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer to any Charging Company or any part of its undertaking or assets; and
- 10.1.4 the making of a request by the Charging Company for the appointment of a Receiver or administrator.

10.2 Section 103 of the Law of Property Act 1925 will not apply to this debenture but the statutory power of sale will as between AFB and a purchaser from AFB arise on and be exercisable at any time after the execution of this debenture provided that AFB will not exercise the power of sale until payment of all or any part of the Secured Liabilities has been demanded or a Receiver has been appointed but this proviso will not affect a purchaser or put him upon inquiry whether such demand or appointment has been validly made.

- 10.3 The statutory powers of sale, leasing and accepting surrenders exercisable by AFB under this debenture are extended so as to authorise AFB whether in his own name or in that of any Charging Company to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of the Charging Company with whatever rights relating to other parts of it and containing whatever covenants on the part of the Charging Company and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as AFB thinks fit.
- 10.4 Section 93 of the Law of Property Act 1925 (consolidation of mortgages) will not apply to this debenture.

11 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

- 11.1 At any time after the security constituted by this debenture has become enforceable AFB shall be and is entitled by instrument in writing to appoint any one or more persons as:
- 11.1.1 a Receiver of all or any of the Assets; and/or
- 11.1.2 an administrator of any Charging Company,
- in each case in accordance with and to the extent permitted by applicable laws.
- 11.2 Where more than one Receiver is appointed they will have power to act separately (unless the appointment specifies to the contrary).
- 11.3 Any appointment over part only of the Assets charged under this debenture will not preclude AFB from making any subsequent appointment of a Receiver over any part of the Assets over which an appointment has not previously been made by him.
- 11.4 AFB may from time to time determine the remuneration of the Receiver and may (subject to Section 45 of the Insolvency Act 1986) remove the Receiver from all or any part of the Assets of which he is the Receiver and at any time after any Receiver has vacated office or ceased to act, appoint a further Receiver over all or any part of those Assets.
- 11.5 The Receiver will be the agent of the Charging Company (which will be solely liable for his acts, defaults and remuneration) and will have and be entitled to exercise in relation to the Charging Company all the powers set out in Schedule 1 to the Insolvency Act 1986 and all the powers conferred from time to time on Receivers by statute and in particular by way of addition to but without prejudice to those powers (and those of AFB) the Receiver will have power:

- 11.5.1 to sell, let or lease or concur in selling, letting or leasing and to vary the terms or determine, surrender or accept surrenders of leases or tenancies of or grant options and licences over all or any part of the Assets and so that any such sale may be made for cash payable by instalments or for shares or securities of another company and the Receiver may promote or concur in promoting a company to purchase the Assets to be sold;
- 11.5.2 to sever any fixtures (including trade and tenant's fixtures) from the property of which they form part;
- 11.5.3 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Assets, including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Charging Company;
- 11.5.4 to make and effect all repairs and improvements;
- 11.5.5 to redeem any prior encumbrance and to settle and pass the accounts of the encumbrancer and any accounts so settled and passed will (subject to any manifest error) be conclusive and binding on the Charging Company and the monies so paid will be deemed to be an expense properly incurred by the Receiver;
- 11.5.6 to promote the formation of a subsidiary or subsidiaries of the Charging Company, including, without limitation, any such company formed for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Charging Company;
- 11.5.7 to make any arrangement or compromise which AFB or the Receiver may think fit;
- 11.5.8 to make and effect all repairs, renewals, improvements, and insurances;
- 11.5.9 to appoint managers officers and agents for any of the purposes referred to in this clause 11 at such salaries as the Receiver may determine; and
- 11.5.10 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Assets.

- 11.6 No purchaser or other person dealing with AFB, any Receiver or any agent or delegate thereof shall be obliged or concerned to enquire whether the right of AFB or any Receiver to exercise any of the powers conferred by or referred to in this debenture has arisen or become exercisable, whether any of the Secured Liabilities remain outstanding or be concerned with notice to the contrary or whether an event has occurred to authorise AFB or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power.

12 POWER OF ATTORNEY

Each Charging Company irrevocably and by way of security appoints AFB (whether or not a Receiver or administrator has been appointed) and also (as a separate appointment) any Receiver or administrator severally as the attorney and attorneys of the Charging Company, for the Charging Company and in its name and on its behalf and as its act and deed or otherwise to execute and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required of the Charging Company under this debenture or may be required or deemed proper in the exercise of any rights or powers conferred on AFB or any Receiver or administrator hereunder or otherwise for any of the purposes of this debenture.

13 APPLICATION OF SECURITY PROCEEDS

- 13.1 Any monies received under the powers conferred by this debenture will, subject to the payment or repayment of any prior claims, be paid or applied in the following order of priority:
- 13.1.1 in or towards satisfaction of all costs, charges and expenses incurred, and payments made, by AFB or by any Secured Party and/or the Receiver or administrator including the remuneration of the Receiver or administrator;
 - 13.1.2 in or towards satisfaction of the Secured Liabilities;
 - 13.1.3 as to the surplus (if any) to the person(s) entitled to it; and
 - 13.1.4 provided that the Receiver or administrator may retain any monies in his hands for so long as he thinks fit, and AFB may, without prejudice to any other rights AFB may have at any time and from time to time, place and keep for such time as AFB may think prudent any monies received, recovered or realised under or by virtue of this debenture in an account opened by AFB without any intermediate obligation on the part of AFB to apply such monies or any part of such monies in or towards the discharge of the Secured Liabilities.

- 13.2 Subject to clause 13.1, any monies received or realised by AFB from the Charging Company or a Receiver under this debenture or any administrator may be applied by AFB to any item of account or liability or transaction in such order or manner as AFB may determine.

14 COSTS AND EXPENSES

The Charging Companies shall pay or reimburse to AFB on demand (on a full indemnity basis) all costs, charges and expenses (including legal fees) incurred or to be incurred by AFB in the enforcement or discharge of this debenture (including, without limitation, the costs of any proceedings in relation to this debenture or the Secured Liabilities), which costs, charges and expenses shall form part of the Secured Liabilities.

15 NOTICES

- 15.1 Any notice given under this debenture shall be in writing and signed by or on behalf of the person(s) giving it and shall be served by delivering it by hand or sending it by pre-paid recorded delivery or registered post (or registered airmail in the case of an address for service outside the United Kingdom) to the person(s) due to receive it, at its registered office address from time to time.
- 15.2 Subject to clause 13.1, in the absence of evidence of earlier receipt, any notice given pursuant to this clause 13 shall be deemed to have been received:
- 15.2.1 if delivered by hand, at the time of actual delivery to the address referred to in clause 13.1;
 - 15.2.2 in the case of pre-paid recorded delivery or registered post, two Business Days after the date of posting; and
 - 15.2.3 in the case of registered airmail, 5 Business Days after the date of posting.
- 15.3 If deemed receipt occurs after 5.00pm on a Business Day or on any day which is not a Business Day, the notice shall be deemed to have been received on the next Business Day.
- 15.4 For the avoidance of doubt, notice given under this debenture shall not be validly served if sent by fax or e-mail.

16 MISCELLANEOUS

- 16.1 If at any time any provision of this debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality,

validity or enforceability of such provision under the law of any other jurisdiction will be in any way affected or impaired.

- 16.2 No failure or delay by AFB in exercising any right or remedy under this debenture shall operate as a waiver, and no single or partial exercise shall prevent further exercise, of any right or remedy.
- 16.3 AFB will be entitled to disclose to his auditors or advisors confidential information concerning this debenture or any arrangement made in connection with this debenture.
- 16.4 Save to the extent expressly provided to the contrary in this debenture, a person who is not a party to this debenture may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- 16.5 A certificate by AFB as to the amount of the Secured Liabilities or any part of them shall, in the absence of manifest error, be conclusive and binding on the Charging Companies.
- 16.6 No amendment, modification or waiver of, or any consent with regard to, any provision of this debenture shall in any event be effective unless the same is in writing, and signed and delivered by AFB and then such amendment, modification, waiver or consent shall be effective only in the specific instance for the purpose for which it was given.

17 **RELEASE**

If AFB is satisfied that the Secured Liabilities have been unconditionally and irrevocably repaid or discharged in full, AFB will at the request and cost of the Charging Companies take whatever action is required in order to release the Assets from the security constituted by this debenture.

18 **GOVERNING LAW**

This debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed according to English law.

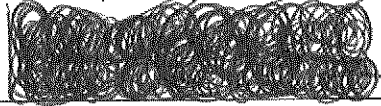
IN WITNESS whereof this debenture has been executed as a deed the day and year first written above.

SCHEDULE

CHARGING COMPANIES

Company name	Company number
Brad-Chem Holdings Limited	11028075
Brad-Chem Limited	02232890

EXECUTED AND DELIVERED AS
A DEED by BRAD-CHEM
HOLDINGS LIMITED acting by a
director, in the presence of:



Thomas Baker







)
)
)
)



Director

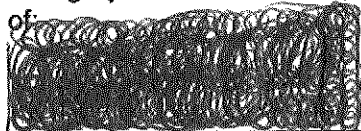
Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AND DELIVERED AS
A DEED by BRAD-CHEM LIMITED
acting by a director, in the presence
of:



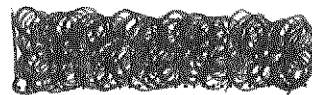
Thomas Baker







)
)
)
)



Director

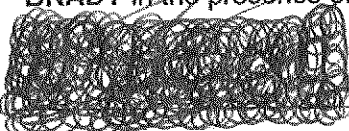
Witness signature

Witness name

Witness address

Witness occupation

EXECUTED AND DELIVERED AS
A DEED by AUDREY FRANCES
BRADY in the presence of:



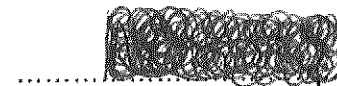
Thomas Baker







)
)
)



Witness signature

Witness name

Witness address

Witness occupation