Companies House

MR01(ef)

Registration of a Charge

Company name: **TECHTEX HOLDINGS LIMITED**

Company number: **05777424**

Received for Electronic Filing: **23/02/2018**

X70DNOU3

Details of Charge

Date of creation: **19/02/2018**

Charge code: **0577 7424 0004**

Persons entitled: **LLOYDS BANK PLC**

Brief description:

Contains fixed charge(s).

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: **LESLEY MCCABE**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5777424

Charge code: 0577 7424 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th February 2018 and created by TECHTEX HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd February 2018 .

Given at Companies House, Cardiff on 27th February 2018

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

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

DATED: 19th February 2018

TECHTEX HOLDINGS LIMITED

to

LLOYDS BANK PLC

MORTGAGE
of chattels to
secure own liabilities

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CHATTEL MORTGAGE

Mortgage of chattels to secure own liabilities of a company

THIS MORTGAGE DEED is made the 19th day of February 2018
BETWEEN

TECHTEX HOLDINGS LIMITED (Company number: **05777424**) whose registered office is at **Units 7 & 8 Rhodes Business Park, Silburn Way, Middleton, M24 4NE** (hereinafter called the **"Mortgagor"**) of the first part and **LLOYDS BANK PLC** (hereinafter called the **"Bank"**) whose address for the purposes of this deed is at 110 St. Vincent Street, Glasgow, G2 5ER (or at such other address as the Bank may from time to time notify to the Mortgagor in writing for this purpose) of the second part

1. **Definitions and interpretation**

1.1 In this Mortgage the following words and expressions shall, where the context permits, have the following meanings:

"Insolvency Event", in relation to the Mortgagor, means each of the following:

(a) a meeting is convened for the purpose of considering a resolution to wind up the Mortgagor;

(b) such a resolution as is mentioned in paragraph (a) is passed;

(c) a meeting of the directors of the Mortgagor is convened for the purpose of considering a resolution to seek a winding up order, an administration order or the appointment of an administrator;

(d) such a resolution as is mentioned in paragraph (c) is passed;

(e) a petition for a winding up or an application for an administration order is made by the Mortgagor or its directors or is presented against the Mortgagor;

(f) such an order as is mentioned in paragraph (e) is made;

(g) a notice of appointment of or notice of intention to appoint an administrator under Schedule B1 to the Insolvency Act 1986 is issued by the Mortgagor or its directors or by the holder of a qualifying floating charge (as defined in such Schedule) or a proposal is made for, or the Mortgagor becomes subject to, any voluntary arrangement or the directors of the Mortgagor take steps to obtain a moratorium;

(h) a receiver (administrative or otherwise) is appointed over all or part of the Mortgagor's assets;

(i) any action is taken in any jurisdiction which is similar or analogous to any of the foregoing;

(j) the Mortgagor takes part in any action (including entering negotiations) with a view to readjustment, rescheduling, forgiveness or deferral of any part of the Mortgagor's indebtedness;

(k) the Mortgagor proposes or makes any general assignment, composition or arrangement with or for the benefit of all or some of the Mortgagor's creditors;

(l) the Mortgagor suspends or threatens to suspend making payments to all or some of the Mortgagor's creditors; or

(m) the Bank has reasonable grounds for believing that any of the foregoing is imminent;

"**Intellectual Property Rights**" means, in relation to the Mortgaged Chattels:

(a) all present and future copyrights, patents, designs, trademarks, service marks, brand names, inventions, design rights, know-how, formulas, confidential information, trade secrets, computer software programmes, computer systems and all other intellectual property rights whatsoever without limitation, whether registered or unregistered, in all or any part of the world in which the Mortgagor is legally, beneficially or otherwise interested;

(b) the benefit of any pending applications for the same and all benefits deriving therefrom and thereunder including but not limited to royalties, fees, profit sharing agreements and income arising therefrom and all licences in respect of or relating to any intellectual property rights, whether such licences are granted to the Mortgagor or granted by the Mortgagor; and

(c) every item of physical material of any description or type whatever in or in respect of which intellectual property rights may subsist and in respect of each such item the original copy or version or variant owned by, produced by or delivered to or obtained by the Mortgagor and any rejected and surplus materials associated or connected with or forming part of the foregoing which shall include, without limitation, any and all manuals and translations thereof, log books, designs, sketches, algorithms, calculations, diagrams, computations, source codes, models, prototypes, apparatus, computer programmes, photographs, books and other records in any medium, electronic data and any other material of any description whatever in which intellectual property may be incorporated;

"**Mortgaged Chattels**" means the plant, machinery, chattels and other equipment described in the First Schedule together with all additions, alterations, accessories, replacements, substitutions and renewals from time to time thereto and any component parts thereof from time to time held by the Mortgagor (whether or not attached thereto) and such expression shall include all or any part thereof;

"**Mortgaged Assets**" means the Mortgaged Chattels and all of the other assets, rights and properties assigned, mortgaged or charged under or pursuant to this Mortgage and such expression shall include all or any part thereof;

"Premises" means the land or buildings in or on which the Mortgaged Chattels may be situate from time to time;

"Prior Mortgage(s)" means the prior mortgage(s) or charge(s) (if any) mentioned in the Second Schedule; and

"Secured Obligations" means:

(a) all money and liabilities and other sums hereby agreed to be paid by the Mortgagor to the Bank; and

(b) all other money and liabilities expressed to be secured hereby (including, without limitation, any expenses and charges arising out of or in connection with the acts or matters referred to in clauses 11,13,17 and 23);

"Value Added Tax" includes any other form of sales or turnover tax.

1.2 In this Mortgage:

(a) The expressions the **"Mortgagor"** and the **"Bank"** where the context admits include their respective successors in title and/or assigns, whether immediate or derivative. Any appointment or removal under clause 8 or consents hereunder may be made or given in writing signed or sealed by any such successors or assigns of the Bank and the Mortgagor hereby irrevocably appoints each of such successors and assigns to be its attorney in the terms and for the purposes set out in clause 12;

(b) unless the context requires otherwise:

(i) the singular shall include the plural and vice versa;

(ii) any reference to a person shall include an individual, company, corporation, joint venture, society and an unincorporated association, organisation or body of persons (including a trust, a partnership and a limited liability partnership) and any government, government agency or parastatal organisation. References to a person also include that person's successors and assigns;

(iii) the expression **"this Mortgage"** shall mean this mortgage and shall extend to every separate and independent stipulation contained herein;

(iv) any liberty or power which may be exercised or any determination which may be made hereunder by the Bank may be exercised or made in the absolute and unfettered discretion of the Bank which shall not be under any obligation to give reasons therefor;

(v) references to any statutory provision shall include a reference to any modification or re-enactment thereof for the time being in force, all regulations made thereunder and any analogous provision or rule under any applicable foreign law;

(vi) for the avoidance of any doubt, the rights, powers and discretions conferred upon the Bank by or pursuant to this Mortgage shall (unless otherwise expressly stated) apply and be exercisable regardless of whether a demand has been made by the Bank for the payment of the Secured Obligations or any of them and regardless of whether the power of sale or other powers and remedies conferred on mortgagees by the Law of Property Act 1925 or this Mortgage shall have arisen or become exercisable; and

(vii) references to clauses, sub-clauses and schedules shall be references to clauses, sub-clauses and schedules of this Mortgage;

(c) if there are two or more parties comprised in the expression the "Mortgagor" then:

(i) any reference to the "Mortgagor" shall where the context permits include all or any one or more of such parties;

(ii) all covenants herein contained or implied on the part of the Mortgagor shall be deemed to be joint and several covenants on the part of such parties;

(iii) if for any reason whatsoever this Mortgage shall not be, or shall cease to be, binding on and effective against one or more of such parties, or shall not be, or shall cease to be, a valid and effective charge over or assignment of the Mortgaged Assets (as the case may be), then this Mortgage shall take effect as a charge over or assignment of the beneficial interest of the other such party or parties in the Mortgaged Assets and over such other estate, right, title or interest in the Mortgaged Assets as such other party or parties may have;

(iv) any demand made under this deed shall be deemed to have been duly made if made on any one or more of such parties; and

(v) if any one or more of such parties is not bound by the provisions of this deed (whether by reason of its or their lack of capacity or improper execution of this deed or for any other reason whatsoever) the remaining party or parties shall be and remain bound by the provisions of this deed as if such other party or parties had never been party hereto.

1.3 The clause headings and marginal notes shall be ignored in construing this deed.

1.4 The perpetuity period applicable to any trust constituted by this deed shall be eighty years.

2. **Agreement to Pay**

The Mortgagor shall pay to the Bank in accordance with any relevant agreement between the Bank and the Mortgagor relating to the amounts hereby secured or, in the absence of any such agreement, on demand:

(a) all money and liabilities whether actual or contingent (including further advances made hereafter by the Bank and secured directly or indirectly by this Mortgage) which now are or at any time hereafter may be due, owing or incurred from or by the Mortgagor to the Bank anywhere or for which the Mortgagor may be or become liable to the Bank in any manner whatsoever without limitation (and whether alone or jointly with any other person and in whatever style, name or form and whether as principal or surety and notwithstanding that the same may at any earlier time have been due, owing or incurred to some other person and have subsequently become due, owing or incurred to the Bank as a result of a transfer, assignment or other transaction or by operation of law); and

(b) interest on all such money and liabilities to the date of payment at such rate or rates as may from time to time be agreed between the Bank and the Mortgagor or, in the absence of such agreement, at the rate, in the case of an amount denominated in Sterling, of two percentage points per annum above the Bank's base rate for the time being in force (or its equivalent or substitute rate for the time being) or, in the case of an amount denominated in any currency or currency unit other than Sterling, at the rate of two percentage points per annum above the cost to the Bank (as conclusively determined by the Bank) of funding sums comparable to and in the currency or currency unit of such amount in the London Interbank Market (or such other market as the Bank may select) for such consecutive periods (including overnight deposits) as the Bank may in its absolute discretion from time to time select; and

(c) commission and other banking charges and legal, administrative and other costs, charges and expenses incurred by the Bank in relation to this Mortgage (including any acts necessary to release the Mortgaged Assets from this security) or in enforcing the security hereby created on a full and unqualified indemnity basis; and

(d) fees charged by the Bank for the time spent by the Bank's officials, employees or agents in dealing with any matter relating to this Mortgage. Such fees shall be payable at such rate as may be specified by the Bank.

3. **Interest**

The Mortgagor shall pay interest at the rate aforesaid on the money so due (whether before or after any judgment which may be obtained therefore) upon such days in each year as the Bank and the Mortgagor shall from time to time agree in writing or, in the absence of such agreement, as the Bank shall from time to time fix and (without prejudice to the right of the Bank to require payment of such

interest) all such interest shall be compounded (both before and after any demand or judgment) upon such days in each year as the Bank shall from time to time fix.

4. **Assignments**

4.1 The Mortgagor with full title guarantee mortgages and assigns to the Bank as a continuing security for the payment to the Bank of the Secured Obligations:

(a) the Mortgaged Chattels;

(b) the full benefit of any guarantee, warranty or other obligation in relation to the Mortgaged Chattels given or incurred by any manufacturer, supplier or other person and the full benefit so far as enjoyed by the Mortgagor of all agreements for the maintenance, repair or upkeep of the Mortgaged Chattels;

(c) the full benefit of all agreements now or hereafter entered into by the Mortgagor or the benefit of which is otherwise vested in the Mortgagor for the bailment or (in Scotland) the hiring of the Mortgaged Chattels and all agreements now or hereafter entered into under which the Mortgaged Chattels are bailed or (in Scotland) hired on hire purchase or sold under a conditional sale agreement or other instalment credit agreement and all sums now or hereafter due under any such agreement;

(d) the Intellectual Property Rights;

(e) the full benefit of the Mortgagor's rights and interests (if any) in and to all insurance effected by the Mortgagor or by any other person of the Mortgaged Chattels or the use thereof;

TO HOLD the same unto the Bank absolutely subject only to the proviso that on the payment and discharge to the Bank of all the Secured Obligations the Bank shall, at the cost and expense of the Mortgagor and at its request, duly re-assign the Mortgaged Assets to the Mortgagor.

4.2 If there are two or more parties comprised in the expression the "Mortgagor" each of such parties with full title guarantee hereby mortgages and assigns all such party's estate, rights, title and interest in the Mortgaged Assets to secure payment of the Secured Obligations.

4.3 The security hereby constituted shall extend to all beneficial interests of the Mortgagor in the Mortgaged Assets and to any proceeds of sale or other realisation thereof or of any part thereof.

5. **Restrictions and Warranties**

5.1 The Mortgagor warrants to the Bank (and agrees that such warranties shall be repeated each day during the subsistence of this Mortgage) that:

(a) the Mortgagor has made full disclosure in writing to the Bank of:

(i) any information relating to each part of the Mortgaged Assets and each right held by any other person in relation to any part of the Mortgaged Assets which, in each case, would be material to the Bank in relation to the appropriateness or adequacy of any part of the Mortgaged Assets as security for the Secured Obligations; and

(ii) each matter in respect of which the Bank has requested information from the Mortgagor in connection with this Mortgage;

(b) the Mortgagor is solely and beneficially interested in the Mortgaged Assets; and

(c) the assignment contained in sub-clause 4.1(d) does not infringe any intellectual property rights whatsoever whether registered or unregistered.

5.2 The Mortgagor shall not, without the prior written consent of the Bank:

(a) sell, assign, transfer, surrender, lease or otherwise dispose of or deal in any other way with the Mortgaged Assets or part with possession thereof;

(b) create or permit to subsist or arise any mortgage, debenture, hypothecation, charge, assignment by way of security, pledge or lien or any other encumbrance or security whatsoever over all or any part of the Mortgaged Assets;

(c) enter into any contractual or other agreement or arrangement which has or may have an economic effect similar or analogous to any such encumbrance or security as would be prohibited by sub-clause 5.2(b).

5.3 (a) The Mortgagor shall pay into its account or accounts with the Bank the sums referred to in sub-clause 4.1(c);

(b) the Mortgagor declares that all such sums received or obtained by the Mortgagor or on the Mortgagor's behalf but which are not so paid or transferred into that account or accounts shall be received and held by the Mortgagor on trust for the Bank.

6. Further assurance

6.1 The Mortgagor shall at any time if and when required by the Bank execute in favour of the Bank or as the Bank shall direct such further legal or other assignments, mortgages, securities, charges, agreements and other legal documentation as the Bank shall require of and on all or any of the Mortgaged Assets to secure the Secured Obligations, such assignments, mortgages, securities, charges, agreements and other legal documentation to be prepared by or on behalf of the Bank at the cost of the Mortgagor and to contain all such clauses for the benefit of the Bank as the Bank may

require including, if so required by the Bank, any such clauses as are contained in any of the Bank's standard forms of mortgage from time to time.

6.2 The Mortgagor shall at any time if and when required by the Bank give notice to such parties as the Bank may require of the assignments hereby effected and any such further legal or other assignments, mortgages, securities, charges, agreements and other legal documentation and shall take such other steps as the Bank may require to perfect any of the same.

7. **Bank's power of sale**

7.1 (a) The powers and remedies conferred on mortgagees by the Law of Property Act 1925 shall apply to this Mortgage but without the restrictions on the exercise of the power of sale imposed by Section 103 of that Act;

(b) The Bank in exercising its statutory power of sale and any receiver appointed by the Bank in exercising his powers hereunder shall be at liberty to sell at such price and on such terms and conditions as it or he in its or his sole discretion thinks fit and shall not be under any duty or obligation to obtain the best or any particular price.

(c) Neither the Bank nor any such receiver shall be liable to the Mortgagor or any other person for any loss, damage, cost, expense or liability which the Mortgagor or any such person may suffer or incur as a direct or indirect result of the Bank exercising its statutory power of sale, as hereby varied or extended, or such receiver exercising his powers hereunder.

7.2 In favour of a purchaser the Secured Obligations shall be deemed to have become due on the day on which demand for payment thereof is made by the Bank and the statutory power of sale as hereby varied or extended shall be exercisable from and after that date, which date (without prejudice to the equitable right to redeem) shall be the redemption date.

8. **Appointment and powers of a receiver**

8.1 (a) At any time after the Bank shall have demanded payment of any of the Secured Obligations or the Mortgagor shall have requested it so to do or an Insolvency Event shall have occurred, the Bank shall have power by writing under the hand of any official of the Bank authorised by the Bank from time to time or any person authorised by any such official in writing to appoint such person or persons as the Bank thinks fit to be a receiver or joint receivers or several receivers or joint and several receivers of the Mortgaged Assets to act, in the case of two or more receivers, jointly, severally or jointly and severally in relation to any part of the Mortgaged Assets and to the extent permitted by law similarly to remove any such receiver and to appoint another or others in his place.

(b) Where the Bank excludes any part of the Mortgaged Assets from the appointment of any receiver, the Bank may subsequently extend that appointment (or that of any receiver replacing such receiver) to such excluded part of the Mortgaged Assets.

8.2 Any such receiver may in the name or on behalf and at the cost of the Mortgagor or at his option in the name of the Bank (but only with the specific approval in writing of the Bank) or at his option in his own name (and in any case notwithstanding any administration or liquidation of the Mortgagor) do or omit to do anything which the Mortgagor could do or omit to do in relation to the Mortgaged Assets or any of them and (in addition) may exercise in relation thereto mutatis mutandis all or any of the powers specified in Schedule 1 to the Insolvency Act 1986 (notwithstanding that such receiver may not be an administrative receiver), and in particular (but without prejudice to the generality of the foregoing) any such receiver may:

(a) deal with, take possession of, collect and get in the Mortgaged Assets and for that purpose enter the Premises and sever, dismantle and remove the Mortgaged Chattels from the Premises without being liable for any loss or damage thereby caused;

(b) (for the purpose of exercising all or any of the powers conferred on such receiver hereunder or by statute) raise or borrow any money from or incur any other liability to the Bank or any other person and on such terms as to interest or otherwise and with or without security as such receiver may think expedient and so that any such security may, with the prior consent of the Bank, be or include a charge on the Mortgaged Assets ranking either in priority to or pari passu with or after the security hereby created;

(c) forthwith and without the restrictions imposed by Section 103 of the Law of Property Act 1925 sell, realise, dispose of or concur in selling, realising or disposing of (but where necessary with the leave of the Court) all or any part of the Mortgaged Assets;

(d) carry any sale, exchange, realisation, disposal, lease, letting on hire or surrender of the Mortgaged Assets into effect by conveying, transferring, assigning, leasing, letting, surrendering or accepting surrenders in the name and on behalf of the Mortgagor (or other the estate owner) and so that covenants and contractual obligations may be granted in the name of and so as to bind the Mortgagor (or other the estate owner) so far as such receiver may consider it necessary, appropriate or expedient for the exercise of the powers conferred by this Mortgage so to do. Any such sale, exchange, realisation, disposal, lease or tenancy may be for cash, debentures or other obligations, shares, stock or other valuable consideration and may be payable in a lump sum or by instalments spread over such period as such receiver shall think fit and so that any consideration received or receivable shall ipso facto forthwith be and become charged with the payment of the Secured Obligations;

(e) apply for and obtain any approval, permission, consent and licence, enter into and perform contracts and arrangements, purchase materials and incur any type of obligation;

(f) (i) promote the formation of a subsidiary or subsidiaries of the Mortgagor with a view to such subsidiary or subsidiaries purchasing, leasing, licensing or otherwise acquiring interests in or the use of the Mortgaged Assets or with a view to such subsidiary or

subsidiaries engaging employees or providing management or other services in connection therewith or for any other purpose or function which may be regarded as necessary or appropriate by such receiver from time to time;

(ii) arrange for such subsidiary or subsidiaries to trade or cease to trade as such receiver may think fit from time to time;

(iii) arrange for the purchase, lease, licence or acquisition of the Mortgaged Assets by such subsidiary or subsidiaries on a basis whereby the consideration may be cash, shares, debentures, loan stock, convertible loan stock or other securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise howsoever and whether or not secured on the assets of the subsidiary or subsidiaries and whether or not such consideration is payable or receivable in a lump sum or by instalments spread over such period as such receiver may think fit;

(g) take any proceedings in relation to the Mortgaged Assets in the name of the Mortgagor or otherwise as may seem expedient;

(h) enter into any agreement or make any arrangement or compromise as such receiver shall think expedient in respect of the Mortgaged Assets;

(i) make and effect all repairs and any improvements to, and renewals of the Mortgaged Chattels;

(j) insure the Mortgaged Assets and maintain or renew any insurance of the same in such manner as such receiver shall think fit or as the Bank shall from time to time direct;

(k) appoint managers, agents, officers and employees for any of the aforesaid purposes at such salaries and for such periods as such receiver may determine and dismiss any of the same;

(l) adopt any contracts of employment entered into between the Mortgagor and any of its employees with such variations to the contract as such receiver may think fit and dismiss any such employees;

(m) cause the Mortgagor to grant such powers of attorney or appoint agents for any of the aforesaid purposes as such receiver may from time to time think expedient;

(n) do all such things as may be thought necessary for the management of the Mortgaged Assets; and

(o) do all such other things as may from time to time be considered by such receiver to be incidental or conducive to any of the matters or powers aforesaid or otherwise incidental or conducive to the realisation of the Bank's security or the exercise of his functions as receiver.

8.3 Sub-section 109(8) Law of Property Act 1925 shall not apply and all money received by such receiver shall be applied:

(a) first in payment of his remuneration and the costs of realisation including all costs and expenses of or incidental to any exercise of any power hereby conferred;

(b) secondly (if such receiver thinks fit, but not otherwise) in or towards payment of all or any of the matters referred to in paragraphs (i), (ii) and (iii) of Sub-section 109(8) of the Law of Property Act 1925 as he in his absolute discretion shall decide;

(c) thirdly (subject to the rights (if any) of the holder(s) for the time being of the Prior Mortgage(s) and when so required) in or towards satisfaction of the Secured Obligations.

8.4 Any such receiver shall be deemed to be the agent of the Mortgagor who alone shall be responsible for his acts or defaults and for his remuneration.

8.5 Any such receiver shall be entitled to remuneration for his services and the services of his firm at a rate or rates or in an amount or amounts as may from time to time be agreed between the Bank and such receiver or (in default of agreement) as may be appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by such receiver in accordance with the current practice of such receiver or his firm and without in either such case being limited by the maximum rate specified in Section 109(6) of the Law of Property Act 1925.

8.6 If the Bank shall appoint more than one receiver the powers given to a receiver hereby and by statute shall be exercisable by all or any one or more of such receivers and any reference in this Mortgage to "receiver" shall be construed accordingly.

8.7 The powers conferred by this clause 8 shall be in addition to all powers given by statute to the Bank or to any such receiver.

8.8 Only money actually paid by such receiver to the Bank shall be capable of being applied by the Bank in or towards satisfaction of the Secured Obligations.

9. **Protection of third parties**

9.1 No person (each a "Third Party", including any insurer, assurer, purchaser or security holder) dealing with the Bank or any receiver appointed by it or their respective employees and agents need enquire:

(a) whether any right, exercised or purported to be exercised by the Bank, such receiver or their respective employees and agents, has become exercisable; or

(b) whether any one or more of the Secured Obligations are due or remain outstanding; or

(c) as to the propriety or regularity of anything done (including any sale, dealing or application of money paid, raised or borrowed) by the Bank, such receiver or their respective employees and agents.

9.2 Each of those things shall (as between that Third Party on the one hand and the Bank or any receiver appointed by it or their respective employees or agents on the other hand) be deemed to be exercisable, due, outstanding, proper, regular and within the terms of this Mortgage (as the case may be) and be fully valid and effective.

9.3 All the protections to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925 and to persons contained in Section 42(3) of the Insolvency Act 1986 apply to each Third Party.

9.4 The Bank, any receiver appointed by it and their respective employees and agents may give receipts to any Third Party. The Mortgagor agrees that each receipt shall be an absolute and conclusive discharge to such Third Party and shall relieve such Third Party of any obligations to see to the application of any assets paid or transferred to or by the direction of the Bank, such receiver, employee or agent.

10. **Covenants**

The Mortgagor shall:

(a) affix to or engrave on the Mortgaged Chattels such labels, plates or markings as the Bank shall require and shall not allow to be disturbed or defaced any labels, plates or markings which may be affixed to or engraved on the Mortgaged Chattels as a means of identification by its manufacturers, suppliers or by any other person and shall not obliterate, obscure or cover up the same and the Bank shall at all times have access to the Mortgaged Chattels for the purposes of inspecting, affixing, repairing or replacing any labels, plates or markings as it may in its absolute discretion consider necessary;

(b) deposit with the Bank and the Bank shall be entitled to hold and retain (unless deposited with the holder(s) of any Prior Mortgage(s) at the date hereof) all invoices, documents of title and agreements relating to the Mortgaged Assets.

(c) at all times pay the rent, rates, assessments, charges, impositions, outgoings and taxes in respect of the Premises and shall punctually pay all licence fees, duties, registration charges and all outgoings of whatsoever nature in respect of the Mortgaged Assets and shall keep or cause the Mortgaged Assets to be kept from being distrained for recovery of the same or from being taken under any execution and shall at all times on demand produce to the Bank or its authorised agents the receipt for such payments;

(d) except as may be agreed in writing by the Bank, keep the Mortgaged Chattels in its sole and exclusive possession and at the location (if any) specified in the First Schedule and shall not in

any event take them out of England and Wales and shall not use nor permit them to be used for any purpose for which they are not designed or reasonably suitable;

(e) not use nor permit the Mortgaged Chattels to be used in any way contrary to law and shall comply with the requirements of any law so far as the same relate to or affect the Mortgaged Chattels or the user thereof and shall forthwith execute or cause to be executed all works that are thereby required by any law to be executed upon or in connection with the Mortgaged Chattels;

(f) forthwith produce to the Bank the original of any order, direction, requisition, permission, notice or any matter whatsoever affecting or likely to affect the Mortgaged Chattels and served upon the Mortgagor by any third party and shall forthwith at the Mortgagor's own cost comply with the same and shall if so required by the Bank at the Mortgagor's own cost make or join in making such objections or representations against or in respect of the contents of any such document as the Bank shall deem expedient;

(g) not annex the Mortgaged Chattels or any part or parts thereof to the Premises if the result of such annexure would be to cause the Mortgaged Chattels to become fixtures;

(h) replace any part or parts of the Mortgaged Chattels that may be destroyed, damaged or worn out with new parts of similar quality and permit the Bank or any person nominated by it at all reasonable times to enter upon the Premises and view the state of the Mortgaged Chattels and the Mortgagor shall carry out such repair thereto as the Bank shall consider necessary;

(i) if a notice is served affecting the Premises or any part thereof or if any proceedings are commenced affecting the same, immediately give full particulars thereof to the Bank.

11. **Repair and Insurance**

11.1 The Mortgagor shall:

(a) keep the Mortgaged Chattels in a good state of repair and insured with reputable insurers and on terms approved by the Bank against loss or damage by fire and such other risks and contingencies as may be required by the Bank in their full reinstatement value for the time being in the joint names of the Mortgagor and the Bank or with the interest of the Bank endorsed on the policy or policies or noted as the Bank may require;

(b) (unless deposited with the holder(s) for the time being of the Prior Mortgage(s)) deposit the relevant policy or policies with the Bank;

(c) duly pay all premiums and sums payable for this purpose and produce the receipts therefor to the Bank within seven days of their becoming due and payable; and

(d) ensure that the relevant policy or policies remain valid at all times.

11.2 (a) If default shall at any time be made by the Mortgagor in keeping the Mortgaged Assets in a good state of repair or in effecting or keeping up any such insurance or in paying any rent or other outgoings or in producing to the Bank any such policy or receipt, it shall be lawful for but not obligatory on the Bank (as the case may require) to repair and maintain the same with power to enter the Premises for that purpose or to pay such rent and other outgoings or to effect or renew any such insurance as aforesaid as the Bank shall think fit and any sums paid by the Bank for any such purpose shall be repayable by the Mortgagor to the Bank on demand with interest computed and payable as provided in clauses 2 and 3 from the date of payment by the Bank as aforesaid and, pending payment, shall be secured hereby.

(b) The Mortgagor shall hold in trust for the Bank all money which may at any time be received or receivable under any such policies of insurance and (at the Bank's option) shall pay such money to the Bank or shall apply the same in replacing, restoring or reinstating the buildings, fixtures and assets destroyed or damaged.

11.3 Any sum paid by the Bank to the lessor of any lease under which the Premises are held (or under any superior lease) in settlement of any claim made by the lessor for any rent or other outgoings reserved or payable or alleged to be reserved or payable under the lease shall be deemed to be a payment properly made under the terms of the lease (whether or not actually due to the lessor and whether or not disputed by the Mortgagor) provided that such payment was made by the Bank in good faith for the purpose of avoiding, compromising or terminating any distraint on the Mortgaged Chattels or otherwise for the purpose of preserving or enforcing the security hereby created.

11.4 The Mortgagor authorises the Bank in the Mortgagor's name and on the Mortgagor's behalf to make any claim against the insurer under any part of any insurance policy and to admit, compromise or settle such claim or any liability relating to any such claim or any potential claim.

11.5 The Mortgagor also authorises the Bank to receive any amounts payable or received in respect of any insurance policy or claim under any insurance policy and give a good discharge to the insurer in respect of such amounts.

12. **Power of attorney**

12.1 For the purpose of securing the performance of the Secured Obligations and for securing any proprietary interest which the Bank has in any of the Mortgaged Assets, the Mortgagor irrevocably appoints the Bank and the persons deriving title under it and its and their substitutes and any receiver or receivers appointed hereunder (the "Attorney") jointly and also severally to be the Mortgagor's true and lawful attorney. For the purposes aforesaid the Attorney shall have the right to do anything which the Mortgagor may lawfully do and all the rights and powers which may lawfully be given to an attorney including, without prejudice to the generality of the foregoing:

(a) the right to do anything to procure or carry out the performance of the Mortgagor's obligations under this Mortgage and anything to facilitate the exercise of the Bank's rights under this Mortgage;

(b) the right to act in the name of the Mortgagor; and

(c) the right to delegate and sub-delegate any or all of the rights of the Attorney.

12.2 The Mortgagor ratifies and shall ratify everything done or purported to be done by the Attorney.

13. **Indemnity**

13.1 The Mortgagor hereby agrees to indemnify the Bank and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against:

(a) all existing and future rents, rates, taxes, duties, charges, assessments and outgoings now or at any time payable in respect of the Mortgaged Assets or the Premises or by the owner or occupier thereof; and

(b) all costs, claims, demands, expenses, charges, assessments, impositions, fines and sums and the consequences of any proceedings or prosecutions arising directly or indirectly from or in connection with:

(i) any breach by the Mortgagor of any law;

(ii) the Mortgaged Chattels, their manufacture, selection, delivery, possession, use or operation;

in each case, whether imposed by statute or otherwise and whether of the nature of capital or revenue and even though of a wholly novel character. If any such sums shall be paid by the Bank or any such receiver or any of their respective employees or agents, the same shall be paid by the Mortgagor on demand with interest computed and payable as provided in clauses 2 and 3 from the time or respective times of the same having been paid or incurred and, pending payment, shall be secured hereby, but the Bank shall not be deemed to have taken possession of the Mortgaged Assets by reason of such payment.

13.2 The Mortgagor hereby agrees to indemnify the Bank and any receiver appointed by it and their respective employees and agents (as a separate covenant with each such person indemnified) against all loss incurred in connection with:

(a) any statement made by the Mortgagor or on the Mortgagor's behalf in connection with this Mortgage, the Mortgaged Assets or the business of the Mortgagor being untrue or misleading;

(b) the Bank entering into any obligation with any person (whether or not the Mortgagor) at the request of the Mortgagor (or any person purporting to be the Mortgagor);

(c) any actual or proposed amendment, supplement, waiver, consent or release in relation to this Mortgage; and

(d) any stamping or registration of this Mortgage or the security constituted by it,

whether or not any fault (including negligence) can be attributed to the Bank or any receiver appointed by it or their respective employees and agents.

13.3 This indemnity does not and will not extend to any loss to the extent that there is a prohibition against an indemnity extending to that loss under any law relating to this indemnity.

14. **Notice of subsequent charges**

If the Bank receives notice of any subsequent assignment, mortgage, security, charge or other interest affecting the Mortgaged Assets the Bank may open a new account or accounts. If the Bank does not open a new account it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made to the Bank in respect of any of the Secured Obligations shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount of the Secured Obligations at the time when it received the notice.

15. **Notices**

15.1 Any notice or demand by the Bank hereunder shall be deemed to have been sufficiently given or made if:

(a) sent by hand or prepaid letter post to the Mortgagor's address stated herein or the address last known to the Bank or the registered office of the Mortgagor; or

(b) sent by telex or facsimile to the Mortgagor's last known telex or facsimile number relating to any such address or office.

15.2 Any such notice or demand given or made under sub-clause 15.1 shall be deemed to have been served on the addressee:

(a) at the time of delivery to the address referred to in sub-clause 15.1(a), if sent by hand;

(b) at the earlier of the time of delivery or 10.00 am on the day after posting (or, if the day after posting be a Sunday or any other day upon which no delivery of letters is scheduled to be made, at the earlier of the time of delivery or 10.00 am on the next succeeding day on which delivery of letters is scheduled to be made), if sent by prepaid letter post;

(c) at the time of transmission, if sent by telex or facsimile (and a facsimile shall be deemed to have been transmitted if it appears to the sender to have been transmitted from a machine which is apparently in working order); or

(d) on the expiry of 72 hours from the time of despatch in any other case.

15.3 Service of legal proceedings in the manner described in sub-clause 15.1(a) shall be deemed to constitute good service.

15.4 Any notice or communication required to be served by the Mortgagor on the Bank under the terms of this Mortgage shall be in writing and sent by recorded delivery or registered post to the Bank at the Bank's address stated herein or at such other address as may be notified in writing by the Bank to the Mortgagor for this purpose.

16. **Currency conversion**

The Bank may at any time at its sole discretion, and with or without notice to the Mortgagor, elect to convert all or any part of any sum received by the Bank pursuant to this Mortgage (in whole or in part) into the currency or currency unit or currencies or currency units of the whole or any part of the Secured Obligations (deducting from the proceeds of the conversion any currency premium or other expense) and the rate of exchange shall be the Bank's spot rate for selling the currency or currency unit or currencies or currency units of the Secured Obligations or relevant part thereof for the currency or currency unit of the sum received by the Bank hereunder at or about 11.00am in London on the date that the Bank exercises its right of conversion hereunder.

17. **Payments and costs**

17.1 If at any time the currency in which all or any part of the Secured Obligations is denominated is, is due to be or has been converted into the Euro or any other currency as a result of a change in law or by agreement between the Bank and the relevant obligor, then the Bank may in its sole discretion direct that all or any of the Secured Obligations shall be paid in the Euro or such other currency or in any currency unit.

17.2 The Bank may apply, allocate or appropriate the whole or any part of any payment made by the Mortgagor hereunder or any money recovered by the Bank under any guarantee, indemnity or third party security or from any receiver, liquidator or administrator of the Mortgagor or from the proceeds of realisation of any part of the Mortgaged Assets to such part or parts of the Secured Obligations as the Bank may in its sole discretion think fit, to the entire exclusion of any right of the Mortgagor to do so.

17.3 If any payment made by or on behalf of the Bank hereunder includes an amount in respect of Value Added Tax, or if any payment due to the Bank hereunder shall be in reimbursement of any expenditure by or on behalf of the Bank which includes an amount in respect of Value Added Tax, then such

amount shall be payable by the Mortgagor to the Bank on demand with interest from the date of such demand computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

17.4 Without prejudice to the generality of clauses 2 and 8, the Mortgagor shall pay to the Bank all costs incurred or suffered by the Bank, and any receiver appointed by the Bank shall be entitled to recover as a receivership expense all costs incurred or suffered by him:

(a) in connection with any application under Part II or III Insolvency Act 1986; and

(b) in defending proceedings brought by any third party impugning the Bank's title to this security or the enforcement or exercise of the rights and remedies of the Bank or of such receiver hereunder;

and all such costs shall bear interest from the date such costs were incurred or suffered which shall be computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

17.5 All costs awarded to the Bank or agreed to be paid to the Bank in any proceedings brought by the Mortgagor against the Bank shall bear interest from the date of such award or agreement computed and payable as provided in clauses 2 and 3 and, pending payment, shall be secured hereby.

18. **Non-merger, etc**

18.1 Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill, note, guarantee, mortgage or other security or any contractual or other right which the Bank may at any time have for any of the Secured Obligations or any right or remedy of the Bank thereunder. Any receipt, release or discharge of the security provided by, or of any liability arising under, this Mortgage shall not release or discharge the Mortgagor from any liability to the Bank for the same or any other money which may exist independently of this Mortgage, nor shall it release or discharge the Mortgagor from any liability to the Bank under the indemnity contained in clause 13.

18.2 Where this Mortgage initially takes effect as a collateral or further security then notwithstanding any receipt, release or discharge endorsed on or given in respect of the money and liabilities owing under the principal security to which this Mortgage operates as a collateral or further security, this Mortgage shall, in respect of any of the Secured Obligations which were originally intended to be secured, be an independent security for such Secured Obligations.

18.3 This Mortgage is in addition to any other security or securities now or hereafter held by the Bank.

19. **Transfers by the Bank or the Mortgagor**

19.1 Each of the Bank's rights in relation to this Mortgage is freely and separately assignable or transferable by the Bank. On request by the Bank, the Mortgagor shall immediately execute and deliver to the Bank any form of instrument required by the Bank to confirm or facilitate any such assignment or transfer.

19.2 The Mortgagor shall not assign or transfer any of the Mortgagor's rights or obligations under this Mortgage or enter into any transaction or arrangement which would result in any of those rights or obligations passing to or being held in trust for or for the benefit of another person.

20. **Partial invalidity**

Each of the provisions of this Mortgage shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

21. **Restriction on liability of the Bank**

Except to the extent that any such exclusion is prohibited or rendered invalid by law, neither the Bank nor any receiver appointed by it nor their respective employees and agents shall:

(a) be liable to account as a mortgagee in possession for any sums other than actual receipts;

(b) be liable for any loss upon realisation of, or for any action, neglect or default of any nature whatsoever in connection with, any part of the Mortgaged Assets for which a mortgagee in possession might as such otherwise be liable;

(c) be under any duty of care or other obligation of whatsoever description to the Mortgagor in relation to or in connection with the exercise of any right conferred upon the Bank, any receiver appointed by it and their respective employees and agents; or

(d) be under any liability to the Mortgagor as a result of, or in consequence of, the exercise, or attempted or purported exercise, or failure to exercise, any of their respective rights.

22. **Miscellaneous**

22.1 Any amendment of or supplement to any part of this Mortgage shall only be effective and binding on the Bank and the Mortgagor if made in writing and agreed to by both the Bank and the Mortgagor. References to "this security", "this deed" or to "this Mortgage" include each such amendment and supplement.

22.2 The Mortgagor and the Bank shall from time to time amend the provisions of this Mortgage if the Bank notifies the Mortgagor that any amendments are required to ensure that this Mortgage reflects the market practice prevailing at the relevant time following the introduction of economic and monetary union and/or the Euro in all or any part of the European Union.

22.3 The Bank and the Mortgagor agree that the occurrence or non-occurrence of European economic and monetary union, any event or events associated with European economic and monetary union and/or the introduction of any new currency in all or any part of the European Union shall not result in the discharge, cancellation, rescission or termination in whole or in part of this Mortgage or give any party hereto the right to cancel, rescind, terminate or vary this Mortgage in whole or in part.

22.4 Any waiver, consent, receipt, settlement or release given by the Bank in relation to this Mortgage shall only be effective if given in writing and then only for the purpose for and upon any terms on which it is given.

22.5 (a) The Mortgagor acknowledges to and agrees with the Bank that, in entering into this Mortgage and incurring the Secured Obligations:

(i) the Mortgagor has not relied on any oral or written statement, representation, advice, opinion or information made or given to the Mortgagor in good faith by the Bank or anybody on the Bank's behalf and the Bank shall have no liability to the Mortgagor if the Mortgagor has in fact done so;

(ii) the Mortgagor has made, independently of the Bank, the Mortgagor's own assessment of the viability and profitability of any purchase, project or purpose for which the Mortgagor has incurred the Secured Obligations and the Bank shall have no liability to the Mortgagor if the Mortgagor has not in fact done so; and

(iii) there are no arrangements, collateral or relating to this Mortgage, which have not been recorded in writing and signed on behalf of the Bank and the Mortgagor.

(b) The Mortgagor agrees with the Bank that the Bank did not have prior to the date of this Mortgage, does not have and will not have any duty to the Mortgagor:

(i) in respect of the application by the Mortgagor of the money hereby secured;

(ii) in respect of the effectiveness, appropriateness or adequacy of the security constituted by this Mortgage or of any other security for the Secured Obligations; or

(iii) to preserve the goodwill of any business carried on by the Mortgagor by running, or procuring the running of, such business or otherwise, either before or after the enforcement of this Mortgage.

(c) The Mortgagor agrees with the Bank for itself and as trustee for its officials, employees and agents that neither the Bank nor it's officials, employees or agents shall have any liability to the Mortgagor in respect of any act or omission by the Bank, its officials, employees or agents done or made in good faith.

22.6 For the purpose of exercising, assigning or transferring its rights under this Mortgage, the Bank may disclose to any person any information relating to the Mortgagor which the Bank has at any time.

22.7 The restriction on the right of consolidating mortgage securities contained in Section 93 of the Law of Property Act 1925 shall not apply to this Mortgage or any further or other security entered into pursuant to this Mortgage.

22.8 Any change in the constitution of the Bank or its absorption of or amalgamation with any other person shall not in any way prejudice or affect its or their rights hereunder and the expression "Bank" shall include any such other person.

22.9 The Bank shall be entitled to debit any account for the time being of the Mortgagor with the Bank with any sum falling due to the Bank hereunder.

23. Prior Mortgage(s)

23.1 Any sale in exercise of the statutory or other powers and remedies may be made either subject to or discharged from all or any of the Prior Mortgage(s) or upon such terms as to indemnity as the Bank or any receiver appointed by it may think fit and the Bank or any such receiver may settle and pass the accounts of any person or persons in whom all or any of the Prior Mortgage(s) may for the time being be vested and any account so settled and passed shall as between the Bank or any such receiver and the Mortgagor be deemed to be properly settled and passed and shall be binding on the Mortgagor accordingly.

23.2 If the person or persons entitled to the benefit of all or any of the Prior Mortgage(s) shall call in the money thereby secured or shall take any step to enforce all or any of the Prior Mortgage(s), the Bank or any receiver appointed by it may thereupon pay off all or any of the Prior Mortgage(s) and take a transfer of the benefit thereof, and the money so expended by the Bank or any such receiver and all costs of and incidental to the transaction incurred by the Bank or any such receiver shall be secured hereby and shall bear interest computed and payable as provided in clauses 2 and 3 from the date of the same having been expended.

24. Governing Law

This Mortgage shall be governed by and construed according to English law and each party hereto irrevocably submits to the jurisdiction of the English courts.

IN WITNESS whereof the Mortgagor has executed this Mortgage as a deed and has delivered it upon its being dated.

THE FIRST SCHEDULE

THE MORTGAGED CHATTELS

PCMC 2018 Dry Clipper Series Rx100 wipes folder line more fully described below:

PCMC 2018 Dry Clipper Series Rx100 wipes folder line – Serial no. NP5011872
including
PCMC 2018 280mm Folding Rail Module for Athena Folder per Invoice 16651,
PCMC 2018 L H Bandsaw Unit for 2nd Athena Folder per Invoice 16651 and
PCMC 2018 Bandsaw Unit per Invoice 16656

Located in Unit 7/8 Rhodes Business Park, Silburn Way, Middleton, M24 4NE

THE SECOND SCHEDULE

THE PRIOR MORTGAGE(S)

Date of prior mortgage(s)	Parties

SIGNED as a Deed on behalf of
TECHTEX HOLDINGS LIMITED

* Insert full names

Certified as a true copy of the redacted chattels mortgage by Lloyds Bank PLC

Dated

The within-named **LLOYDS BANK PLC** (hereinafter called the "Bank") hereby reassigns to the within written Mortgagor ALL AND SINGULAR the assets, property and rights now comprised in or assigned by the within-written Mortgage to the intent that the same shall henceforth be held free from the said security and from all claims and demands under the within-written Mortgage

PROVIDED THAT this release shall not discharge the within-written Mortgagor from any liability to the Bank remaining to be paid or any other security held by the Bank

IN WITNESS whereof the Bank has executed this instrument as a deed and has delivered it upon it's being dated.

SIGNED as a Deed by)
)
as Attorney for and on behalf)
of **LLOYDS BANK PLC** in the)
presence of:)

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