

MR01

Particulars of a charge



Companies House

631681/13

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

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

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

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

FRIDAY



A35
22/05/2015
COMPANIES HOUSE
#166

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

☒ You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record. Do not send the original

1 Company details

Company number 05383346

Company name in full CO2 SENSE CIC

For official use

→ Filing in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 21/05/2015

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

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

Name SECRETARY OF STATE FOR
BUSINESS, INNOVATION AND SKILLS

Name

Name

Name

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

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

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4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

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

☐ Yes

☒ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☐ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement ^①

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

☐

^① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Lehander* X

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

MR01

Particulars of a charge



Presenter information

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

Contact name **L CHANDLER**

Company name **BIS**

Address **2nd FLOOR, VICTORIA 3
1 VICTORIA STREET**

Post town **LONDON**

County/Region

Postcode **SW1H0ET**

Country

e-mail **laana.chandler@bis.gsi.gov.uk**

Telephone **020 7215 8593**



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

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

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

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



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5383346

Charge code: 0538 3346 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st May 2015 and created by CO2SENSE C I C was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd May 2015

P

Given at Companies House, Cardiff on 2nd June 2015



Companies House



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

I hereby certify
that this is a true
copy of the original.
Schneider

Date 21ST May 2015

CO2Sense C.I.C.

as chargor

The Secretary of State for Business, Innovation and Skills

as secured party

Floating Charge

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THIS FLOATING CHARGE is made by way of deed the 21st day of May 2015

BETWEEN:

- (1) **CO2SENSE C.I.C.** a company registered in England and Wales with registration number 05383346 and whose registered office is at Suite 11, The Tannery, 91 Kirkstall Road, Leeds, England LS3 1HS (the "**Chargor**"), and
- (2) **THE SECRETARY OF STATE FOR BUSINESS, INNOVATION AND SKILLS** whose principal office is at Department for Business Innovation and Skills, 1 Victoria Street, London, SW1H 0ET (the "**Secured Party**")

IT IS AGREED as follows

1. Definitions and interpretation

1.1 Definitions

In this Deed

"**Act**" means the Law of Property Act 1925,

"**Administrator**" means an administrator appointed under paragraph 14 of schedule B1 to the Insolvency Act 1986,

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

"**Charged Assets**" means all assets of the Chargor from time to time the subject of any Security created or, where the context admits, to be created by this Deed,

"**CO2 Sense Programme**" means the former Yorkshire & the Humber Regional Development Agency (known as Yorkshire Forward) project number 904048, the property, assets and liabilities of which were transferred to the Secured Party under section 30 of the Public Bodies Act 2011 with effect from 1 January 2012,

"**CO2 Sense Programme Agreement**" means the agreement relating to the CO2 Sense Programme between the Secured Party and the Chargor with contract number B/544 as amended, varied and/or supplemented by contract numbers B/544 1a, B/544 1b, B/544 2, B/544 3, B/544 4, B/544 5, B/544 6, B/544 7, B/544 8, B/544 9 and 3764 and as further amended, varied and/or supplemented from time to time,

"**Event of Default**" means any event or circumstance specified as such in Clause 7 (*Events of Default*),

"**Finance Documents**" means each of the CO2 Sense Programme Agreement, and this Deed,

"**Financial Indebtedness**" means indebtedness incurred in respect of money borrowed or raised, including (but not limited to) under any acceptance credit facility, or for the deferred payment for assets or services, or for rental payments under finance leases, or under guarantees in respect of money borrowed or raised by others, or in respect of any amount raised under any other transaction having the commercial effect of a borrowing,

"Material Adverse Effect" means a material adverse effect on the business or financial condition of the Chargor,

"Receiver" means any one or more persons appointed by the Secured Party as a receiver, receiver and manager or administrative receiver under this Deed,

"Secured Obligations" means all present and future obligations and liabilities of the Chargor owed or expressed to be owed to the Secured Party under or in connection with the Finance Documents whether actual or contingent and whether owed or incurred alone or jointly and/or severally with another and as principal or as surety or in any other capacity or of any nature,

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect,

"Security Period" means the period beginning on the date of this Deed and ending on the earlier of (i) 17th December 2019 or (ii) the date on which the Secured Party is satisfied that all the Secured Obligations have been unconditionally and irrevocably paid, released and discharged in full and no further Secured Obligations are capable of becoming outstanding,

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006, and

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature

1.2 Construction

(a) In this Deed, unless a contrary indication appears, any reference to

- (i) **"assets"** includes present and future properties, revenues and rights of every description and includes the proceeds of sale of any such asset,
- (ii) the **"Charged Assets"** and any other assets or asset or the **"Secured Obligations"** includes a reference to any part of them or it,
- (iii) this **"Deed"** or any other agreement or document is a reference to the same as it may have been, or may from time to time be, amended, varied, supplemented or novated,
- (iv) a party to this Deed shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
- (v) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality),
- (vi) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
- (vii) **"this Security"** means any Security created or constituted by this Deed,
- (viii) an Event of Default is "continuing" if it has not been waived by the Secured Party,

- (ix) any provision of law includes that provision as amended, re-enacted or replaced from time to time and includes any subordinate legislation, and
- (x) words in the singular include the plural and vice versa and words in one gender include any other gender
- (b) Headings in this Deed are for ease of reference only
- (c) Any covenant or undertaking by the Chargor under this Deed is given to or made in favour of the Secured Party and remains in force during the Security Period
- (d) It is intended that this document take effect as a deed notwithstanding the fact that (if executed by the Secured Party) the Secured Party may only execute this document under hand
- (e) The terms of the other Finance Documents and of any side letter between the parties to this Deed are incorporated in this Deed to the extent required for any contract for the purported disposition of any real property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (f) This Deed is a Finance Document

1.3 Third party rights

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed

2. Undertaking to pay

2.1 Undertaking to pay

The Chargor undertakes with the Secured Party to pay the Secured Obligations to the Secured Party when due pursuant to the terms and conditions of the Finance Documents

2.2 Interest

If the Chargor fails to pay any of the Secured Obligations on the due date for payment of that sum, the Chargor shall on demand pay to the Secured Party interest on all such sums from the due date until the date of payment (both before and after judgment) at the rate three per cent above the base rate of Barclays Bank PLC (or its successor in business) from time to time

3. Creation of Security

3.1 Floating charge

The Chargor with full title guarantee charges by way of first floating charge in favour of the Secured Party as a continuing security to secure the payment and discharge of the Secured Obligations the whole of its present and future business, undertaking and assets of whatever type and wherever located

3.2 Conversion by notice

Subject to Clause 3 3 (*Moratorium under Insolvency Act*), the Secured Party may at any time by written notice to the Chargor convert the floating charge created by Clause 3 1 (*Floating charge*) into a fixed charge as regards any assets specified in the notice if

- (a) an Event of Default has occurred and is continuing, or
- (b) in the opinion of the Secured Party such assets are at risk of becoming subject to any Security (other than this Security) or are otherwise at risk of ceasing to be within the ownership or control of the Chargor

3.3 Moratorium under Insolvency Act

The Secured Party shall not be entitled to convert the floating charge created by Clause 3 1 (*Floating charge*) into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and Schedule A1 to the Insolvency Act 1986

3.4 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by Clause 3 1 (*Floating charge*), which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 to the Insolvency Act 1986

3.5 Automatic conversion

The floating charge created by Clause 3 1 (*Floating charge*) will convert automatically into a fixed charge

- (a) if the Secured Party receives notice of an intention to appoint an administrator of the Chargor,
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor or over all or any part of its assets, or if such person is appointed,
- (c) if the Chargor creates or attempts to create Security over the Charged Assets,
- (d) on the crystallisation of any other floating charge over the Charged Assets,
- (e) if any person seizes, attaches, charges, takes possession of or sells any Charged Asset under any form of distress, sequestration, execution or other process, or attempts to do so, and
- (f) in any other circumstances prescribed by law

4. Representations

The Chargor makes the representations and warranties set out in this Clause to the Secured Party

4.1 Status

- (a) It is a community interest company limited by guarantee duly incorporated and validly existing under the law of England and Wales
- (b) It has the power to own its assets and carry on its business in England and Wales as it is being conducted

4.2 Binding obligations

The obligations and liabilities expressed to be assumed by it in each Finance Document to which it is a party are legal, valid, binding and enforceable obligations and liabilities

4.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents to which it is a party do not and will not conflict with

- (a) any law or regulation applicable to it,
- (b) its constitutional documents, or
- (c) any agreement or instrument binding upon it or any of its assets

4.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents

4.5 No default

No Event of Default is continuing under Clause 7 (*Events of Default*)

4.6 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it

4.7 Other Security

There is no Security over any of the assets of the Chargor except for this Security

4.8 Valid Security

This Deed creates valid first priority Security over the assets to which it relates

4.9 Sole legal and beneficial owner

The Chargor is the sole legal and beneficial owner of, and absolutely entitled to, the assets it purports to mortgage, charge or assign under this Deed

4.10 Repetition

The representations and warranties in this Clause are deemed to be made by the Chargor on the date of this Deed and to be repeated by the Chargor by reference to the facts and circumstances then existing on each day until the expiry of the Security Period

5. Negative undertakings

5.1 Negative pledge

- (a) The Chargor shall not create or permit to subsist any Security over the Charged Assets other than this Security
- (b) The Chargor shall not (without the prior written consent of the Secured Party (such consent not to be unreasonably withheld))
 - (i) sell, transfer or otherwise dispose of any of the Charged Assets on terms under which it is or may be leased to or re-acquired by the Chargor,
 - (ii) sell, transfer or otherwise dispose of any of its book debts or other receivables on recourse terms, or
 - (iii) enter into any other preferential arrangement having a similar effect,in each case, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset

5.2 Disposals

- (a) The Chargor shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any Charged Asset
- (b) Paragraph (a) above does not apply to a disposal made with the prior written consent of the Secured Party, or for full consideration in the ordinary course of trade

5.3 Centre of main interests

The Chargor shall not move its centre of main interests for the purposes of Council Regulation (EC) No 1346/2000 on Insolvency Proceedings outside England and Wales

6. General undertakings

The Chargor shall

- (a) carry on its business in a proper manner and not make any material alteration in the nature of its business,

- (b) keep proper accounting records and make all proper entries in relation to its affairs and make such records available for inspection by or on behalf of the Secured Party or any Receiver at the cost of the Chargor in any circumstance where the Secured Party reasonably believes that an Event of Default may have occurred or is continuing,
- (c) give to the Secured Party or any Receiver such information relating to its undertaking or property or otherwise relating to its affairs as either of them requires,
- (d) observe and perform in all material respects all laws, covenants and stipulations from time to time affecting any Charged Asset or otherwise relating to its business,
- (e) promptly provide the Secured Party with copies of all communications sent to shareholders and/or creditors or any class of them generally,
- (f) upon becoming aware of the same promptly notify the Secured Party of the occurrence of any Event of Default and at the same time inform the Secured Party of any action taken or proposed to be taken by it in connection with it,
- (g) promptly notify the Secured Party of any litigation, arbitration or administrative proceedings which to its knowledge are threatened, pending or have been commenced against it which is likely to have a Material Adverse Effect,
- (h) ensure that all information supplied to the Secured Party by it is at the time of supply complete and accurate in all material respects, and
- (i) observe and perform the obligations, terms and conditions on its part of the Finance Documents

7. Events of Default

Each of the following events or circumstances is an Event of Default, namely if

- (a) the Chargor does not pay any amount secured by this Deed or discharge any obligation or liability payable by it from time to time to the Secured Party on the due date and at the place at and in the currency in which it is payable pursuant to the Finance Documents,
- (b) the Chargor does not comply with any provision of this Deed (other than as referred to in paragraph (a) above) provided that no Event of Default under this sub-paragraph (b) will occur if the failure to comply is capable of remedy and is remedied within 10 Business Days of the earlier of (i) the Secured Party giving notice to the Chargor and (ii) the Chargor becoming aware of the failure to comply,
- (c) any representation, warranty or statement made by the Chargor to the Secured Party is or proves to be untrue or incorrect in any material respect when made or deemed to be made,
- (d) this Deed is not or ceases to be in full force and effect,
- (e) any indebtedness of the Chargor becomes due and payable prior to its specified maturity, or is not paid when due or within any originally applicable grace period,
- (f) any Security over any asset of the Chargor becomes enforceable or a creditor or encumbrancer attaches or takes possession of, or a distress, execution, sequestration

or other process is levied or enforced upon or sued out against, any of the undertaking and assets of the Chargor,

- (g) the Chargor is, or is deemed for the purposes of any law to be, unable to pay its debts as they fall due or insolvent, or admits its inability to pay its debts as they fall due, or suspends making payments on any of its debts,
- (h) any step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of the Chargor's creditors,
- (i) an order is made for the winding-up, administration or dissolution of the Chargor, or any person presents a petition, or makes an application to or files documents with a court or any registrar for the winding-up, administration or dissolution of the Chargor, or the Secured Party receives notice of an intention to appoint an administrator of the Chargor,
- (j) any liquidator, trustee in bankruptcy, receiver, administrator or similar officer is appointed in respect of all or any of the assets of the Chargor, or its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, any such person, or
- (k) the Chargor suspends, or threatens to suspend, the whole or a substantial part of its business

8. When Security becomes enforceable

8.1 Timing

This Security shall become immediately enforceable if

- (a) an Event of Default occurs and is continuing, or
- (b) the Chargor requests the Secured Party to exercise any of its powers under this Deed

8.2 Enforcement

After this Security has become enforceable, the Secured Party may in its absolute discretion enforce all or any part of this Security in any manner it sees fit

9. Enforcement of Security

9.1 Secured Party's powers

Immediately upon this Security becoming enforceable or at any time thereafter the Secured Party may

- (a) exercise the power of sale and all other rights, powers and discretions conferred on mortgagees by section 101 of the Act as varied or extended by this Deed,
- (b) appoint one or more persons as an Administrator of the Chargor in accordance with schedule B1 to the Insolvency Act 1986,
- (c) subject to section 72A of and paragraph 43 of schedule A1 to the Insolvency Act 1986, appoint one or more persons as a Receiver of all or any part of the Charged Assets,

- (d) exercise all the rights, powers and discretions conferred on a Receiver by this Deed, the Act, the Insolvency Act 1986 or otherwise by law, without first appointing a Receiver or notwithstanding the appointment of a Receiver,
- (e) by notice to the Chargor end the Chargor's right to possession of all or any real property forming part of the Charged Assets and enter into possession of all or such part of such real property,
- (f) exercise all other powers conferred on mortgagees or receivers by law,
- (g) to the extent that this Deed constitutes a "security financial collateral arrangement" as defined in the Regulations, appropriate any Charged Asset which constitutes "financial collateral" as defined in those Regulations in or towards satisfaction of the Secured Obligations and the Secured Party shall value such Charged Assets by reference to the price of the relevant Charged Assets at the time the right of appropriation is exercised as listed on any recognised market index or to an independent valuation or other procedure selected by the Secured Party acting reasonably. The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of those Regulations

9.2 Consideration on a disposal

The consideration for any sale or other disposal of the Charged Assets by the Secured Party or any Receiver in the exercise of their respective powers may (in addition to that permitted under the Act on a sale by a mortgagee) consist of cash, shares, securities, debentures or other valuable consideration, may fluctuate according to or dependent upon profit or turnover or be determined by a third party, and may be payable in a lump sum or in instalments (with or without security)

9.3 Leasing

The statutory powers of leasing conferred on the Secured Party are extended so as to authorise the Secured Party to lease, make agreements for leases, accept surrenders of leases and grant options as the Secured Party may think fit and without the need to comply with any provision of sections 99 or 100 of the Act, and may be exercised by the Secured Party at any time after this Security has become enforceable. Any lease granted will bind any holder of a subsequent Security deriving title under the Secured Party

9.4 Protection of third parties

No person (including a purchaser) dealing with the Secured Party or a Receiver will be concerned to enquire

- (a) whether the Secured Obligations have become payable,
- (b) whether any right or power which the Secured Party or a Receiver is purporting to exercise has arisen or become exercisable,
- (c) whether any money remains due under this Deed or the other Finance Documents,
- (d) how any money paid to the Secured Party or to a Receiver is to be applied, or
- (e) as to the propriety or regularity of such dealings

9.5 Redemption of prior mortgages

At any time after this Security has become enforceable, the Secured Party may redeem any prior Security against any Charged Asset, and/or procure the transfer of that Security to itself, and/or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on the Chargor. All principal moneys, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Secured Party on demand and form part of the Secured Obligations.

9.6 Receipts

The receipt of the Secured Party or the Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve it of any obligation to see to the application of any moneys paid to or by the direction of the Secured Party or the Receiver.

9.7 General

- (a) For the purposes of all rights, powers and discretions implied by statute or arising by law, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) After this Security has become enforceable, the Secured Party may exercise the power of sale and all other powers conferred on mortgagees by section 101 of the Act as varied or extended by this Deed shall arise on the execution of this Deed by the Chargor.
- (c) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (d) The power to appoint a Receiver pursuant to Clause 9.1 (*Secured Party's powers*) is in addition to the power to appoint a Receiver under section 101 of the Act and the Secured Party shall only exercise this power after the Security created by this Deed has become enforceable. Section 109(1) of the Act does not apply to this Deed.

10. Receiver

10.1 Appointment

Any appointment of a Receiver by the Secured Party shall be by deed or in writing under its hand.

10.2 Extension of appointment

If a Receiver is appointed of part of the Charged Assets, the Secured Party may subsequently extend the appointment to all or any other part of the Charged Assets or appoint another Receiver of any other part of the Charged Assets.

10.3 Removal

The Secured Party may by writing under its hand or by deed (subject to any requirement for an order of the court in the case of an administrative receiver)

- (a) remove any Receiver appointed by it, and

- (b) whenever it deems it expedient, appoint a new Receiver to be an additional Receiver or in the place of any Receiver whose appointment may for any reason have terminated

10.4 Remuneration

The Secured Party may appoint any Receiver upon such terms as to remuneration and otherwise as the Secured Party thinks fit, and the maximum rate specified in section 109(6) of the Act will not apply

10.5 Payments to the Secured Party

Only monies actually paid by a Receiver to the Secured Party in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Secured Party for that purpose

10.6 Agent of the Chargor

Each Receiver shall be the agent of the Chargor for all purposes and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for his remuneration and for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and the Secured Party shall not incur any liability (either to the Chargor or to any other person) by reason of the Secured Party making his appointment as a Receiver or for any other reason. If a liquidator is appointed in respect of the Chargor, the Receiver shall act as principal and not as agent of the Secured Party

10.7 Receivers of the same assets

If at any time any two or more persons appointed by the Secured Party hold office as Receivers of the same assets or income, each of them may (unless otherwise stated in the instrument(s) appointing them) exercise all rights, powers and discretions conferred on Receivers by this Deed individually and to the exclusion of the other or others of them

11. Powers of Receiver

11.1 General powers

A Receiver has (subject to any limitation or restriction expressed in the instrument appointing him) all the rights, powers and discretions set out below in this Clause 11 in addition to those conferred on the Receiver by any law or otherwise conferred by this Deed. Such rights, powers and discretions include (without limitation)

- (a) in the case of an administrative receiver all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986,
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or receiver or manager) under the Act or the Insolvency Act 1986

11.2 Possession

A Receiver may take immediate possession of, collect and get in any Charged Asset

11.3 Comply with undertakings

A Receiver may comply with and perform all of the undertakings and covenants of the Chargor contained in this Deed

11.4 Carry on business

A Receiver may carry on, manage, develop, amalgamate, reconstruct or diversify the whole or any part of the Chargor's business and, where the Chargor has one or more Subsidiaries, may supervise, control and finance any such Subsidiary or business

11.5 Building operations

A Receiver may commence and/or complete any building operations or development on any real property subject to any of this Security and apply for and obtain any planning permissions, building regulation approvals and any other permissions, consents or licences, and may appoint and enter into contracts with building and engineering contractors or other contractors or professional advisors, in each such case as he may think fit

11.6 Repairs

A Receiver may repair, decorate, maintain, furnish, alter or improve the Charged Assets

11.7 Borrow money

A Receiver may raise or borrow money either unsecured or on the security of any Charged Asset either in priority to this Security or otherwise and generally on such terms as he may think fit

11.8 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer any Charged Asset to that Subsidiary on such terms and conditions as he thinks fit

11.9 Leasehold property

If the real property subject to any of this Security is leasehold a Receiver may vary the terms of or surrender the lease and/or take a new lease of such real property on such terms as he may think fit Any such new lease shall automatically be charged to the Secured Party on the terms of this Deed so far as applicable, but a Receiver shall if requested by the Secured Party execute a formal legal charge over such new lease in favour of the Secured Party in such form as the Secured Party may require

11.10 Power of sale

A Receiver may sell, transfer, assign, exchange, hire out, lend or otherwise convert into money or realise or dispose of the Charged Assets or concur in any of the same, either by public auction or private contract or in any other manner, and generally in such manner and on such terms and conditions and for such consideration as he may think fit Personal chattels and fixtures and fittings, other than landlord's fixtures (where the real property subject to this Security is leasehold), may be severed and sold separately from such real property

11.11 Leases

A Receiver may grant leases or agreements for lease of real property subject to this Security for any term and at any rent, with or without a premium, and otherwise on such terms and conditions as he may think fit and may accept surrenders of such leases on such terms as he may think fit, with or without a premium to or by any tenant or other person

11.12 Transfers and other disposals

A Receiver may carry any sale, letting or other disposal into effect by transferring, letting or otherwise making such disposal in the name of the Chargor and for that purpose may give valid receipts for all moneys and enter into covenants and contractual obligations in the name of and so as to bind the Chargor

11.13 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to the Charged Assets or the business of the Chargor as he may think fit

11.14 Obligations in relation to the Charged Assets

A Receiver may enter into, perform, repudiate, rescind, rectify or vary contracts, bonds, covenants, commitments, guarantees, indemnities and similar matters in relation to the Charged Assets and may make all payments needed to effect, maintain, perform or satisfy any of the same

11.15 Settle disputes

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to the Charged Assets

11.16 Insurance

A Receiver may effect such insurances of or in connection with the Charged Assets as he may think fit

11.17 Employees

A Receiver may engage or employ or dismiss managers, officers, contractors, agents, servants, workmen and others for any of the purposes referred to in this Clause 11 upon such terms as to remuneration or otherwise as he may think fit

11.18 Prior security

A Receiver may redeem, discharge or compromise any prior Security and settle the account of encumbrances on such terms as he may think fit

11.19 Act in the Chargor's name

A Receiver may do all acts and execute in the name and on behalf of the Chargor, any deed, receipt or other document

11.20 VAT

A Receiver may make such elections, registrations and applications for VAT purposes as he may think fit, and may do so in, or use the Chargor's name, for any such purpose

11.21 Credit and guarantees

A Receiver may lend money or advance credit to any customer of the Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and make all requisite payments to effect, maintain or satisfy the same

11.22 Other acts

A Receiver may do all other acts and things which he may consider to be necessary, expedient or desirable for preserving, improving or realising any Charged Asset or the getting in and collection of the Charged Assets (or any assets which when got in would constitute Charged Assets) or which are incidental or conducive to any of the rights, powers and discretions conferred on a Receiver by or pursuant to this Deed or by law

11.23 Other powers

A Receiver may exercise in relation to the Charged Assets all powers, authorities and things which he could exercise if he were the absolute beneficial owner of the Charged Assets

12. Exclusion of liability

12.1 No obligation to recover

Neither the Secured Party nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Assets whether or not it is in possession of the relevant Charged Assets

12.2 No liability as mortgagee in possession

Neither the Secured Party nor any Receiver shall be liable, by reason of entering into possession of the Charged Assets to account as mortgagee or be liable for any loss on realisation or for any default or omission for which a mortgagee might be liable

12.3 Possession

If the Secured Party or any Receiver shall take possession of the Charged Assets it or he may at any time go out of possession. The Chargor will remain liable to observe and perform all conditions and obligations relating to the Charged Assets

12.4 Losses on enforcement

The Secured Party or any Receiver will not be liable to the Chargor for any loss or damage arising from

- (a) any sale of any Charged Asset,
- (b) any act, default or omission of the Secured Party or any Receiver in relation to any Charged Asset, or
- (c) any exercise or non-exercise by the Secured Party or any Receiver of any power conferred upon it in relation to any Charged Asset by or pursuant to this Deed or by the Act,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Secured Party or any Receiver

13. Application of proceeds

13.1 Order of application

Subject to any claims having priority to this Security all money recovered by the Secured Party or any Receiver as a result of the enforcement of this Deed or otherwise by reason of this Security will be applied in the following order

- (a) in payment of all costs, fees, taxes and expenses incurred by the Secured Party or any Receiver in or pursuant to the exercise of the powers set out in this Deed and all other outgoings properly payable by any Receiver,
- (b) in payment of remuneration to any Receiver,
- (c) in or towards payment of the Secured Obligations,
- (d) the balance (if any) will be applied as required by law, and
- (e) any surplus proceeds will be returned to the Chargor

The Secured Party may at any time vary such order in its absolute discretion

14. Expenses and payments

14.1 Enforcement and preservation costs

All costs and expenses (including legal fees), charges and liabilities incurred in connection with enforcement of, or the preservation of any rights under, this Deed by the Secured Party or any Receiver shall be paid by the Chargor to the Secured Party on demand

14.2 Indemnity

The Chargor shall indemnify the Secured Party and any Receiver upon demand against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way which may at any time be incurred by any of them in connection with this Deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this Deed unless such liabilities, claims and expenses are caused by the fraud, gross negligence or wilful default of the Secured Party or such Receiver

14.3 Stamp taxes

The Chargor shall pay and, within three Business Days of demand, indemnify and/or secure the Secured Party and any Receiver against any cost, loss or liability the Secured Party or Receiver incurs in relation to all stamp duty, stamp duty land tax, registration and other similar taxes payable in respect of or in connection with the entry into, performance or enforcement against the Chargor of this Deed

14.4 Value Added Tax

Where this Deed requires the Chargor to reimburse or indemnify and/or secure the Secured Party or any Receiver for any costs or expenses the Chargor shall at the same time pay and indemnify and/or secure the Secured Party or any Receiver against all VAT incurred by the Secured Party or any Receiver in respect of the costs and expenses to the extent that the Secured Party or any Receiver determines that it is not entitled to credit or repayment of the

VAT All amounts payable by the Chargor under this Deed are exclusive of VAT The Chargor will, in addition, pay any applicable VAT on those amounts

15. Delegation of powers by Secured Party or Receiver

15.1 Delegation

The Secured Party and (to the fullest extent permitted by law) any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Secured Party or any Receiver under this Deed Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Secured Party or Receiver (as the case may be) may think fit

15.2 No liability for delegates

Neither the Secured Party nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate

16. Further assurance

When required by the Secured Party or any Receiver the Chargor shall, at its own cost

- (a) execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Chargor and such legal mortgage, assignment or charge shall secure the Secured Obligations and contain a power of sale which arises immediately upon execution, provisions excluding section 93 of the Act and the restrictions contained in section 103 of the Act and such other provisions including any similar to those in this Deed as the Secured Party may reasonably require,
- (b) execute any documents or do any other thing which the Secured Party or any Receiver may require for perfecting or protecting any Security created or intended to be created by this Deed or in connection with the exercise of any rights, powers or discretions given to the Secured Party or any Receiver under this Deed, and
- (c) convey, transfer, assign or otherwise deal with any Charged Assets in such manner as the Secured Party or any Receiver may require in connection with any enforcement of any of this Security

17. Power of attorney

17.1 Grant of power of attorney

The Chargor, by way of security, irrevocably and severally appoints the Secured Party and each Receiver to be its attorney in its name and on its behalf to take any action which the Chargor is or may be obliged to take under or pursuant to this Deed or which the Secured Party or any Receiver in its or his sole and absolute discretion considers to be requisite, expedient or appropriate in order to carry any sale, lease or other disposal into effect, or to execute any deed, document or instrument, or to convey or transfer any legal estate or other interest in any asset, or to get in the Charged Assets, or generally to enable the Secured Party or a Receiver to exercise the respective rights, powers and discretions conferred on them by or pursuant to this Deed or by law

17.2 Ratification

The Chargor agrees to ratify and confirm whatever any such attorney shall do, or attempt to do, in the exercise or purported exercise of the power of attorney granted under this Clause 17

18. Non-release provisions

18.1 Immediate recourse

The Chargor waives any right it may have of first requiring the Secured Party to proceed against or enforce any other rights or security or claim payment from any person before enforcing this Security. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary

18.2 Appropriations

During the Security Period the Secured Party may

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or, subject to Clause 13 (*Application of proceeds*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same, and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor for on account of the Secured Obligations

19. Release and recourse

19.1 Release of Charged Assets

Upon the expiry of the Security Period (but not otherwise), the Secured Party shall, at the request and cost of the Chargor

- (a) take whatever action is necessary to release the Charged Assets from, and/or to cancel, this Security, and
- (b) reassign or procure the reassignment to the Chargor of the assets assigned by it to the Secured Party pursuant to this Deed,

in each case subject to Clause 19.2 (*Releases conditional*) and without recourse to, or any representation or warranty by, the Secured Party or any of its nominees

19.2 Releases conditional

Any settlement, release or discharge under this Deed between the Secured Party and the Chargor will be conditional upon no security or payment to the Secured Party by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, winding-up, administration or insolvency for the time being in force, and if such condition is not satisfied, the Secured Party will be entitled to recover from the Chargor on demand the value of such security or the amount of any such payment as if such settlement, release or discharge had not occurred and/or to enforce this Security to the full extent of the Secured Obligations. The Secured Party may concede or compromise any claim that any payment, security or disposition is liable to avoidance, refund or reduction

20. Benefit of this Deed

20.1 Assignment by the Secured Party

The Secured Party may assign or transfer all or any part of its rights, and/or obligations under this Deed without the consent of the Chargor. The Chargor shall enter into any documents specified by the Secured Party to be necessary to give effect to such assignment or transfer.

20.2 No assignment by the Chargor

The Chargor may not assign or transfer all or any part of its rights and/or obligations under this Deed.

20.3 Disclosure of information

The Secured Party may disclose

- (a) to any person to (or through) whom it assigns or transfers (or may potentially assign or transfer) this Security or all or any of its rights and obligations under this Deed,
- (b) any Receiver or proposed replacement or additional Receiver,
- (c) any person with (or through) whom it enters into (or may potentially enter into) any arrangement in relation to, or any other transaction under which payments are to be made by reference to, the Secured Obligations, or
- (d) any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation, any information about the Chargor and this Deed as the Secured Party shall consider appropriate save that, in respect of (a) and (c) above, the Secured Party has received an appropriate confidentiality undertaking from such persons not to disclose such information other than in accordance with the terms of this Deed.

20.4 Change in name or constitution

This Deed shall remain valid and enforceable notwithstanding any change in the name, composition or constitution of any party or any merger, amalgamation or consolidation of such party with any other corporation or any reconstruction or reorganisation of any kind.

21 Notices

21.1 Communications in writing

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

21.2 Addresses

The address, fax number and email address of each party for any communication or document to be made or delivered under or in connection with this Deed is

- (a) in the case of the Chargor

Address CO2Sense C I C

The Tannery
91 Kirkstall Road
Leeds
England
LS3 1HS

Email talk2us@co2sense.co.uk

For the attention of Jemma Benson

(b) in the case of the Secured Party

Address The Secretary of State for Business, Skills and Innovation

1 Victoria Street

London

SW1H 0ET

Email ian.shaw@bis.gsi.gov.uk

For the attention of Ian Shaw

or any substitute address, fax number, email address or person as either party may notify to the other by not less than five business days' notice

21.3 Delivery

Any communication or document made or delivered by the Secured Party to the Chargor under or in connection with this Deed will only be effective

- (a) if by way of fax, when received in legible form, or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, or
- (c) if by email, when received in readable form

21.4 English language

Any notice given under or in connection with this Deed must be in English

22. Miscellaneous

22.1 Continuing security

This Security is continuing and will extend to the ultimate balance of all the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part

22.2 Additional security

This Security is in addition to and is not in any way prejudiced by any bill, note, guarantee, indemnity or other Security now or subsequently held by the Secured Party for any of the Secured Obligations

22.3 New accounts

If the Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security or other interest affecting any Charged Asset and/or the proceeds of sale of any Charged Asset, or this Security for any reason ceases to be a continuing security in respect of the Chargor, the Secured Party may open a new account for the Chargor. If the Secured Party does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to the Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

22.4 No deduction or withholding

All payments made by the Chargor to the Secured Party under this Deed shall (save insofar as required by law to the contrary) be paid in full without set-off or counterclaim and free and clear of and without any deduction or withholding or payment for or on account of any present or future tax, levy, duty, impost or other charge or withholding of a similar nature. If the Chargor shall be required by law to effect any such deduction or withholding or payment the Chargor shall immediately pay to the Secured Party such additional amount as will result in the immediate receipt by the Secured Party of the full amount which would otherwise have been received had no such deduction or withholding or payment been made.

22.5 Set-off

The Secured Party may set off any matured obligation owed by the Chargor to the Secured Party against any obligation (whether or not matured) owed by the Secured Party to the Chargor regardless of the place of payment, or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange for the purpose of the set-off in an amount estimated by it in good faith to be the amount of that obligation.

22.6 Remedies

No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right or remedy under this Deed, shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22.7 Waivers

A waiver given or consent granted by the Secured Party under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

22.8 Partial invalidity

If, at any time, any provision of this Deed 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 in any way be affected or impaired

22.9 Amendments

Any term of this Deed may be amended, varied or supplemented with the consent of the Secured Party and the Chargor and by an instrument in writing signed by the parties to this Deed and any such amendment, variation or supplement will be binding on the Secured Party and the Chargor

22.10 Certificates and determinations

Any certification or determination by the Secured Party of a rate or amount under this Deed is, in the absence of manifest or proven error, conclusive evidence of the matters to which it relates

22.11 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Secured Party are *prima facie* evidence of the matters to which they relate

22.12 Currency

- (a) In this Clause, the "**Spot Rate**" means the Secured Party's spot rate of exchange for the purchase of any currency with any other currency in the London foreign exchange market
- (b) The Secured Party may convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this Clause) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate
- (c) If the Chargor fails to pay any sum under this Deed on the due date, the Secured Party may, without notice to the Chargor, purchase at the Spot Rate any currency which the Secured Party considers necessary or desirable to cover the liabilities of the Chargor to pay that sum

22.13 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed

23. Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law

24. Enforcement

24.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "Dispute")
- (b) The Secured Party and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary
- (c) This Clause 25.1 is for the benefit of the Secured Party only. As a result, the Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Party may take concurrent proceedings in any number of jurisdictions

EXECUTED as a deed and delivered by the Chargor and signed on behalf of the Secured Party on the date stated at the beginning of this document

The Chargor

EXECUTED as a DEED by CO2SENSE C.I.C. acting
by two directors



Signature of director



Signature of director

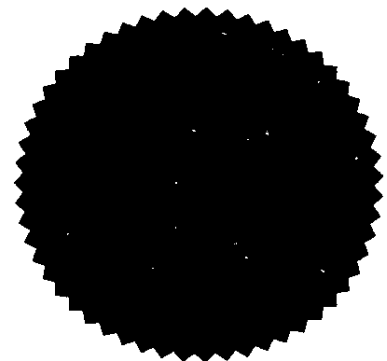
The Secured Party

THE CORPORATE SEAL of)

THE SECRETARY OF STATE FOR)

BUSINESS, INNOVATION AND SKILLS)

hereunto affixed is authenticated by)



An official in the Department of Business, Innovation and Skills