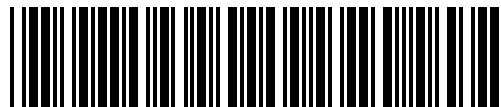




**Registration of a Charge**

Company Name: **AINSWORTH PRINT & DESIGN LIMITED**

Company Number: **03127237**



XE149B5L

Received for filing in Electronic Format on the: **23/04/2025**

**Details of Charge**

Date of creation: **04/04/2025**

Charge code: **0312 7237 0001**

Persons entitled: **LISA JAYNE ELLISON**

Brief description: **ALL INDEBTEDNESS, LIABILITIES AND OBLIGATIONS WHICH ARE NOW OR MAY AT ANY TIME HEREAFTER BE DUE, OWING OR INCURRED IN ANY MANNER WHATSOEVER TO THE CHARGEE BY ANY GROUP COMPANY PURSUANT TO OR IN RESPECT OF (I) THE SHARE PURCHASE AGREEMENT (II) THE GUARANTEE OR (III) PURSUANT TO THE LOAN NOTES.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**JOE KITCHIN**



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

Company number: 3127237

Charge code: 0312 7237 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th April 2025 and created by AINSWORTH PRINT & DESIGN LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd April 2025 .

Given at Companies House, Cardiff on 28th April 2025

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**

4th April 2025

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**COMPOSITE GUARANTEE AND DEBENTURE**

between

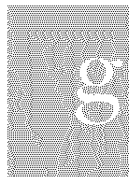
**Ainsworth Print & Design Limited**

and

**Ainsworth Print & Design Holdings Ltd**

and

**Lisa Jayne Ellison**



**GORVINS**  
SOLICITORS

**THIS DEED** is made on 4th April 2025

**BETWEEN:**

- (1) **THE COMPANIES** listed in schedule 1 to this deed ("**Charging Companies**").
- (2) **LISA JAYNE ELLISON** of 19 Lyme Road, Disley, Stockport, Cheshire, SK12 2LL (the "**Chargee**").

**THIS DEED WITNESSES:**

1 **Interpretation**

In this Deed, except so far as the context otherwise requires:-

- 1.1 Except as otherwise specified herein, all terms defined in the Share Purchase Agreement shall have the same meaning when used herein.
- 1.2 The following terms shall have ascribed to them the following meanings:-

<b>"Act"</b>	means the Law of Property Act 1925;
<b>"Charged Property"</b>	means the property referred to in clause 4 and all other property of whatsoever nature from time to time charged by or pursuant to this Deed;
<b>"Company"</b>	means Ainsworth Print & Design Holdings Ltd incorporated and registered in England and Wales with company number 16351428 whose registered office is at Unit 8 Cromwell Road, Bredbury, Stockport, United Kingdom, SK6 2RF;
<b>"Encumbrance"</b>	includes any mortgage, pledge, lien, charge assignment by way of security, hypothecation, security, interest or any other security agreement or arrangement (excluding retention of title clauses) whether relating to existing or future assets;
<b>"Event of Default"</b>	means an event specified in clause 3.4 of the Share Purchase Agreement;
<b>"Group"</b>	means the Company and its Subsidiaries from time to time and " <b>Group Company</b> " means any of them and " <b>Group Companies</b> " means all of them
<b>"Guarantee"</b>	means the Guarantee contained in clause 2 as extended by schedule 3 of this Deed;
<b>"Intellectual Property"</b>	means copyrights, patents and registered and unregistered designs (including applications and rights to apply therefor), inventions, trademarks and service marks whether registered or not (including all registrations thereof and applications and rights to apply therefor), confidential information and know-how and fees, royalties and other rights of every kind deriving from copyright, patents or inventions or other intellectual property throughout the world now or at any time hereafter belonging to or created by or assigned to a Charging Company;
<b>"Loan Notes"</b>	means the £ [REDACTED] aggregate principal amount fixed rate loan notes 2025 of the Buyer constituted by the Loan Note Instrument

(as defined in the Share Purchase Agreement), and issued to the Chargee pursuant to the Share Purchase Agreement;

- "Permitted Encumbrance"** means any of:
- (a) a lien or right of set-off arising between Charging Companies or in the ordinary course of business solely by operation of law (or by contractual provisions having substantially similar effect); or
  - (b) an Encumbrance over any asset arising in the ordinary course of business as a result of the title retention or title-transfer provision in the contract relating to the acquisition of that asset; or
  - (c) an Encumbrance which the Chargee has at any time in writing agreed shall be a Permitted Encumbrance.
- "Receivables"** means all present and future book debts, rentals, royalties, fees, amounts receivable under any hedging arrangements, VAT and all other amounts recoverable or receivable by any Charging Company from other persons due or owing to such Charging Company and the benefit of all rights relating thereto;
- "Receiver"** means any receiver, receiver and/or manager, administrator or administrative receiver appointed by the Chargee under or by virtue of this Deed whether alone or jointly with any other person and includes any substitute for any of them appointed from time to time;
- "Secured Obligations"** means all indebtedness, liabilities and obligations which are now or may at any time hereafter be due, owing or incurred in any manner whatsoever to the Chargee by any Group Company pursuant to or in respect of (i) the Share Purchase Agreement (ii) the Guarantee or (iii) pursuant to the Loan Notes, and, in any case, whether solely or jointly with any other person, whether as principal or surety and in whatever currency denominated and including interest, discount, commission and other lawful charges or reasonable expenses which the Chargee may incur hereunder or pursuant to the Share Purchase Agreement, Loan Notes and/or the Guarantee;
- "Share Purchase Agreement"** means the acquisition agreement dated on or about the date of this Deed between (1) the Chargee and (2) the Company for the acquisition of the entire issued share capital of the Target;
- "Subsidiaries"** means a subsidiary as defined in section 1159 of the Companies Act 2006;
- "Target"** means Ainsworth Print & Design Limited (company number 03127237); and
- "this Deed"** means this Deed as from time to time amended and any document made pursuant or supplemental to it.

1.3 Section 61 of the Act (other than the definition of "month" contained in the Act) shall govern the construction hereof.

1.4 References to the Chargee shall include his successors and permitted assigns.

- 1.5 A reference to a clause, or schedule shall mean and refer to a clause, or schedule of this Deed.
- 1.6 Any reference in this Deed to any statute or to any provisions of any statute shall be construed as including a reference to any statutory modification or re-enactment thereof and to any regulations or orders made thereunder or deriving validity therefrom and from time to time in force.
- 1.7 Headings are inserted for convenience only and shall be ignored in construing this Deed.
- 1.8 References in this Deed to this Deed or any document include references to this Deed or such other document as varied supplemented novated and/or replaced in any manner from time to time.
- 1.9 If the Chargee (acting reasonably) considers that an amount paid by any Charging Company or any person under any agreement in respect of the Secured Obligations is likely to be, or reasonably capable of being, avoided or otherwise set aside on the liquidation or administration of any Charging Company or any other person then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.10 A reference in this Deed to any assets includes present and future assets.
- 1.11 A reference in this Deed to a charge or mortgage of any freehold or leasehold property includes all buildings and all the charger's fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on the Charged Property.

## **2 Guarantee Provisions**

- 2.1 Each Charging Company hereby irrevocably and unconditionally guarantees to the Chargee to pay to the Chargee on demand when due the Secured Obligations (except any Secured Obligations in respect of which the relevant Company is already primarily liable).
- 2.2 The Guarantee is given subject to and with the benefit of the provisions set out in schedule 3.

## **3 Covenant to Pay**

- 3.1 Each of the Charging Companies hereby covenants with the Chargee that as and when the Secured Obligations or any part of them are due for payment or on such earlier date as this security becomes enforceable in accordance with the terms of this Deed it shall on demand in writing by the Chargee pay the Secured Obligations (or as the case may be the part of the Secured Obligations then due to be paid and remaining unpaid) to the Chargee.
- 3.2 Each Charging Company hereby covenants that it shall within 7 days of demand pay to the Chargee all costs and expenses reasonably and properly incurred by the Chargee in relation to the protection and enforcement of the Chargee's rights under this Deed.

## **4 Fixed and Floating Charges**

With full title guarantee and as a continuing security for the payment or discharge of all the Secured Obligations and all their other obligations under this Deed:-

- 4.1 each Charging Company hereby charges to the Chargee by way of first legal mortgage:-
  - 4.1.1 all its freehold and leasehold interest in the properties title to which is registered at HM Land Registry described in part I of schedule 2 together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including other trade fixtures and excluding in the case of freehold property and leasehold property which is let or let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;

4.1.2 all other freehold and leasehold interests in the properties now vested in it but title to which is not registered at HM Land Registry described in part II of schedule 2 together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including other trade fixtures and excluding in the case of freehold property and leasehold property which is let or let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;

4.2 each Charging Company charges to the Chargee by way of first fixed charge:-

4.2.1 all present and future freehold and leasehold property of such Charging Company not otherwise charged by way of legal charge pursuant to clauses 4.1.1 or 4.1.2 together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or let to a third party, tenant's and trade fixtures and fittings of such third party) and its fixed plant and machinery at any time thereon;

4.2.2 all estates and interests not hereinbefore effectively charged now or hereafter belonging to such Charging Company in or over land wheresoever situate or the proceeds of sale of land and all licences now or hereafter held by such Charging Company to enter upon or use land and the benefit of all other agreements relating to land to which such Charging Company is or may become a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by such Charging Company now or hereafter annexed to all freehold and leasehold property its estate or interest in which stands charged under this Deed;

4.2.3 all stocks, shares (including but not limited to shares in any subsidiary), debentures, loan capital, right to subscribe for, convert other securities into or otherwise acquire any shares, debentures or loan capital of any other body corporate now or at any time hereafter belonging to such Charging Company, together with all dividends (unless such dividends are or are to be paid in satisfaction of any of the Secured Obligations), interest and other income and all other rights of whatsoever kind deriving from or incidental to any of the foregoing;

4.2.4 the goodwill of such Charging Company and its uncalled capital now or at any time hereafter in existence and future calls (whether made by the directors of the Charging Company or by a Receiver or a liquidator);

4.2.5 all Intellectual Property;

4.2.6 all plant, vehicles and machinery now or at any time hereafter belonging to such Charging Company (excluding however plant and machinery for the time being forming part of its stock in trade or work in progress);

4.2.7 all chattels now or at any time hereafter hired, leased or rented by such Charging Company to any other person together in each case subject to and with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract;

4.2.8 all Receivables; and

4.2.9 the benefit of all contracts licences consents and authorisations (statutory or otherwise) ("**Contracts**") held in connection with its business or the use of any Charged Property specified in any other paragraph of this clause 4 and the right to recover and receive all compensation which may be payable to it in respect of them.

4.3 Each Charging Company hereby charges to the Chargee by way of first floating charge all its undertaking and all its property and assets whatsoever and wheresoever situated both present

and future, including (without prejudice to the generality of the foregoing) the proceeds of the collection of any Receivables, but excluding any property or assets from time to time or for the time being effectively charged by way of fixed charge under or pursuant to this Deed.

- 4.4 The security from time to time constituted by or pursuant to this Deed shall:-
- 4.4.1 be in addition to and shall be independent of every bill, stock, guarantee, mortgage or other security which the Chargee may at any time hold for any of the Secured Obligations and it is hereby declared that no prior security held by the Chargee over the Charged Property or any part thereof shall merge into the security created by or pursuant to this Deed; and
  - 4.4.2 remain in full force and effect as a continuing security until the earlier of (i) the Secured Obligations having been discharged in full and (ii) the security constituted by this Deed having been released.
- 4.5 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Deed.

## 5 **Crystallisation of Floating Charge**

- 5.1 The Chargee may by notice in writing to a Charging Company convert the floating charge created pursuant to clause 4.3 into a fixed charge as regards all or any of that Charging Company's assets charged under clause 4.3 and specified in the notice if:-
- 5.1.1 an Event of Default occurs which remains unremedied or unwaived; or
  - 5.1.2 the Chargee in its absolute discretion considers those assets to be in danger of being seized, or sold under any form of distress, attachment, execution or other legal process.
- 5.2 The floating charge created by a Charging Company under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge in relation to the assets of that Charging Company:-
- 5.2.1 on the convening of any meeting of the members of that Charging Company to consider a resolution to wind up that Charging Company; or
  - 5.2.2 on the presentation of a petition (other than a petition determined by the Chargee (acting reasonably) to be frivolous or vexatious) to wind up that Charging Company which is not discharged within 14 days; or
  - 5.2.3 on the appointment of an administrator to that Charging Company; or
  - 5.2.4 if that Charging Company fails to comply with its obligations under clause 6 of this Deed provided always that in such circumstances the floating charge shall be converted into a fixed charge in respect only of the assets of such Charging Company which have been encumbered or that have been otherwise sold, discounted, factored, transferred, leased, lent or otherwise disposed of.
- 5.3 Service by the Chargee of a notice pursuant to clause 5.1 above in relation to any class of assets of any Charging Company shall not be construed as a waiver or abandonment of the Chargee rights to serve similar notices in respect of any other class of assets or of any other of the rights of the Chargee under this Deed.

6 **Negative Pledge**

- 6.1 Each Charging Company severally covenants with the Chargee that during the continuance of this security it shall not without the consent in writing of the Chargee:-
- 6.1.1 create, extend or permit to subsist any Encumbrance (other than a Permitted Encumbrance) upon any of the Charged Property to secure any liability, actual or contingent;
- 6.1.2 save as permitted or required under this Deed, sell, discount, factor, transfer, lease, lend or otherwise dispose of, whether by means of one or a number of transactions related or not and whether at one time or over a period of time, the whole or, save in the normal course of trading, any part of the Charged Property.

7 **Representations and Warranties**

Each Company hereby represents and warrants to the Chargee in respect of itself as follows:-

- 7.1 the Company is a company duly incorporated with limited liability and existing under the laws of England and no liquidator, Receiver, administrator or similar appointee has been appointed in respect of it or any part of any of its assets and no action is currently being taken with a view to appointing any such liquidator, Receiver, administrator or similar appointee;
- 7.2 the Company has the power to enter into, to perform and comply with its obligations under or pursuant to and to create the security created by it by or pursuant to this Deed;
- 7.3 all necessary corporate action has been taken by the Company to authorise the execution and delivery of this Deed, to create the security to be constituted hereby and to observe and perform its obligations under this Deed;
- 7.4 this Deed as executed and delivered constitutes and will constitute a legal valid and binding obligation of the Company enforceable in accordance with its terms;
- 7.5 neither the entry nor the performance of or compliance with its obligations under or pursuant to this Deed nor the creation of the security created by it pursuant to this Deed does or will violate in any material manner, or exceed any borrowing or other powers or restrictions granted or imposed under or pursuant to:-
- 7.5.1 any law to which the Company is subject; or
- 7.5.2 the Company's Articles of Association; or
- 7.5.3 any other agreement, arrangement or understanding to which the Company is a party;
- 7.6 each of the representations and warranties in clauses 7.1 to 7.5 above will be correct and complied with in all material respects at all times during the continuance of this security.

8 **Covenants of the Charging Companies**

- 8.1 Each of the Charging Companies hereby covenants that, during the continuance of this security:-
- 8.1.1 it shall maintain insurances on and in relation to its business and assets including, without limitation, employers liability insurance and product liability insurance third party liability insurance and cause all buildings trade and other fixtures forming part of the Charged Property to be insured with reputable underwriters or insurers against such risks and to such extent as is usual for companies carrying on a business such as that carried on by the Charging Company whose practice is not to self insure (or, in

relation to any leasehold property in respect of which the insurance requirements are specified to be subject to the approval of the relevant landlord, use all reasonable endeavours to procure the same). If so required by the Chargee, such insurances shall be effected in the joint names of the Charging Company and the Chargee or, at the option of the Chargee, with the interest of the Chargee noted on the policies of insurance. The Charging Company shall from time to time upon written request supply the Chargee with copies of all such insurance policies or certificates of insurance in respect thereof or such other evidence of the existence of such policies as may be acceptable to the Chargee and any premium receipts in respect of such policies;

- 8.1.2 without limiting the generality of the preceding clause if so required by the Chargee, use all reasonable endeavours to cause the policies of insurance maintained by it pursuant to clause 8.1.1 above to be as soon as practicable amended to include clauses reasonably satisfactory to the Chargee to ensure that no breach of any of the terms of any such policy of insurance nor failure to give notice of any event giving rise to any claim by any Charging Company will invalidate such policy of insurance or any provision thereof as regards the Chargee or any of them and to ensure that the relevant insurer shall advise the Chargee:-
- (a) of any cancellation alteration termination or expiry of any such policy;
  - (b) of any default in the payment of any premium or failure to renew the insurance; and
  - (c) of any act or omission or the occurrence of any event of which the insurer has knowledge and which might invalidate or render unenforceable (in whole or in part) the insurance;
- 8.1.3 it will duly and punctually pay all premiums and other monies necessary for effecting and keeping in force such insurances and shall renew all insurance before the relevant policies or contracts expire and shall promptly confirm in writing to the Chargee when each such renewal is effected;
- 8.1.4 it shall not do or suffer or cause to be done or suffered anything whereby any insurance policy now or at any time effected upon the Charged Property may become liable to be vitiated or cancelled and in particular shall not use or allow the Charged Property to be used otherwise than in accordance with the terms of any policy of insurance for the time being relating thereto (including any warranties or trading limits therein) without first giving written notice to the Chargee and obtaining the consent of the insurers concerned and complying with such requirements as to the payment of extra premiums or otherwise as the insurers may impose;
- 8.1.5 if default shall at any time be made by any Charging Company in effecting or keeping up the insurances referred to in clause 8.1.1 or in producing any such policy or receipt to the Chargee on demand, the Chargee may take out or renew such insurances in any sum which the Chargee may think expedient and all monies expended by the Chargee under this provision shall be deemed to be properly paid by the Chargee, and shall be reimbursed by the Charging Company on demand and shall bear interest at the highest rate for the time being in effect under the Share Purchase Agreement from the date of payment until the date of reimbursement. This Deed shall be a security for the reimbursement to the Chargee of such monies together with such interest as set out above;
- 8.1.6 all claims and monies received or receivable under any such insurances of freehold and leasehold properties shall (subject to the rights of any claims of any lessor or landlord of any part of the Charged Property) be applied by the Charging Company, in repairing, replacing, restoring or rebuilding the property damaged or destroyed (or shall be otherwise applied subject to the consent of the Chargee) or, if so directed by

the Chargee after the occurrence only of an Event of Default, held by the Charging Company in trust for the Chargee;

- 8.2 it shall keep all buildings forming part of the Charged Property and in which trading operations are carried on, and all plant, machinery, fixtures, fittings and other effects in or upon the same and every part thereof required for the use of the Charging Company in a good state of repair working order and condition (wear and tear excepted) and shall keep all other buildings in a good state of repair (wear and tear excepted), and shall comply with all covenants in relation thereto to be performed by the Charging Company and contained in any lease of such buildings and permit the Chargee and his agents free access at all reasonable times and upon reasonable notice to view the state and condition of the foregoing without becoming liable as mortgagees in possession;
- 8.3 it shall duly and punctually (or within any applicable grace period) pay all rates, rents, taxes, and other outgoings due by it in respect of the Charged Property or any of it;
- 8.4 it shall permit the Chargee or his designated representatives on reasonable notice to have access during normal office hours to its accounts and accounting records and to any books and records relating to the Charged Property, to inspect and take extracts from the same and make photocopies thereof and the Charging Company shall provide, at its cost and expense, such clerical and other assistance as the Chargee may reasonably request with regard thereto;
- 8.5 it shall in relation to the Charged Property comply with all obligations under any present or future statute, regulation, order and instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents and if requested by the Chargee produce to the Chargee within 14 days of receipt thereof, a copy of material notice, order or proposal given or made in relation to the Charged Property by any competent authority and either comply with the same or make such objections and representations against the same as the Chargee may require or approve;
- 8.6 it shall observe and perform all covenants and stipulations from time to time affecting any part of the Charged Property or the manner of use or the enjoyment of the same and shall not without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed) enter into any onerous or restrictive obligations affecting any part thereof;
- 8.7 it shall upon request by the Chargee (and subject always to the rights of any person holding a Permitted Encumbrance) deposit with the Chargee, and the Chargee during the continuance of this security shall be entitled to hold all deeds and documents of title relating to the Charging Company's title to the freehold and leasehold and heritable property (and all insurance policies relating to it to which the Charging Company is entitled to possession) and other Charged Property and all shares and other securities and all policies of insurance hereby charged for the time being;
- 8.8 it shall preserve, maintain and renew as and when necessary all Intellectual Property required in connection with its business and/or the premises in which such business is conducted;
- 8.9 it shall indemnify the Chargee (and as a separate covenant any Receiver appointed by it) against all existing and future rents, taxes, duties, fees, renewal fees, charges, assessments, impositions and outgoings whatsoever (whether imposed by deed or statute or otherwise and whether the nature of capital or revenue and even though of a wholly novel character) which now or at any time during the continuance of the security constituted by or pursuant to this Deed are payable in respect of the Charged Property or any part of it or by the owner or occupier thereof; if any such sums as are referred to in this clause shall be paid by the Chargee (or any such Receiver) the same shall be repaid by the Charging Company on demand with interest (as well after as before judgment) at the highest rate for the time being in effect under the Share Purchase Agreement from the date of payment until the date of reimbursement. This Deed shall be a security for the reimbursement to the Chargee of such monies together with interest as set out above;
- 8.10 it shall:-

- 8.10.1 notify the Chargee forthwith upon the acquisition by that Charging Company of any freehold or leasehold property;
- 8.10.2 insofar as it is lawfully able to do so, on written demand made to that Charging Company by the Chargee and at the reasonable cost of the Charging Company, execute and deliver to the Chargee any legal mortgage in favour of the Chargee of any freehold or (subject to any prohibition on charging in the relevant lease) leasehold property which becomes vested in it after the date of this Deed (in similar form and terms to the legal mortgage in this Deed) which the Chargee may reasonably require;

In the case of any leasehold property in relation to which the consent of the landlord in whom the reversion of that lease is vested is required in order for the Charging Company to perform any of its obligations under this clause 8.10, the Charging Company shall not be required to perform that particular obligation unless and until it has obtained the landlord's consent (which it shall use its reasonable endeavours to do);

- 8.11 it shall, in respect of any freehold or leasehold land which it may hereafter acquire and which is registered land (or unregistered land subject to compulsory first registration) apply to the Chief Land Registrar for the registration of a Restriction against the registered titles in the following terms:-

"Except under an order of the Registrar no disposition by the proprietor of the land is to be registered without the consent of the proprietor for the time being of the Charge dated [ ] in favour of Lisa Jayne Ellison".

## 9 **The Chargee's Powers of Sale and Leasing**

- 9.1 The Chargee may exercise the statutory power of sale conferred on mortgagees by the Act free from the restrictions imposed by section 103 of the Act.
- 9.2 The Secured Obligations shall be deemed to have become due within the meaning of section 101 of the Act and the security created by the Charging Companies by or pursuant to this Deed shall immediately become enforceable and the power of sale and other powers conferred by the said section and/or by schedule 1 to the Insolvency Act 1986, in each case as varied or extended by this Deed, and all other powers conferred on the Chargee by this Deed shall be immediately exercisable at any time, in relation to the whole or any part of the Charged Property, after the Chargee shall have validly and effectively demanded the payment or discharge by the Charging Companies or any of them of all or any of the Secured Obligations and following the occurrence of an Event of Default. Any demand for payment shall be valid and effective for the purposes of this clause 9.2 notwithstanding that the demand may contain an inaccurate or incomplete statement of the Secured Obligations.
- 9.3 The statutory powers of leasing, letting, entering into agreements for leases or lettings and accepting and agreeing to accept surrenders of leases conferred by sections 99 and 100 of the Act shall be exercisable by the Chargee at any time after the Chargee shall have demanded the payment or discharge by the Charging Companies or any of them of all or any of the Secured Obligations in accordance with the provisions of clause 9.2 and whether or not the Chargee shall then be in possession of that part of the Charged Property proposed to be leased so as to authorise the Chargee to make a lease or agreement for lease at a premium and for any length of term and generally without any restriction on the kinds of leases and agreements for lease that the Chargee may make and generally, without the necessity for the Chargee to comply with any restrictions imposed by or any other provisions of the said sections 99 and 100, the Chargee may delegate such powers to any person but no such delegation shall preclude the subsequent exercise of any such powers by the Chargee itself or a subsequent delegation by the Chargee to any other person; and any such delegation may be revoked by the Chargee at any time.

## 10 **Consolidation of Securities**

Section (1) of section 93 of the Act shall not apply to this Deed.

11 **Appointment and Powers of Receiver**

11.1 At any time after the occurrence of an Event of Default and the security constituted by this Deed becomes enforceable and while it remains so or at the request of the relevant Charging Company the Chargee may appoint one or more persons to be a Receiver of the whole or any part of the Charged Property and/or of the income thereof. The Chargee may:-

11.1.1 (subject to the provisions of the Insolvency Act 1986) remove any Receiver previously appointed hereunder; and

11.1.2 appoint another person or persons as Receiver either in place of a Receiver so removed or who has otherwise ceased to act or to act jointly with a Receiver previously appointed.

11.2 If at any time and by virtue of any such appointment(s) any two or more persons shall hold office as Receiver of the whole or the same part or parts of the Charged Property and/or the income thereof they shall have power to act severally (unless the contrary shall be stated in the deed(s) or other instrument(s) appointing them).

11.3 Every Receiver shall (subject to any limitations or restrictions expressed in the deed or other instrument appointing him but notwithstanding any winding-up or dissolution of the Charging Companies or any of them) have and be entitled to exercise all powers conferred by the Act and/or the Insolvency Act 1986 and/or any other statute conferring power on a Receiver and in particular by way of addition to but without limiting any general powers referred to above (and without prejudice to the Chargee powers) the Receiver shall have power:-

11.3.1 to take possession of collect and get in the Charged Property and/or income in respect of which he was appointed;

11.3.2 to carry on or concur in carrying on the business of any of the Charging Companies and raise money with or without security of all or any of the Charged Property;

11.3.3 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which any of the Charging Companies were concerned or interested prior to his appointment being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land;

11.3.4 to sell or concur in selling leasing or otherwise disposing of the whole or any part of the Charged Property in respect of which he was appointed without the need to observe the restriction imposed by section 103 of the Act;

11.3.5 to carry out any sale lease or other disposal of the whole or any part of the Charged Property by conveying transferring assigning or leasing in the name of any of the Charging Companies and for that purpose to enter into covenants and other contractual obligations in the name of and so as to bind any of the Charging Companies;

11.3.6 to take any such proceedings as he shall think fit in respect of the Charged Property and/or income in respect of which he was appointed in the name of any of the Charging Companies or otherwise including proceedings for recovery of rent or other monies in arrears at the date of his appointment;

11.3.7 to enter into or make any such agreement, arrangement or compromise as he shall think fit;

- 11.3.8 to insure the Charged Property as he shall think fit or as the Chargee shall direct and renew any insurances;
  - 11.3.9 to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit including without prejudice to the generality of the foregoing power to employ his partners and firm;
  - 11.3.10 to operate any rent review clause in respect of any property in respect of which he was appointed or any part thereof and to apply for any new or extended lease;
  - 11.3.11 to do all such other things as may seem to him to be incidental or conducive to any other power vested in him in the realisation of the security hereby constituted by this Deed.
- 11.4 In making any sale or other disposal in the exercise of their respective powers the Receiver or the Chargee may accept as and by way of consideration for such sale or other disposal cash, shares, loan capital or other obligations including, without limitation, consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may be receivable in a lump sum or by instalments and upon receipt by the Receiver shall ipso facto be and become charged with the payment of the Secured Obligations. Any contract for any such sale or other disposal by the Receiver or the Chargee may contain conditions excluding or restricting the personal liability of the Receiver or the Chargee.
- 11.5 All monies received by the Chargee or by any Receiver appointed under this Deed shall (subject to the rights and claims of any person having a security ranking in priority to the security constituted by this Deed) be applied in the following order:-
- 11.5.1 in satisfaction of the costs, charges and expenses of and incidental to the Receiver's appointment and the payment of his remuneration;
  - 11.5.2 in the payment and discharge of any liabilities incurred by the Receiver on the Charging Companies' behalf in the exercise of any of the powers of the Receiver;
  - 11.5.3 in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraphs of section (8) of section 109 of the Act;
  - 11.5.4 in or towards the satisfaction of the Secured Obligations and all the other obligations of the Charging Companies under this Deed; and any surplus shall be paid to the Charging Companies or other person entitled thereto. The provisions of this clause 11.5 and clause 11.7 shall take effect as and by way of variation and extension to the provisions of the said section 109 which provisions as so varied and extended shall be deemed incorporated in this Deed.
- 11.6 Every Receiver so appointed shall be deemed at all times and for all purposes to be the agent of the Charging Companies and (subject to the provisions of the Companies Act 1985 and the Insolvency Act 1986) the Charging Companies shall be solely responsible for his acts and defaults (except for wilful acts of default and recklessness) and for the payment of his remuneration.
- 11.7 Every Receiver so appointed shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Chargee (or failing such agreement to be fixed by the Chargee) appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted in accordance with his current practice or the current practice of his firm and without being limited to the maximum rate specified in section 109(6) of the Act.
- 11.8 Only monies actually paid by any such Receiver to the Chargee in satisfaction or discharge of the Secured Obligations shall be capable of being applied by the Chargee in satisfaction thereof.

- 11.9 All or any of the powers, authorities and discretions which are conferred by this Deed either expressly or impliedly by or upon a Receiver may be exercised by the Chargee in relation to the whole of the Charged Property or any part of it or notwithstanding the appointment of a Receiver of such property or any part of it.

12 **Protection of Third Parties**

No person dealing with the Chargee or with any Receiver of the Charged Property or any part thereof appointed by the Chargee or with any delegate of the Chargee shall be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to this Deed in relation to the Charged Property or any part of it are or may be exercisable by the Chargee or by any such Receiver, delegate or delegate or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers and all the protection to purchasers contained in sections 104 and 107 of the Act and section 42(3) of the Insolvency Act 1986 shall apply to any person purchasing from or dealing with the Chargee or any such Receiver, delegate or delegate in like manner as if the statutory powers of sale and of appointing a Receiver in relation to the Charged Property had not been varied or extended by this Deed.

13 **New Accounts**

If the Chargee shall at any time receive notice (whether actual or otherwise) of any subsequent Encumbrance other than a Permitted Encumbrance affecting the Charged Property or any part of it, the Chargee may open a new account or accounts for any of the Charging Companies in its books and if it does not in fact open any such new account then, unless the Chargee gives written notice to the relevant Charging Company to the contrary, the Chargee shall nevertheless be treated as if it had in fact done so at the time when it received or was deemed to have received such notice.

14 **Rights as Between Each Charging Company, The Other Charging Companies and The Chargee**

It is hereby agreed and declared by each Charging Company that:-

- 14.1 As between such Charging Company and the Chargee the property hereby charged by this Deed by such Charging Company shall so far as concerns the Chargee be deemed to be a primary and principal security (notwithstanding that the property is hereby charged by such Charging Company by way of collateral security only) and accordingly such Charging Company shall not (unless otherwise agreed in writing by the Chargee) be released or discharged nor shall the security constituted by or pursuant to this Deed be impaired, affected or revoked by any act, omission, transaction, limitation, matter, thing or circumstance whatsoever which but for this provision might operate to release or exonerate such Charging Company or all or any part of the security constituted by or pursuant to this Deed or reduce, impair or affect such security or cause all or any part of the Secured Obligations to be irrecoverable from or unenforceable against the Charging Companies or any other person or to discharge, reduce, affect or impair the security constituted by or pursuant to this Deed, including without limitation:-

14.1.1 any time, waiver or indulgence granted to any of the Charging Companies or any other person or the forbearance of the Chargee in enforcing the obligations of any of the Charging Companies or any other person under the Share Purchase Agreement or under this Deed or in respect of any other guarantee, security, obligation, right or remedy;

14.1.2 the recovery of any judgment against any of the Charging Companies or any other person or any action to enforce the same;

14.1.3 the taking of any other security from any of the Charging Companies or any other person or the variation, compromise, renewal or release of, or the failure, refusal or

neglect to take, perfect or enforce, any rights, remedies or securities from or against any of the Charging Companies or any other person;

- 14.1.4 any alteration in the constitution of any of the Charging Companies or any defect in or irregular exercise of the powers of any of the Charging Companies (including, without limitation the borrowing powers of the Charging Companies) or any other person or any legal limitations, disability, incapacity or other circumstances relating to any of the Charging Companies or any other person;
- 14.1.5 subject as provided in this Deed, notwithstanding any amendment or supplement to or variation of the Share Purchase Agreement or any other document or security whether or not the same shall increase the amount of any sums payable to the Chargee and without prejudice to anything else herein contained, this Deed shall be a continuing security for any such increased amount or liability;
- 14.1.6 the insolvency, bankruptcy, liquidation or reorganisation of, or analogous proceedings relating to any of the Charging Companies or any other person or any composition or arrangement made by any of them with the Chargee or any other person or any transfer or extinction of any liabilities of any of the Charging Companies or any other person by any law, order, regulation, decree, court order or similar instrument; or
- 14.1.7 any irregularity, unenforceability or invalidity of any obligations of any of the Charging Companies or any other person under any security or document (including this Deed) (to the intent that the security constituted by or pursuant to this Deed shall remain in full force and this Deed be construed accordingly as if there were no such irregularity, unenforceability or invalidity); and so that as a separate and independent stipulation all sums, obligations and liabilities the payment and discharge of which is expressed to be secured by this Deed which may not be recoverable from another Charging Company by reason of any act, omission, transaction, limitation, matter, thing or circumstance whatsoever shall nevertheless be recoverable from such Charging Company as though the same had been incurred by such Charging Company and such Charging Company was the sole or principal debtor in respect of it.

14.2 Until all sums and liabilities intended to be secured by this Deed have been paid off and satisfied in full, such Charging Company will not, unless the Chargee shall otherwise consent or, in the case of clause 14.2.2 and 14.2.3 direct:-

- 14.2.1 exercise any right of subrogation or contribution or any other right or remedy which it may have in respect of any sum recovered under this Deed and so that all claims and other rights and remedies it may have against any of the Charging Companies in relation thereto (including, except to the extent required by the mandatory provisions of any applicable laws, any right of set-off or counterclaim) shall be subject and subordinate to the prior payment and satisfaction in full to the Chargee of all sums and liabilities expressed to be secured by this Deed;
- 14.2.2 at any time after the security constituted by this Deed has become enforceable and while it remains so, claim or receive payment of any monies due to it by any of the Charging Companies or exercise any other right or remedy (including, except to the intent required by the mandatory provisions of any applicable laws, any rights of set-off or counterclaim);
- 14.2.3 prove in any liquidation, bankruptcy, insolvency, reorganisation or analogous proceedings relating to any of the Charging Companies in competition with the Chargee or any of them for any sums or liabilities owing or incurred to it by any of the Charging Companies;
- 14.2.4 be entitled to the benefit of any security held by or on behalf of the Chargee in respect of any sums and liabilities expressed to be secured by this Deed;

14.2.5 take or hold security from any of the Charging Companies.

Any monies received and any security taken or held by a Charging Company such as is referred to in this clause 14.2 and whether with or without the consent of the Chargee and whether or not in breach of the provisions of this clause 14.2 shall be held by such company in trust to pay or hold the same for the Chargee in or towards discharge or, as the case may be, as security for the liabilities secured by this Deed.

14.3 The Chargee shall be entitled to enforce the security constituted by this Deed in accordance with clause 11 against any one or more of the Charging Companies without making any demand on or taking any proceedings against any of the other Charging Companies or any other person or exhausting any right or remedy against any of the Charging Companies or any other person and so that the Chargee shall be at liberty but not bound to resort to any other means of payment at any time and in any order as the Chargee thinks fit without thereby diminishing or affecting the security constituted by this Deed and the security constituted by this Deed may be enforced either for the payment of the ultimate balance after other means of payment have been resorted to or for the balance due at any time, notwithstanding that other means of payment have not been resorted to and, in the latter case, without entitling any Charging Company to any benefit from and/or any right of contribution in respect of such other means of payment until all sums and liabilities expressed to be secured by these presents have been finally paid off or satisfied in full.

14.4 The security constituted by this Deed is in addition to and is not to prejudice or affect or be prejudiced or affected by:-

14.4.1 any other guarantee, security or lien for the sums and liabilities intended to be hereby secured which is or are now or may thereafter be held by the Chargee from any Charging Company or any other person; or

14.4.2 the omission of the Chargee to take any such security.

14.5 Any dividends or payment received by or on behalf of the Chargee in respect of the sums and liabilities expressed to be secured by these presents in any insolvency, bankruptcy, liquidation, reorganisation or similar proceedings, shall for the purposes of this Deed be taken to discharge those sums and liabilities only to the extent of the actual amount so received and so that the Chargee may prove in any insolvency, bankruptcy, liquidation, reorganisation or similar proceedings of the Charging Company concerned for the full amount then owing to it.

## 15 **Suspense Account**

All monies received, recovered or realised by the Chargee under this Deed may in the discretion of the Chargee be credited to any suspense or impersonal account and may be held in such account for so long as the Chargee thinks fit pending their application from time to time (as the Chargee shall be entitled to do in his discretion) in or towards the discharge of any of the Secured Obligations.

## 16 **Time and Indulgences**

16.1 The Chargee may at any time or times without discharging or in any way affecting the security created by or pursuant to this Deed or any remedy in respect of such security, grant to any of the Charging Companies time or indulgence or abstain from asserting, calling, exercising or enforcing any remedies, securities, guarantees or other rights which it may now or after the date of this Deed have from or against any of the Charging Companies.

16.2 The Chargee may in his discretion grant time or other indulgence, or make any other arrangement, variation or release with, any person or persons not party to this Deed (whether or not such person or persons are jointly liable with the Charging Companies) in respect of any of the Secured Obligations or of any other security therefor or guarantee in respect thereof without prejudice either to the security constituted by or pursuant to this Deed or to the liability of the

Charging Companies for the Secured Obligations or the exercise by the Chargee of any rights, remedies and privileges conferred upon him by this Deed.

17 **Remedies, Waivers, Amendments and Consents**

17.1 No failure on the part of the Chargee or any Receiver to exercise, and no delay on its part or their part in exercising, any right or remedy under this Deed will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof 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 and remedies provided by law.

17.2 Any provision of this Deed may be amended only if the Chargee and the Charging Companies so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Chargee so agrees in writing. Any such waiver, and any consent by the Chargee under any provision of this Deed, must be in writing and may be given subject to any conditions thought fit by the Chargee. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

18 **Expenses**

The Charging Companies agree to pay to the Chargee within 7 days of demand (on a full indemnity basis subject as provided herein) all reasonable costs, charges, expenses and other sums properly incurred or to be incurred by the Chargee or by or through any Receiver, attorney, delegate, delegate, substitute or agent of the Charging Companies, or the Chargee for any of the purposes referred to in this Deed relating to or in connection with the security over the Charged Property including (without prejudice to the generality of the foregoing):-

18.1 the remuneration of any such Receiver, attorney, delegate, delegate, substitute or agents of the Charging Companies and of any other servants or agents employed by the Chargee for any purposes connected with the enforcement or attempted enforcement of this Deed or the protection preservation realisation or attempted protection or preservation of the Charged Property; and

18.2 all reasonable costs charges and expenses (whether in respect of litigation or not) and incurred in the protection, realisation or enforcement of this Deed or the collection and recovery of any monies from time to time arising under such security (or any security collateral or supplemental thereto) or in insuring, inspecting, maintaining, completing, managing, letting, realising or exercising any other power, authority or discretion in relation to the Charged Property or any part thereof incurred under this Deed;

to the intent that subject as provided herein the Chargee shall be afforded a full and unlimited indemnity in respect thereof.

19 **Provisions Severable**

Every provision contained in this Deed shall be severable and distinct from every other such provision 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 such provisions shall not in any way be affected thereby.

20 **Avoidance of Payments**

20.1 No assurance, security or payment which may be avoided under any law relating to bankruptcy, insolvency or winding-up (including sections 238, 239, 244 or 245 of the Insolvency Act 1986), and no release, settlement or discharge given or made by the Chargee on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Chargee to enforce the security created by or pursuant to this Deed to the full extent of the Secured Obligations.

20.2 Any settlement or discharge between a Charging Company and the Chargee shall be conditional upon no security or payment to the Chargee by that Charging Company 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, insolvency or liquidation for the time being in force and accordingly (but without limiting the other rights of the Chargee hereunder), the Chargee shall be entitled to recover from that Charging Company the value which the Chargee has placed upon such security or the amount of any such payment as if such settlement or discharge had not occurred.

20.3 Subject to clause 20.2, upon all the Secured Obligations having been paid or discharged in full, the Chargee will, at the request and cost of the Charging Companies, immediately execute, reassign and/or do all such deeds, acts and things as may be reasonably necessary to release the Charged Property from the security and guarantees created by or pursuant to this Deed.

21 **Discretions**

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Chargee, as against the Charging Companies, may be exercised or made (acting in good faith and reasonably if no Event of Default has occurred and is continuing) (unless otherwise expressly provided in this Deed or in the Share Purchase Agreement) in the discretion of the Chargee which shall not be under any obligation to give reasons therefor.

22 **Notices**

22.1 All communications to be made under this Deed shall be made in writing.

22.2 Any notices, proceedings or other documents to be served on any of the Charging Companies pursuant to this Deed shall be addressed to it at its registered office for the attention of the Managing Director or at such other address and for the attention of such other person as a Charging Company may after the date of this Deed advise the Chargee in writing.

22.3 Any notice to the Chargee should be addressed if despatched by mail to the Chargee's address as set out above or at such other address as it may after the date of this Deed advise the other parties in writing.

22.4 Any notice to any party to this Agreement shall be deemed to have been given:-

22.4.1 if posted, on the second Business Day following the day on which it has been properly despatched by first class mail (airmail, if appropriate) postage prepaid; and

22.4.2 if sent by facsimile transmission (subject to evidence of effective transmission), on the Business Day on which transmitted or, in the case of a written notice lodged by hand, at the time of its actual delivery at the address referred to above.

23 **Third Party Rights**

23.1 Subject to clauses 23.2, 23.3 and 23.4 below, the Receiver may rely upon and enforce the rights conferred upon it under this Deed against each and any Charging Company.

23.2 The third party rights referred to in clause 23.1 (and any other terms of this Deed which provide that a third party may in his own right enforce a term of this Deed) may only be enforced by the relevant third party in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999 (the "**1999 Act**").

23.3 Notwithstanding any other provision of this Deed (including, without limitation, clause 23.1), the Chargee and the Charging Companies may by agreement in writing rescind or vary any of the provisions in this Debenture in any way without the consent of any third party, and accordingly section 2(1) of the 1999 Act shall not apply.

23.4 Except as contemplated or provided in clause 23.1 (or insofar as this Deed otherwise contemplates or expressly provides that a third party may in his own right enforce a term of this Deed), a person who is not a party to this Deed has no right under the 1999 Act to rely upon or enforce any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

24 **Law and Jurisdiction**

This Deed shall be governed and construed in accordance with English law and the parties to this Deed irrevocably submit to the non-exclusive jurisdiction of the English courts.

**IN WITNESS** whereof the Charging Companies have each duly executed this Deed the day and the year first before written

**Schedule 1 – The Charging Companies**

<b>Company Name</b>	<b>Registered No.</b>	<b>Registered Office</b>
Ainsworth Print & Design Limited	03127237	Unit 8 Cromwell Road, Bredbury, Stockport, SK6 2RF
Ainsworth Print & Design Holdings Ltd	16351428	Unit 8 Cromwell Road, Bredbury, Stockport, SK6 2RF

**Schedule 2**

Part I - Details of Registered Land

Part II- Details of Unregistered Land

### **Schedule 3 - The Guarantee**

1. The Guarantee is to be a continuing security for the whole amount now due or owing to the Chargee or which may after the date of this Deed at any time become due or owing to the Chargee as provided for in clause 2 (including any and all liabilities interest and bank charges arising pursuant to and in connection therewith).
2. For all purposes of the liability of the Charging Companies and each of them to the Chargee under the Guarantee (including in particular but without prejudice to the generality of the foregoing the liability of the Charging Companies for interest) every sum of money which may now be or which after the date of this Deed may from time to time become due or owing to the Chargee (or would have become so due or owing were it not for the winding up of any other company) shall be deemed to continue due and owing to the Chargee until the same shall be actually repaid to the Chargee notwithstanding the winding up of any company or any other event whatever.
3. The Guarantee is to be in addition to and is not to prejudice or be prejudiced by any other securities or guarantees (including any guarantee signed by the Charging Companies or any of them) which the Chargee may now or after the date of this Deed hold on account of the Secured Obligations and is to be binding on the Charging Companies and each of them as a continuing security notwithstanding any payments from time to time made to the Chargee or any settlement of account or any other thing whatsoever.
4. The Guarantee is to be applicable to the ultimate balance that may become due to the Chargee from any Charging Company and until payment of such balance no Charging Company shall be entitled to participate in any security held or money received by the Chargee on account of such balance or to stand in the place of the Chargee in respect of any such security or money until all monies and liabilities hereby guaranteed have been paid or discharged in full.
5. Any admission or acknowledgement in writing by a director of any Charging Company or any duly authorised person on behalf of any Charging Company of the amount of the indebtedness of the relevant Charging Company or of other matters relating to the Guarantee or any judgment or award of a competent court or tribunal in the United Kingdom or elsewhere obtained by the Chargee against any or all of the Charging Companies or proof by the Chargee in a winding up of a Charging Company which is admitted or, in the absence of manifest error, any statement of account furnished by the Chargee (the correctness of which is certified by the Chargee), shall be prima facie evidence binding on the Charging Companies and each of them in the absence of proof to the contrary.
6. The Chargee may without thereby affecting the rights of the Chargee under this Deed at any time and from time to time (whether before or after any demand for payment made by the Chargee under or any notice of determination of this Guarantee), refuse or grant (as the case may be) further credit or further financial facilities to any Charging Company or the Charging Companies and the Chargee may, without thereby affecting such rights, accept compositions from and make any other arrangements with any of the Charging Companies or any persons liable to the Chargee in respect of securities held or to be held by the Chargee and enter into, give up and waive, modify, exchange or abstain from perfecting or taking advantage of or enforcing such securities, guarantees or other contracts or the proceeds of any of the foregoing, discharge any parties thereto and realise any securities in such manner as the Chargee may think expedient.
7. In the event of any of the Charging Companies going into liquidation or being wound up or reconstructed or making any arrangement with its creditors generally, any dividends or payments which the Chargee may receive from the Charging Companies or any of them or any other persons shall be taken and applied as payments in gross and shall not prejudice the right of the Chargee to recover from the Charging Companies or any of them to the full extent of the Guarantee the ultimate balance which after the receipt of such dividends or payments may remain owing to the Chargee by the Charging Companies and secured by the Guarantee.
8. The Chargee may without thereby affecting the rights of either of them under this Deed at any time and from time to time at their absolute discretion release, discharge, compound with or

otherwise vary or agree to vary the liability under the Guarantee of or make any other arrangements with the Charging Companies or any of them and no such release, discharge, composition, variation, agreement or arrangement shall prejudice or in any way affect the rights and remedies of the Chargee against any other Charging Company.

9. The Chargee may without prejudice to any other rights they may have at any time and from time to time place and keep for such time as he may think prudent any monies received, recovered or realised under or by virtue of the Guarantee to or on a separate or suspense account to the credit either of any Charging Company or the Chargee without any intermediate obligation on the part of the Chargee to apply the same or any part of them in or towards the discharge of the monies due or owing to the Chargee by the Charging Companies.
10. In the event of the winding up of any of the Charging Companies, the Chargee may, notwithstanding payment to the Chargee by any Charging Company or any other person of any part of the amount guaranteed by this Deed or any release, settlement, discharge or arrangement made or given by the Chargee, rank as creditor and prove in the liquidation of the relevant Charging Company for the full amount of the claim of the Chargee and shall receive and retain the whole of the dividends to the exclusion of the rights (if any) of the Charging Companies or any of them in competition with the Chargee until such claim is fully satisfied.
- 10.1 No assurance, security or payment which may be avoided under sections 238, 239 or 245 of the Insolvency Act 1986 or any of such sections and no release, settlement, discharge or arrangement which may have been given or made on the faith of any such assurance security or payment shall prejudice or affect the right of the Chargee to recover from the Charging Companies or any of them to the full extent of the Guarantee as if such assurance, security, payment, release, settlement, discharge or arrangement (as the case may be) had never been granted given or made.
- 10.2 Any settlement or discharge between a Charging Company and the Chargee shall be conditional upon no security or payment to the Chargee by that Charging Company 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, insolvency or liquidation for the time being in force and accordingly (but without limiting the other rights of the Chargee hereunder), the Chargee shall be entitled to recover from that Charging Company the value which the Chargee has placed upon such security or the amount of any such payment as if such settlement or discharge has not occurred.
- 10.3 Subject to paragraph 10.2 upon all the Secured Obligations having been paid or discharged in full, the Chargee will, at the request and cost of the Charging Companies, immediately execute, reassign and/or do all such deeds, acts and things as may be reasonably necessary to release the Charged Property from the security and guarantees created by or pursuant to this Deed.
- 10.4 Any release, settlement, discharge or arrangement shall as between the Chargee (on the one hand) and the Charging Companies and each of them (on the other hand) be deemed to have been given or made upon the express condition that it shall become and be wholly void and of no effect if the assurance, security or payment on the faith of which it was made or given shall at any time thereafter be avoided under any of the statutory provisions mentioned above to the intent and so that the Chargee shall become and be entitled at any time after any such avoidance to exercise all or any of the rights in the Guarantee expressly conferred upon the Chargee and all or any other rights which by virtue and as a consequence of the Guarantee the Chargee would have been entitled to exercise but for such release, settlement, discharge or arrangement.
- 10.5 The Charging Companies and each of them agree that such Guarantee shall be deemed to have been and to have remained held by the Chargee as and by way of security for the payment to the Chargee of all or any sums which shall or may become due and owing to the Chargee from and by the Charging Companies or any of them either under and by virtue of the terms and conditions of the Guarantee in the event of and upon or after any avoidance of any assurance, security or payment under the said sections of the Insolvency Act 1986 or any of such sections or under or as a consequence of any Order (if any) made under sections 238 and/or 239 of the Insolvency Act 1986.

11. Each Charging Company agrees and consents to be bound by the Guarantee notwithstanding that any other Charging Company which was intended to execute this Deed or any other company which was or is to undertake liability co-extensive with any liability assumed by a Charging Company under this Deed, may not do so, or that any Charging Company or any other company may be subsequently released from or found not be bound by the same.
  
12. As a separate and independent stipulation the Charging Companies and each of them agree that all sums of money which have become due under this Deed and which may not be recoverable from the Charging Companies or any of them on the footing of a guarantee whether by reason of any legal limitation on or disability or incapacity of any company or any other fact or circumstance and whether known to the Chargee or not shall as to an equivalent amount thereof nevertheless be recoverable from the Charging Company or Charging Companies concerned as sole or principal debtor or debtors in respect thereof and shall be paid on demand in writing made by the Chargee and the Charging Companies by virtue of this Deed indemnify the Chargee on demand, from and against any loss they may incur as a result of having now or after the date of this Deed made available any monies to the Charging Companies or having now or after the date of this Deed incurred any obligation on behalf of or at the request of the Charging Companies.

**EXECUTED AS A DEED** )  
by **AINSWORTH PRINT & DESIGN** )  
**LIMITED** )  
acting by a director in the presence of: )



.....  
**Director**

DocuSigned by:



Witness signature:.....DFD9D2597F4440C.....

Lorna Pearson

Name: .....

Address:



Occupation: .....

**EXECUTED AS A DEED** )  
by **AINSWORTH PRINT & DESIGN** )  
**HOLDINGS LTD** )  
acting by a director in the presence of: )



.....  
**Director**

DocuSigned by:



Witness signature: .....DFD9D2597F4440C.....

Lorna Pearson

Name: .....

Address:



Occupation: .....