Particulars of an instrument of alteration to a floating charge created by a company registered in Scotland

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 410 and 466 of the Companies Act 1985

To the Registrar of Companies (Address overleaf - Note 6) For official use Company Number

Name of company

* Hydru Energy Engineering Limited

Date of creation of the charge (note 1)

10 March 2011

Description of the instrument creating or evidencing the charge or of any ancillary document which has been altered (note 1)

Bond and Floating Charge

Names of the persons entitled to the charge

The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB ("the Bank")

Short particulars of all the property charged

The whole of the property (including uncalled capital) which is or may be from time to time while the security is in force comprised in the property and undertaking of the Company.

Presentor's name address and reference (if any):
The Royal Bank of Scotland plc Credit Documentation PO Box 339 Manchester M60 2AH Reference: 4105539/MD13 Facsimile: 0845 878 9517

For Official Use (02/06)
Charges S

SCT 15/10/2016 #56

COMPANIES HOUSE
Names, and addresses of the persons who have executed the instrument of alteration (note 2)

Hydrus Energy Engineering Limited ("the Company")
the Bank
Bibby Invoice Discounting Limited ("the Financier")

Date(s) of execution of the instrument of alteration

29 September 2016
3 October 2016
5 October 2016

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

N/A

Short particulars of any property released from the floating charge

The Purchased Debts with effect from the date of purchase of each Purchased Debt by the Financier but the floating charge continues to apply to Purchased Debts which may be re-assigned by the Financier to the Company

The amount, if any, by which the amount secured by the floating charge has been increased

N/A
A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

The Company, the Bank and the Financier agree that the sums secured or to be secured by the Bank’s Floating Charge and the Financier’s Floating Charge shall rank in the following order of priority:

the Financier’s Floating Charge shall insofar as it relates to any Non-Vesting Debts but not further or otherwise rank in priority to the Bank’s Floating Charge for the payment to the Financier of the Company’s Obligations to the Financier without limit as a continuing security and this priority shall not be affected by any fluctuation in the amount from time to time owing by the Company to the Financier nor by the existence at any time of a nil or credit balance on any account of the Company with the Financier.

The Bank’s Floating Charge shall (other than in relation to any Non-Vesting Debts) rank in priority to the Financier’s Floating Charge as a continuing security for the payment to the Bank of the Company’s Obligations to the Bank without limit and this ranking shall not be affected by any fluctuation in the amount from time to time owing by the Company to the Bank nor by the existence at any time of a nil or credit balance on any account of the Company with the Bank.

In the interpretation of the foregoing:

“Agreement” means an Agreement dated [INSERT DATE] entered into by the Company with the Financier under which certain Debts due to the Company have been or are to be assigned by the Company to the Financier free of any encumbrances;

“Company’s Obligations” means all the liabilities of the Company of any kind and in any currency (whether present or future actual or contingent and whether incurred alone or jointly with another) including interest, discount, expenses (on a full indemnity basis) commission and banking;

“Debtor” means the obligant to the Financier in respect of a Debt;

“Debts” means all debts now or in the future due to the Company;

“Non-Vesting Debts” means all or any of the Debts intended to be assigned to the Financier under the Agreement but which for any reason fail to vest absolutely and effectively in the Financier;

“Purchased Debts” means all or any of the Debts which are purchased or the ownership of which are assigned or are intended to be assigned to the Financier under the Agreement;

“Related Rights” means in relation to each Debt and all Returned Goods:

(1) all the Company’s rights (but not obligations) as an unpaid vendor or under the contract giving rise to the Debt, including the Company’s rights to the payment of interest, the return of goods, of lien and stoppage in transit;

(2) the benefit of all insurances, securities, guarantees and indemnities;

(3) the right to any documents of title to the goods; and

(4) the right to all accounting records relating to the Debt and all documents evidencing the contract giving rise to the Debt and its performance;

“Returned Goods” means any goods relating to a contract giving rise to a debt which a Debtor shall reject or return or intimate a wish to do so or which the Company or the Financier shall recover from a Debtor;

“the Bank’s Floating Charge” means the floating charge granted by the Company in favour of the Bank over the Company’s whole property and undertaking and in particular incorporating a charge on all book debts or other debts now and in the future owing to the Company dated 10 March 2011 and registered with the Registrar of Companies on 15 March 2011 to secure the Company’s Obligations to the Bank;

“the Financier’s Floating Charge” means the floating charge granted by the Company in favour of the Financier over the Company’s whole property and undertaking and in particular incorporating a charge on all book debts now and in the future owing to the Company dated [INSERT DATE] and registered with the Registrar of Companies on [INSERT DATE] to secure the Company’s Obligations to the Financier.
Continuation of the statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

Signed

[Signature]

On behalf of [company][charges]

Date

14th October 2016

Notes

1. A description of the instrument e.g. "instrument of Charge" "Debenture" etc as the case may be, should be given. For the date of creation of a charge see section 410(5) of the Companies Act.

2. In accordance with section 466(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.

3. A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.

4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.

5. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

A fee is payable to Companies House in respect of each register entry for a mortgage or charge.

(See Note 5)

6. The address of the Registrar of Companies is: Companies Registration Office, 139 Fountainbridge, Edinburgh EH3 9FF DX 235 Edinburgh or LP - 4 Edinburgh 2

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CERTIFICATE OF THE REGISTRATION OF AN ALTERATION TO A FLOATING CHARGE

COMPANY NO. 206890
CHARGE NO. 1

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT OF ALTERATION DATED 5 OCTOBER 2016 WERE DELIVERED PURSUANT TO SECTION 878 OF THE COMPANIES ACT 2006 ON 15 OCTOBER 2016

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 10 MARCH 2011

BY HYDRUS ENERGY ENGINEERING LIMITED

IN FAVOUR OF
THE ROYAL BANK OF SCOTLAND PLC

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 21 OCTOBER 2016
Temporary and Conditional Release and Ranking Agreement
Bibby Invoice Discounting Limited (09/10)

Definitions:

Administrator: Has the same meaning as that given to it in Schedule B1 to the Insolvency Act 1986

Agreement: An Agreement dated 31/10/14 and entered into by the Company with Bibby under which certain Debts due to the Company have been or are to be assigned by the Company to Bibby free of all encumbrances

Bank: The Royal Bank of Scotland plc whose registered office is situate at 36 St Andrew Square Edinburgh EH2 2YB and whose address for service is at Unit A Gemini Crescent Technology Park Dundee DD2 1SW

Bank Floating Charge: A floating charge dated 10 March 2011 and granted by the Company to the Bank creating a floating charge over the Company’s whole property and undertaking and in particular incorporating a charge on all book debts or other debts now and in the future owing to the Company

Bibby: Bibby Invoice Discounting Limited (Company No: 04105467) whose registered office is situate at 105 Duke Street, Liverpool L1 5QJ and whose fax number for the purpose of serving notice pursuant to clause 10 is 0151 662 3201

Bibby Floating Charge: A floating charge dated 31/10/14 and granted by the Company to Bibby creating a floating charge over the Company’s whole property and undertaking and in particular incorporating a charge on all book debts or other debts now and in the future owing to the Company

Company: Hydrus Energy Engineering Limited Company Number: SC206890

Company’s Obligations: All the liabilities of the Company of any kind and in any currency (whether present or future actual or contingent and whether incurred alone or jointly with another) including interest, discount, expenses (on a full indemnity basis) commission and banking charges

Creditors: The Bank and Bibby

Debtor: The obligant to Bibby in respect of a Debt

Debts: All debts now or in the future due to the Company and their associated Rights

Non-Vesting Debts: All or any of the Debts intended to be assigned to Bibby under the Agreement but which for any reason fail to vest absolutely and effectively in Bibby

Post Termination Debts: Debts which come into existence after the Termination Date

Purchased Debts: All or any of the Debts which are purchased under the Agreement of which are assigned or are intended to be assigned to Bibby under the Agreement and which come into existence after the Termination Date
A receiver or a manager or a receiver and manager or an administrative receiver as defined in section 29(2) of the Insolvency Act 1986 or a receiver of part only of the property of the Company or a receiver only of the income arising from any part of the Company's property.

Related Rights:

(1) all the Company's rights (but not obligations) as an unpaid vendor or under the contract giving rise to the Debt, including the Company's rights to the payment of interest, the return of goods, of lien and stoppage in transit;

(2) the benefit of all insurances, securities, guarantees and indemnities;

(3) the right to any documents of title to the goods; and

(4) the right to all accounting records relating to the Debt and all documents evidencing the contract giving rise to the Debt and its performance.

Release:

The release from the Bank Floating Charge of the Purchased Debts under Clause 1.1 Release and Payment by Bibby.

Returned Goods

Any goods relating to a contract giving rise to a debt which a Debtor shall reject or return or intimate a wish to do so or which the Company or Bibby shall recover from a Debtor.

Securities:

The Bank Floating Charge and the Bibby Floating Charge and Security shall mean either one of them (as applicable).

Termination Date

The date falling seven working days from the date on which the Bank serves written notice to Bibby advising Bibby of the termination of the Release, or if Bibby terminates the Agreement, the date on which it is terminated.

Release and Payment by Bibby

1.1 The Bank at the request of the Company releases to Bibby all Purchased Debts from the Bank Floating Charge with effect from the date of purchase of each Purchased Debt by Bibby pursuant to the Agreement. Provided that the Bank Floating Charge shall remain in full force and effect and the charge on Debts created by the Bank Floating Charge shall apply to (a) all Debts other than Purchased Debts and (b) all Purchased Debts which are at any time re-assigned by Bibby to the Company and subject to the provisions of Clause 5.4 any sums due from Bibby to the Company from time to time.

1.2 In consideration of such release Bibby (on the irrevocable instructions of the Company) agrees that all payments by Bibby to the Company shall be made by Bibby paying or transmitting the same direct to the Bank for the account of the Company.

Information

2.1 The Company and Bibby shall send to the Bank upon request statements showing:-

2.1.1 The total amount of the Purchased Debts from time to time purchased by Bibby from the Company.

2.1.2 The state of account from time to time between the Company and Bibby.

2.1.3 Any other information reasonably required by the Bank in connection with the operation of the Agreement.

2.2 The Company irrevocably authorises Bibby to provide to the Bank all information requested pursuant to Clause 2.1.

2.3 The Company and the Bank shall send to Bibby at any time upon request statements showing the state of the account(s) from time to time between the Company and the Bank and the Company irrevocably authorises the Bank to provide such information to Bibby.
Termination

3.1 The Bank may terminate the Release at any time. Subject to the Creditors' rights under Clause 8.1, termination of the Release will become effective on Termination Date.

3.2 If the Agreement is terminated for any other reason Bibby shall inform the Bank in writing within seven working days of the Termination Date

3.3 On the Termination Date the Release shall cease to have effect in respect of any Post Termination Debts but Bibby's rights in respect of any Purchased Debts shall continue

Deposits with the Bank

4.1 Notwithstanding the terms of any charge on the Debts contained in the Bibby Floating Charge and any covenant in the Bibby Floating Charge or in the Agreement by the Company to pay the proceeds of any Debts into the Company's account with Bibby or with the Bank or some other bank Bibby and the Company agree that the Bank may accept any payment or collect any cheque for the Company's account and the Bank shall not be obliged to pay any sum to Bibby unless (i) the Bank has deliberately procured the payment to the Bank of a sum which to the Bank's knowledge should have been paid to Bibby or (ii) Bibby prior to the Bank receiving a payment or cheque for collection has advised the Bank in writing that that payment or cheque should be paid to Bibby. If either of the situations referred to in (i) or (ii) of this clause 4.1 occurs and the Bank has not altered its position in good faith or without notice, such payment or cheque received by the Bank shall be held by the Bank to the order of Bibby and paid to Bibby forthwith upon demand. The Company irrevocably agrees to the payment by the Bank to Bibby of any sums claimed from the Bank under the terms of this clause 4.1 and irrevocably authorises the Bank to debit the Company's account to make such a payment

4.2 In respect of any credit balance from time to time on any account of the Company with the Bank (excluding any sums held to the order of Bibby in terms of Clause 4.1) the Bank may notwithstanding any charge over such credit balance contained in the Bibby Floating Charge:-

4.2.1 At any time prior to Bibby giving to the Bank written notice that Bibby has appointed a Receiver or Administrator or taken any formal step to enforce its security under the Bibby Floating Charge permit the Company to draw upon any such credit balance

4.2.2 At any time set-off the whole or any part of the Company's Obligations to the Bank against any such credit balance

Ranking

5.1 The Bank with the consent of the Company agrees that the Bibby Floating Charge shall insofar as it relates to any Non-Vesting Debts but not further or otherwise rank in priority to the Bank Floating Charge for the payment to Bibby of the Company's Obligations to Bibby without limit as a continuing security and this priority shall not be affected by any fluctuation in the amount from time to time owing by the Company to Bibby nor by the existence at any time of a nil or credit balance on any account of the Company with Bibby.

5.2 Bibby with the consent of the Company agrees that subject to Clause 5.1 the Bank Floating Charge shall rank in priority to the Bibby Floating Charge as a continuing security for the payment to the Bank of the Company's Obligations to the Bank without limit and this priority shall not be affected by any fluctuation in the amount from time to time owing by the Company to the Bank nor by the existence at any time of a nil or credit balance on any account of the Company with the Bank

5.3 This ranking agreement shall continue in effect despite any termination of the Release but shall cease to have effect when either of the Securities shall have been fully discharged

5.4 Insofar as it may be necessary to give effect to the provisions of this document the Terms of the Securities are hereby varied and this document shall be construed to have effect as an instrument of alteration within the meaning of section 65 of the Companies Act 1985.

[Signature]

[Stamp]
Consent

6.1 Notwithstanding any terms to the contrary in the Securities, the Creditors agree that the Company will:

6.1.1 pay the proceeds of Non-Vesting Debts to Bibby; and

6.1.2 subject to clause 4.1, pay the proceeds of book debts and other debts to any account of the Company with the Bank

6.2 The application of the charge created by the Bank Floating Charge to any sums due from Bibby to the Company from time to time shall be subject to any right of defence or set-off which Bibby may have against the Company at any time

6.3 Each of the Creditors undertakes to the other that in the event of the sale of any assets of the Company being distributed, whether by an insolvency practitioner or by the Company, otherwise than in accordance with Clause 5 and the other is prejudiced as a result, it will compensate the other in order to give effect to Clause 5

6.4 The Bank consents to the Company entering into the Agreement and the Creditors consent to the creation by the Company of the Securities

Invalidity of the Agreement

7 If the assignment of any Purchased Debt or all the Purchased Debts pursuant to both the Agreement and the provision in the Agreement by which any Non-Vesting Debt is held by the Company in trust for Bibby and the Bibby Floating Charge all prove to be ineffective for any reason or not binding upon the Company or any administrator receiver or liquidator of the Company then the Release shall be deemed not to have been given in respect of that Purchased Debt or such Purchased Debts

Enforcement

8.1 Subject to the Creditors being entitled to take independent action (except as set out in Clause 8.2) without notice or consultation where either of them considers it necessary to do so the Creditors agree that if either of them intends to enforce their Security that party will give notice of such intention to the other of them prior to taking such action and the Creditors shall consult with each other regarding the appointment of a suitable person as Receiver or Administrator pursuant to the Securities. If a Creditor takes independent action without such notice or consultation it will forthwith give written notice to the other of such action taken

8.2 Bibby agrees that it will not apply to the court for an administration order nor will it take any steps to appoint an administrator until it has given at least two business days written notice to the Bank

Assignation

9.1 This Release and ranking agreement is personal to Bibby and the benefit of it may not be assigned or dealt with by Bibby in any manner

9.2 The Bank undertakes to Bibby that if at any time the Bank shall assign the Bank Floating Charge to any third party the assignee shall take any rights under or in relation to the Bank Floating Charge subject to this Release and ranking agreement

Notices

10.1 Any notice by the Bank to Bibby may be sent by post or fax or delivered to Bibby at the above address or Bibby’s address last known to the Bank

10.2 Any notice by Bibby to the Bank may be sent by post or delivered to the Bank at its address

10.3 A notice by the Bank or Bibby by first class post shall be deemed served on the next working day after posting

10.4 A notice by the Bank by fax shall be deemed served at the time of sending
Governing Law

11 This Release and ranking agreement shall be governed by and construed in accordance with the laws of Scotland

Interpretation

12.1 A reference to a provision of law is to that provision as amended or re-enacted

12.2 The expression "Agreement" includes any amendments or variations thereto or any replacement thereof provided these do not in any way impact on the definitions in this Release and ranking agreement

12.3 Each of the provisions of this Release and ranking agreement shall be severable and distinct from one another and if one or more of such provisions is invalid or unenforceable the remaining provisions shall not in any way be affected

This Release and Ranking Agreement is executed as follows:

SIGNED by
for and on behalf of
The Royal Bank of Scotland plc
in the presence of:-

[Signature]
Witness’ Signature
KAREN WILLIAMS
Witness’ Name
29/09/2016
Date of Signing
MANCHESTER
Place of Signing

Signed by
for and on behalf of
Bibby Invoice Discounting Limited
in the presence of:-

[Signature]
Witness’ Signature
E. EVPANS
Witness’ Name
31/01/16
Date of Signing
Forest View, 2nd Floor, Chineham Park
Place of Signing
Basingstoke RG24 8QP

WE CERTIFY THIS DOCUMENT TO BE A TRUE COPY OF THE ORIGINAL

[Signature]
<table>
<thead>
<tr>
<th>Witness' Signature</th>
<th>J. O'Brien</th>
</tr>
</thead>
<tbody>
<tr>
<td>Witness' Name</td>
<td>Jennifer O'Brien</td>
</tr>
<tr>
<td>Date of Signing</td>
<td>3/10/16</td>
</tr>
<tr>
<td>Place of Signing</td>
<td>HYDRUS, EASTMILL ROAD, BRECHIN</td>
</tr>
</tbody>
</table>

Signed by [Name]
for and on behalf of the Company
in the presence of:-

Director