



COMPANIES REGISTRY

Notification of a charge against the assets of a registered company

Details of person notifying the charge

Name	
Address	
Telephone	
e-mail	

Company number	
Company name	
Person in whose favour the charge has been granted	
Date of creation	
Amount secured by the charge	
Nature of the charge <i>(‘Fixed’ or ‘Floating’)</i>	
Company’s reference for the instrument creating the charge	
Description of the property charged <i>(If necessary, attach a separate sheet)</i>	

Signature: _____

Date: _____

NOTES

This form is to be delivered to the Registrar of Companies when a registered company gives another 'person' (including another company or bank) rights over company property, usually in return for a loan. It may also be used when the company acquires property which is already subject to a charge.

The form should be completed and delivered as soon as possible either by the company or the person in whose favour the charge has been granted (the chargee).

The property may be anything that belongs to the company, including land, buildings, plant and machinery, or money due to the company now or in the future. A fixed charge is over specific identified assets, while a floating charge may give rights over changing assets, such as the balance of the company's bank account or stock acquired for sale in the normal course of business.

In the event that the company goes into liquidation, the chargee will normally be entitled to claim the property under the terms of the charge and will thus have priority over other (unsecured) creditors.

If a charge is not registered, in the event that the company goes into liquidation, the liquidator will not recognise the charge. Any amount owed will be treated as an unsecured debt.

If a company gives more than one charge over its property, the priority will be determined by the date of delivery of the particulars for registration. Where it has been agreed that a charge should be given at some future date, it may be registered before this date in order to ensure priority.

If the company is mortgaging land, it will also need to comply with the requirements of the Registered Land Ordinance.

When a charge ceases to have effect, this may be notified on Form 13. If this is not done, it will continue to show as a current charge on the company's public file.