



Registration of a Charge

Company name: **SOURCE BIOSCIENCE PLC**

Company number: **00079136**



X548Q38H

Received for Electronic Filing: **05/04/2016**

Details of Charge

Date of creation: **24/03/2016**

Charge code: **0007 9136 0020**

Persons entitled: **BARCLAYS BANK PLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ALEX MORGAN, DWF LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 79136

Charge code: 0007 9136 0020

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th March 2016 and created by SOURCE BIOSCIENCE PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th April 2016 .

Given at Companies House, Cardiff on 6th April 2016

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**



(1) SOURCE BIOSCIENCE PLC

and

(2) BARCLAYS BANK PLC

SECURITY AGREEMENT

relating to the share capital of Select Pharma Laboratories Ltd.

**DWF LLP
No. 2 Lochrin Square
96 Fountainbridge
Edinburgh
EH3 9QA**

THIS SECURITY AGREEMENT with delivery date 24 March 2016 is made between:

- (1) **SOURCE BIOSCIENCE PLC**, a limited company incorporated in England & Wales (company number 00079136) and having its registered office at 1 Orchard Place, Nottingham, Nottinghamshire, NG8 6PX (the **Chargor**); and
- (2) **BARCLAYS BANK PLC**, (the **Lender**).

TERMS AGREED

1. Definitions and Interpretation

- 1.1 The following expressions shall have the following meanings for the purposes of this Agreement:

Company	Select Pharma Laboratories Ltd., a limited company incorporated in Scotland (company number SC368899) and having its registered office at Capella, 60 York Street, Glasgow, G2 8JX
Default Rate	means the rate specified in clause [9.3] of the Facilities Agreement
Facilities Agreement	means the £20,000,000 term loan facilities agreement between the Chargor and Barclays Bank plc as Lender dated on or around the date of this Agreement
Financial Collateral	shall have the meaning given to that expression in the Financial Collateral Regulations;
Financial Collateral Regulations	means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I 2003 No. 3226);
Finance Documents	has the meaning given in the Facilities Agreement;
Obligor	has the meaning given in the Facilities Agreement;
Rights	any Security Interest or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.
Securities	means: <ol style="list-style-type: none">(a) the Shares;(b) all dividends, distributions and other income paid or payable on or derived from the Shares;(c) all shares or other property derived from the Shares (whether by way of bonus, option or

otherwise); and

- (d) all other accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from the Shares (whether by way of conversion, redemption, bonus, preference, option, offer or otherwise);

Shares	means the shares described in the schedule;
Schedule	means the schedule attached to and forming part of this Agreement;
Secured Obligations	means any obligation for the payment or repayment by any Obligor to the Lender of money in any currency, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety or in any way whatsoever, including any liability (secured or unsecured) of any Obligor to a third party which subsequently becomes payable to the Lender by assignment or otherwise and including principal, interest, commission, fees and other charges
Security Financial Collateral Arrangements	shall have the meaning given to that expression in the Financial Collateral Regulations;
Security Interest	means any standard security, mortgage, charge, pledge, lien, assignment or assignation by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect
Subsidiary	means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

1.2 In this Agreement except where the context otherwise requires:

- (a) any reference to the Company, the Chargor or the Lender includes reference to the person or persons deriving title from the Company, the Chargor or the Lender respectively;
- (b) any reference to a document includes reference to any deed, negotiable instrument, certificate, notice or other document of any kind and any reference to any document (including this Agreement) or any provision thereof shall be construed as a reference to that document (or provision) as from time to time amended, supplemented, assigned, novated, varied or replaced (in whole or in part);

- (c) any reference to a clause is a reference to a clause of this Agreement;
 - (d) any reference to any statute or other legislative provision shall include reference to any legislative amendment, modification or re-enactment thereof, or any substitution therefore; and
 - (e) clause headings in this Agreement are for ease of reference only and shall not affect the interpretation of this Agreement.
- 1.3 In the event of any conflict and/or insistency between any of the terms of this Agreement and any of the terms of the Facilities Agreement, the terms of the Facilities Agreement shall prevail.
- 2. Undertaking to Pay**
- 2.1 The Chargor, as primary obligor and not merely as surety, undertakes to the Lender that it will pay, discharge and perform the Secured Obligations when due and payable and (where applicable) in the manner provided in the Finance Documents or other documents evidencing the Secured Obligations.
- 2.2 If the Chargor fails to pay any amount under this Agreement when it is due then such amount shall bear interest (after as well as before decree and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to the Lender.
- 3. Security**
- As security for the payment to the Lender of the Secured Obligations, the Chargor pledges and assigns to the Lender all the Chargor's rights in the Securities.
- 4. Transfer of Securities**
- 4.1 The Chargor shall on the date of delivery of this Agreement (as determined in accordance with clause 24.2) deliver to the Lender all stock and share certificates and other documents of title relating to the Securities together with stock transfer forms duly stamped and completed in favour of the Lender and shall execute such other documents and take such further action as the Lender may require for the purpose of vesting title to the Securities in the name of the Lender.
- 4.2 The Lender hereby acknowledges that notwithstanding any transfer or delivery of it ex facie of the Securities and the vesting of title of the Securities in the name of the Lender or its nominees or the custody thereof by the Lender or its nominees, the Securities are and shall truly be held by the Lender or its nominees as security, subject to and in accordance with the terms of this Agreement, for the payment of the Secured Obligations.
- 5. Dividends, voting rights, calls etc**
- 5.1 All times prior to the Security Interest created by this Agreement becoming enforceable, but only to the extent it is within its control, the Lender will ensure that:

- (a) all dividends, distributions and other monies paid on or derived from the Securities will be held for the account of the Chargor and will be promptly paid over to the Chargor in accordance with its directions;
- (b) all voting and other rights and powers attaching to the Securities will be exercised as the Chargor may from time to time in writing reasonably direct provided that the Chargor shall not be entitled to direct that the voting and other rights attaching to the Securities be exercised in a manner which the Lender considers to be prejudicial to the interests of the Lender under this Agreement; and
- (c) copies of all notices, documents and other communications received in connection with the Securities are forwarded to the Chargor promptly following receipt.

5.2 The Chargor shall promptly pay all calls which may be made in respect of any unpaid monies due on any of the Securities from time to time and, in case of the Chargor not doing so, it may (but shall not be obliged to) make such payments on behalf of the Chargor. Any moneys so paid by the Lender shall be reimbursed by the Chargor on demand and, pending reimbursement, shall constitute part of the Secured Obligations.

5.3 At any time when the Securities are registered in the name of the Lender or its nominees, the Lender shall not be under any duty to the Chargor to ensure that any dividends, distributions or other moneys payable in respect of the Securities are duly and promptly paid or received by it or its nominees or to verify that the correct amounts are paid or received or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on, or in respect of or in substitution for, any of the Securities.

6. Release and Discharge

6.1 Upon the Secured Obligations being discharged in full and the Lender being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Company or to any other person in relation to whom the Company is a guarantor or surety, the Lender shall at the request and cost of the Chargor execute such documents (or procure that its nominees execute such documents) as the Chargor may reasonably request and which may be required to discharge all the security created by this Agreement and transfer the Securities to the Chargor.

6.2 On the release of any of the Securities, the Lender shall not be bound to return the identical securities which were deposited, lodged, held or transferred and the Chargor will accept securities of the same class and denomination or such other securities as shall then represent the Securities.

7. Continuing Security

This security is to be a continuing security, notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Company of the whole or any part of the Secured Obligations and is to be in addition, and without prejudice, to any other security or securities which the Lender may now or hereafter hold for the Secured Obligations or any part thereof and this security may be enforced against the Chargor without first having recourse to any other rights of the Lender.

8. Further Assurance

The Chargor undertakes, from time to time and at all times, whether before or after the security constituted hereunder shall have become enforceable, to execute and do at its own expense all such deeds, assurances, agreements, instruments, acts and things as the Lender may require for perfecting and protecting the security hereby constituted or facilitating the realisation thereof or otherwise for enforcing the same or exercising any of the Lender's rights hereunder and in particular, but without limitation, the Chargor shall execute all transfers, conveyances, assignments and assurances whatsoever and give all notices, orders, instructions and directions whatsoever which the Lender may think expedient.

9. Negative Pledge

During the continuance of this security the Chargor shall not, save as permitted pursuant to the Facilities Agreement:

- 9.1 create or permit to subsist any Security Interest on or over all or any part of the Securities or the right to receive or be paid the same or agree to do so; or
- 9.2 sell, transfer or otherwise dispose of the whole or any part of the Securities or the right to receive or to be paid the same or agree to do so.

10. Representations

The Chargor represents and warrants to the Lender on the date hereof and on each day that there is any Secured Obligations outstanding as follows:

- 10.1 that it:
 - (a) is a duly incorporated limited company validly existing under the law of England and Wales; and
 - (b) has the power to own its assets and carry on its business as it is being conducted;
- 10.2 that it has full power to enter into this Agreement and that the creation of the security hereby constituted and that this Agreement constitutes the legal, valid and binding obligations of the Chargor;

- 10.3 no provision of any existing mortgage, trust deed, contract or agreement binding or affecting the Chargor or the undertaking or assets of the Chargor which is contravened by the execution of this Agreement or the creation of the security hereby constituted;
- 10.4 that it is not unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986;
- 10.5 that all necessary approvals and consents (whether governmental or otherwise) in relation to the making, performance and validity of this Agreement and the transactions contemplated by this Agreement have been obtained and remain in full force and effect;
- 10.6 that the Securities are fully paid or credited as fully paid; and
- 10.7 that the Securities are not subject to any Security Interest.

11. Undertakings

The Chargor undertakes that during the continuance of this Agreement it will not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Lender of the Security Interest constituted by this Agreement.

12. Enforcement of Security

- 12.1 The Security Interest constituted by this Agreement shall become enforceable:-
- (a) at any time after the Lender has made a demand for payment of any Secured Obligations;
 - (b) if any steps or proceeding has been taken for the appointment of an administrator, receiver, liquidator or provisional liquidator in respect of the Chargor or
 - (c) if any step or proceeding has been taken with a view to seeking a moratorium or voluntary arrangement in respect of the Chargor; or
 - (d) if the Chargor requests that the Lender enforces the Security Interest constituted by this Agreement.
- 12.2 At any time following the Security Interest constituted by this Agreement becoming enforceable, the security created by or pursuant to this Agreement may be enforced as follows:
- (a) the Lender may sell, call in, collect or convert into money any Securities with full power to sell any of them either together or in parcels and either by public auction or private contract and for such consideration (whether in cash, securities or other assets and whether deferred or not) as the Lender may think fit and with full power to buy in or rescind or vary any contract of sale of the Securities or any part thereof and to resell the same without being

responsible for any loss which may be occasioned thereby and with full power to compromise and effect compositions and for all or any of these purposes to execute and do all such documents and things as it may think fit;

- (b) the Lender may apply all or any monies received or held by it in respect of the Securities in accordance with clause 13; and
- (c) the Chargor shall on demand execute and do all such transfers, assurances and things which the Lender may require for perfecting its title to any Securities or for vesting the same in the Lender or any purchaser.

12.3 After the Security Interest constituted by this Agreement has become enforceable:

- (a) the Chargor's right to require the Lender to exercise the votes attaching to the Securities and to receive the dividends and other payments in respect of the Securities which it would otherwise be entitled to receive and retain under this Agreement shall cease and shall thereupon become vested in the Lender (or its nominees) who shall have the sole right to exercise such voting rights and to receive and hold all such dividends and other payments; and
- (b) all dividends and other payments which are received by the Chargor contrary to the provisions of clause 12.3(a) shall be received in and are hereby declared by the Chargor to be subject to a trust for the benefit of the Lender and shall be segregated from other funds of the Chargor and forthwith be paid over to the Lender to the intent that the Lender shall be entitled to exercise such rights and receive such payments for the purpose of protecting or enforcing the security constituted hereby.

12.4 The Lender shall incur no liability to the Chargor in the event of an over realisation of Securities or any of them or from any error or omission in the administration thereof.

12.5 To the extent that Securities constitute Financial Collateral and are subject to a Security Financial Collateral Arrangement created by or pursuant to this Agreement the Lender shall have the right, at any time after the Security Interest constituted by this Agreement becomes enforceable, to appropriate all or any part of the Securities in or towards the payment or discharge of the Secured Obligations. The value of any Securities appropriated in accordance with this clause 12.5 shall be the price of those Securities at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this clause 12.5 are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations. To the extent that Securities constitute Financial Collateral, the Chargor agrees that such Securities shall be held or designated so as to be under the control of the Lender for all purposes of the Financial Collateral Regulations.

13. Application of Monies

13.1 All moneys received as a result of enforcement of the security constituted by this Agreement shall be applied in the following order:

- (a) in payment of the costs, charges and expenses incurred, and payments made, by the Lender;
- (b) in or towards satisfaction of the Secured Obligations; and
- (c) the surplus (if any) shall be paid to the Chargor or other person entitled to it.

13.2 Any moneys received or realised by the Lender from the Chargor under this Agreement may be applied by the Lender to any item of account or liability or transaction to which they may be applicable in such order or manner as the Lender may determine.

13.3 The Lender may place and keep (for such time as it shall think prudent) any money received, recovered or realised pursuant to this Agreement to or at a separate suspense account (to the credit of either the Company, the Chargor or the Lender as the Lender shall think fit) without having any obligation to apply the same or any part thereof in or towards discharge of the Secured Obligations.

14. Protection of the Lender

14.1 The Lender shall not be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise of, or the failure to exercise any of its powers, unless such loss or damage is caused by its gross negligence or wilful default.

14.2 The Chargor's liability under this Agreement in respect of any of the Secured Obligations shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Obligations;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may now or after the date of this Agreement have from or against the Company, the Chargor or any other person in connection with the Secured Obligations;
- (c) any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Company, the Chargor or any other person;
- (d) any termination, amendment, variation, novation or supplement of or to any of the Secured Obligations;
- (e) any grant of time, indulgence, waiver or concession to the Company, the Chargor or any other person;

- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Company, the Chargor or any other person;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Company, the Chargor or any other person in connection with the Secured Obligations;
- (h) any claim or enforcement of payment from the Company, the Chargor or any other person; or
- (i) any other act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Agreement.

14.3 The Chargor waives any right it may have to require the Lender:

- (a) to take any action or obtain judgment in any court against the Company or any other person;
 - (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Company or any other person; or
 - (c) to make demand, enforce or seek to enforce any claim, right or remedy against the Company or any other person;
- before taking steps to enforce any of its rights or remedies under this Agreement.

14.4 The Chargor warrants to the Lender that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Company, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Chargor under this Agreement but:

- (a) if any of the Rights is taken, exercised or received by the Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Chargor on trust for the Lender for application in or towards the discharge of the Secured Obligations under this deed; and
- (b) on demand by the Lender, the Chargor shall promptly transfer, assign or pay to the Lender all Rights and all monies from time to time held on trust by the Chargor under this clause 14.4

15. **Cost of Expenses**

15.1 The Chargor shall, from time to time on demand of the Lender, reimburse the Lender on a full indemnity basis:

- (a) for all reasonable costs and expenses (including legal fees) together with any VAT thereon incurred by it in connection with the negotiation, preparation and execution of this Agreement and the completion of the transactions and perfection of the security contemplated in this Agreement;
- (b) for all costs and expenses (including legal fees) together with any VAT thereon incurred by it in connection with the exercise, preservation and/or enforcement of the Security Interest constituted by this Agreement or any proceedings instituted by or against the Lender as a consequence of taking or holding the security;

and shall carry interest from the date of such demand until so reimbursed at the rate and on the basis as mentioned in clause 2.2.

16. Other security, cumulative powers and avoidance of payments

- 16.1 This security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, or be affected by any other security interest, right of recourse or other right whatsoever (or the invalidity thereof) which the Lender may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Company or any other person in respect of the Secured Obligations.
- 16.2 The powers which this Agreement confers on the Lender are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the Lender thinks appropriate; the Lender may, in connection with the exercise of its powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Chargor acknowledges that the respective powers of the Lender shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.
- 16.3 If the Lender considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or set aside on the bankruptcy of the Chargor or otherwise, then for the purposes of this Agreement such amount shall not be considered to have been paid.

17. Ruling off

If the Lender receives or is deemed to receive or be affected by notice, whether actual or constructive, of the creation of any Security Interest, or other interest in favour of any third party, relating to or affecting any part of the Secured Property or in the event that the continuing nature of the floating charge hereby created shall (howsoever) be determined, the Lender may open or may procure the opening of a new account or accounts in respect of the Chargor, and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice. All payments made by the Chargor to the Lender after the receipt of such notice shall be credited or deemed to have been credited to the new account(s) and shall not operate to reduce the amount for which the floating charge hereby created is security.

18. Certificates

For all purposes, including any legal proceedings, a certificate signed by one of the Lender's officers as to the amount of the Secured Obligations (or any part thereof) shall, in the absence of manifest error, be conclusive evidence thereof against the Chargor.

19. Waiver

19.1 No delay or omission of the Lender in exercising any right, power or privilege hereunder shall impair such right, power or privilege or be construed as a waiver of such right, power or privilege nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Lender herein provided are cumulative and not exclusive of any rights or remedies provided by law.

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

20. Invalidity

If at any time any one or more of the provisions of this Agreement is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof shall not be in any way affected or impaired thereby.

21. Attorney

21.1 The Chargor, by way of attorney, irrevocably appoints the Lender as its attorney (with full power to appoint substitutes and to delegate) with power in your name or on your behalf:

(a) To execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and

(b) To perform any act;

which may be required of the Chargor or may be deemed by the attorney necessary or desirable for the purpose of this Agreement or to create, enhance or perfect the Security Interest constituted pursuant to this Agreement.

22. Merger, etc.

This Agreement shall remain in effect and binding on the Chargor notwithstanding any amalgamation or merger that may be effected by the Lender with any other corporation or company or any change in the name of the Lender and notwithstanding any reconstruction of the Lender involving the formation of and transfer of the whole or any part of the Lender undertaking and assets to a new company, and notwithstanding the sale or transfer of all or any part of the Lender's

undertaking and assets to another company (whether the company with which the Lender amalgamates or merges or the company to which the Lender transfers all or any part of its undertaking and assets either on a reconstruction or sale or transfer as aforesaid shall or shall not differ from the Lender in its objects character or constitution), it being the Chargor's intent that the security hereby created and the provisions herein contained shall remain valid and effectual in all respects in favour of the Lender and that the benefit thereof and all rights conferred upon the Lender thereby may be assigned to and enforced by any such assignee, and proceeded on in the same manner, to all intents and purposes, as if such assignee had been named herein instead of or in addition to the Lender.

23. Assignment

- 23.1 The Lender may assign and transfer all or any of its rights and obligations under this Agreement. The Lender shall be entitled to disclose such information concerning the Chargor, the Company and this Agreement as the Lender considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.
- 23.2 For the avoidance of doubt, the Chargor shall not be entitled to transfer or assign all or any part of its interest under this Agreement.

24. Notices

- 24.1 Any demand or written notice from the Lender to the Chargor may be given by delivering it at or posting it to the Chargor's registered office as stated at the beginning of this Agreement or to such other address advised to and acknowledged by the Lender as being effective for the purposes of this Agreement. Such notice may also be given by fax transmission or other electronic medium to the Chargor's fax number or address being in use at that time for communication between the Lender and the Chargor.
- 24.2 Any such notice or process shall be considered served:
- (a) if delivered, at the time of delivery;
 - (b) if sent by post, 48 hours from the time of posting; or
 - (c) if sent by fax transmission or electronic medium, at the time of transmission.
- 24.3 Any notice in writing by the Chargor to the Lender under this Agreement shall take effect at the time it is received the Lender at its registered office or at such other address as may be notified by the Lender to the Chargor in writing for this purpose.

25. Counterparts

- 25.1 This Agreement may be executed in any number of counterparts and by each of the parties on separate counterparts.
- 25.2 Where executed in counterparts;

- (a) this Agreement will not take effect until each of the counterparts has been delivered;
- (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
- (c) the date of delivery may be inserted on the first page of this Agreement in the blank provided for the delivery date.

26. Governing law and submission to jurisdiction

- 26.1 This Agreement shall be governed by and construed in accordance with Scots Law.
- 26.2 The Chargor for the benefit of the Lender irrevocably submits to the non-exclusive jurisdiction of the Scottish Courts for the purpose of determining any disputes which may arise out of or in connection with this Agreement or enforcing any judgement against its assets.

27. Consent to registration

- 27.1 The parties consent to registration of this Agreement and of any certificates issued under it for preservation.

IN WITNESS WHEREOF this Agreement comprising this and the 13 preceding pages is executed as follows

SIGNED for and on behalf of
SOURCE BIOSCIENCE PLC

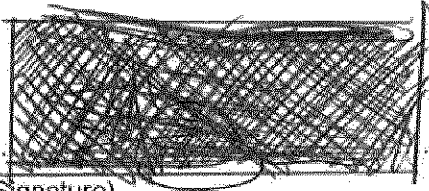
place of signing ... 1 Orchard Place, Nottingham NG8 6PX

on ... 23 March 2016

by Dr Nicholas Watson Ash

(Print Full Name)

one of its Directors

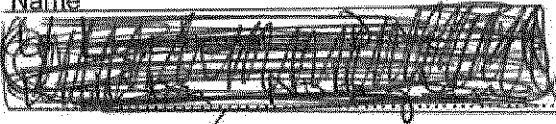


(Signature)

In the presence of:

Janet Acocks

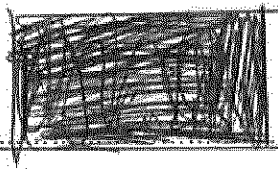
Name



Address

Secretary

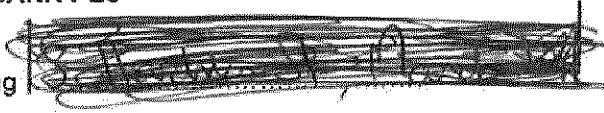
Occupation



Witness (Signature)

SIGNED for and on behalf of
BARCLAYS BANK PLC

place of signing

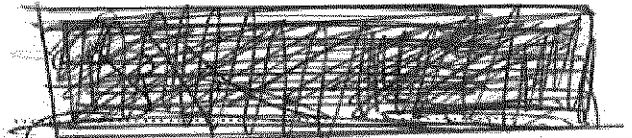


on

by PAUL DEVENPORT

(Print Full Name)

Its authorised signatory

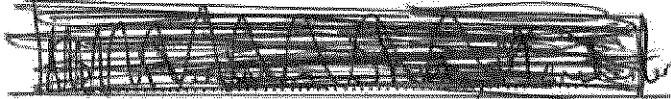


(Signature)

In the presence of:

ASHLEY JACOBS

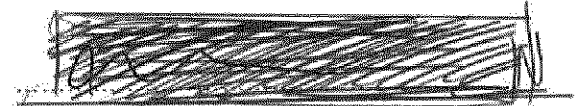
Name



Address

Bank Officer

Occupation



Witness (Signature)

**THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING SECURITY AGREEMENT
BETWEEN SOURCE BIOSCIENCE PLC AND BARCLAYS BANK PLC**

SCHEDULE

The Shares

32,000 ordinary shares of £1 in the share capital of the Company