



Registration of a Charge

Company name: **COBRA BIOLOGICS LIMITED**

Company number: **02710654**



X954F0FC

Received for Electronic Filing: **15/05/2020**

Details of Charge

Date of creation: **07/05/2020**

Charge code: **0271 0654 0008**

Persons entitled: **CRG SERVICING LLC AS COLLATERAL AGENT**

Brief description: **FIRST LEGAL MORTGAGE OVER ALL ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY (EXCLUDING LEASEHOLD PROPERTY WHERE THE LEASE IS FOR A TERM OF LESS THAN SEVEN YEARS FROM THE DATE OF THE SECURITY AGREEMENT), FIRST FIXED CHARGE OVER, AMONG OTHERS, ALL INVESTMENTS, PLANT AND MACHINERY, INSURANCE POLICIES AND INTELLECTUAL PROPERTY OWNED BY THE COMPANY. FOR MORE DETAILS PLEASE REFER TO THE SECURITY AGREEMENT.**

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: **MEGAN FLYNN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2710654

Charge code: 0271 0654 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th May 2020 and created by COBRA BIOLOGICS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th May 2020 .

Given at Companies House, Cardiff on 18th May 2020

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

SECURITY AGREEMENT

dated 07 May 2020

between

THE COMPANIES LISTED IN SCHEDULE 1
as Chargers

and

CRG SERVICING LLC
acting as Collateral Agent

I certify that save for material
redacted pursuant to s.859.6 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

Megan Flynn, associate, for Cooley (UK) LLP

Cooley

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THIS DEED is made on 07 May 2020.

BETWEEN:

- (1) THE COMPANIES listed in Schedule 1 (*Chargors*) as chargors (the "**Chargors**"); and
- (2) CRG SERVICING LLC as security trustee for the Secured Parties (the "**Collateral Agent**").

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Term Loan Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Account" means:

- (a) each Restricted Account;
- (b) each account opened or maintained by a Chargor in England and Wales as set out in Part 1 of Schedule 2 (*Charged Assets*); and
- (c) any other account opened or maintained by a Chargor with any bank, building society, financial institution or other person in England and Wales from time to time,

in each case, including:

- (i) any credit balance from time to time on any such account;
- (ii) any replacement account or subdivision or subaccount of such account; and
- (iii) all Related Rights.

"Account Bank" means a bank with which an Account is maintained.

"Act" means the Law of Property Act 1925.

"Agent's Spot Rate of Exchange" has the meaning given to the term "Exchange Rate" in the Term Loan Agreement.

"Assigned Specific Contract" means, in relation to a Chargor:

- (a) any agreement, instrument or other document specified under its name in Part 5 of Schedule 2 (*Charged Assets*); and
- (b) any other agreement to which that Chargor is a party and which is designated in writing as such from time to time by Cognate Bioservices, INC. and the Collateral Agent,

and includes all Related Rights.

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Charged Assets" means all of the assets and undertaking of each Chargor, both present and future, which from time to time are the subject of any Security Interest created (or expressed or purported to be created) by that Chargor in favour of the Collateral Agent by or pursuant to this Security.

"Charged Specific Contract" means, in relation to a Chargor:

- (a) any agreement, instrument or other document specified under its name in Part 6 of Schedule 2 (*Charged Assets*); and
- (b) any other agreement to which that Chargor is a party and which is designated in writing as such from time to time by Cognate Bioservices, INC. and the Collateral Agent,

and includes all Related Rights.

"Charged Specific Insurance Policies" means, in relation to a Chargor:

- (a) any agreement, instrument or other document specified under its name in Part 7 of Schedule 2 (*Charged Assets*); and
- (b) any other agreement to which that Chargor is a party and which is designated in writing as such from time to time by Cognate Bioservices, INC. and the Collateral Agent,

and includes all Related Rights.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Collateral Agent.

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any Chargor conducted on or from the properties owned or used by any Chargor.

"Investments" means:

- (a) the Shares, and
- (b) all other shares, stocks, debentures, bonds or other securities or investments owned by a Chargor.

and, in each case, includes:

- (i) any dividend, interest or other distribution paid or payable;
- (ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
- (iii) any right against any clearance system;
- (iv) any right under any custody or other agreement (including any right to require delivery up of any cash or other assets); and
- (v) any cash or securities account maintained by any custodian or other entity,

in each case in relation to any such share, stock, debenture, bond or other security or investment.

"Loan Documents" has the meaning given to the term "Loan Documents" in the Term Loan Agreement.

"Obligations" has the meaning given to that term in the Term Loan Agreement.

"Party" means a party to this Deed.

"PSC Notice" means a request for information made pursuant to section 790D and 790E of the Companies Act 2006.

"PSC Restrictions Notice" means a "restrictions notice" and **"PSC Warning Notice"** means a "warning notice", in each case as defined in Paragraph 1(2) of Schedule 1B of the Companies Act 2006.

"Receiver" means a receiver, a receiver and manager, or an administrative receiver, in each case, appointed under this Deed.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale, transfer, lease, rental or other disposal of all or any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset;
- (d) any monies and proceeds paid or payable in respect of all or any part of that asset;
- (e) any awards or judgments in favour of a Chargor in respect of all or any part of that asset; and
- (f) any other assets deriving from or relating to all or any part of that asset.

"Restricted Account" means any account listed in Part 2 of Schedule 2 (*Charged Assets*) and includes:

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Restricted Account is transferred; and
- (b) any account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes.

"Secured Obligations" means all the Obligations and all other present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Secured Party under the Loan Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"Secured Parties" means the Collateral Agent, any other Secured Party from time to time (as defined in the Term Loan Agreement), any Receiver or Delegate.

"Security" means any Security Interest executed, created, evidenced or conferred by or pursuant to this Deed.

"Security Documents" has the meaning given to it in the Term Loan Agreement.

"Security Interest" means any mortgage, charge, assignment, pledge, lien or other security interest securing any obligations of any person or any other agreement or arrangement having the effect of conferring security.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all of the Secured Obligations have been unconditionally and irrevocably paid and discharged in full.

"Shares" means, in relation to a Chargor, the shares specified under its name in Part 4 of Schedule 2 (*Charged Assets*) and any additional shares held by that Chargor, whether such shares are owned by it or held by any nominee, trustee, custodian or clearance system on its behalf.

"Term Loan Agreement" means the term loan agreement dated as of 12 February 2020 between, among others, Cognate Bioservices, Inc. as borrower, the Lenders (as defined therein) and the Collateral Agent as administrative and collateral agent.

1.2 Construction

- (a) Unless defined in this Deed, or the context otherwise requires, a term defined in the Term Loan Agreement has the same meaning in this Deed, or any notice given under or in connection with this Deed, as if all references in those defined terms to the Term Loan Agreement were a reference to this Deed or that notice.
- (b) The provisions of Clause 1.03 (*Interpretation*) of the Term Loan Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Term Loan Agreement will be construed as references to this Deed.

- (c) Unless a contrary indication appears, a reference in this Deed to:
 - (i) a **"clearance system"** means a person whose business is or includes the provision of clearance services or security accounts, or any nominee or depositary for that person;
 - (ii) a **"Loan Document"** or any other agreement or instrument includes (without prejudice to any restriction on amendments) any amendment to that Loan Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
 - (iii) an **"amendment"** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **"amend"**, **"amending"** and **"amended"** shall be construed accordingly;
 - (iv) any **"rights"** in respect of an asset include all amounts and proceeds paid or payable, all rights to make any demand or claim, and all powers, remedies, causes of action, security, guarantees and indemnities, in each case, in respect of or derived from that asset;
 - (v) **"this Security"** means any security created by this Deed; and
 - (vi) an agreement, instrument or other document **"to which it is a party"** includes any agreement, instrument or other document issued in the relevant person's favour or of which it otherwise has the benefit (in whole or in part).
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
- (e) The terms of the other Loan Documents and of any side letters between any parties in relation to any Loan Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Collateral Agent considers that an amount paid to any of the Secured Parties under a Loan Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Charged Asset includes the proceeds of any disposal of that Charged Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

- (b) Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any of the Secured Parties that is not a Party may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Contracts (Rights of Third Parties) Act 1999.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Collateral Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment of all the Secured Obligations of the relevant Chargor; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If the rights of a Chargor under a document cannot be secured without the consent of a party to that document or satisfaction of some other condition:
 - (i) that Chargor must notify the Collateral Agent promptly;
 - (ii) this Security will constitute security over all proceeds and other amounts which that Chargor may receive, or has received, under that document but exclude that Chargor's other rights under the document until that Chargor obtains the required consent or satisfies the relevant condition;
 - (iii) unless the Collateral Agent otherwise requires, that Chargor must use its reasonable endeavours to obtain the required consent or satisfy the relevant condition; and
 - (iv) if that Chargor obtains the required consent or satisfies the relevant condition:
 - (A) that Chargor must notify the Collateral Agent promptly; and
 - (B) all that Chargor's rights under the document will immediately be secured in accordance with this Deed.

- (c) The Collateral Agent holds the benefit of this Deed on trust for the Secured Parties.

2.2 Land

- (a) Subject to paragraph (b) below, each Chargor charges:

- (i) by way of a first legal mortgage, all estates or interests in any freehold or leasehold property owned by it and specified under its name in Part 3 of Schedule 2 (*Charged Assets*); and
- (ii) (to the extent that they are not the subject of a mortgage under paragraph (i) above) by way of a first fixed charge, all estates or interests in any freehold or leasehold property owned by that Chargor,

excluding, in each case, any leasehold property where the lease is for a term of less than seven years from the date of this Deed.

- (b) Without prejudice to paragraph (f) of Section 8.16 of the Term Loan Agreement, the Security created by this Clause 2.2 (excluding the freehold or leasehold property specified in Part 3 of Schedule 2 (*Charged Assets*)) shall at all times be subject to receipt of consent from the relevant landlord agreeing to charge that leasehold property under this Deed provided that the relevant Chargor is subject to a restriction on charging that leasehold property without such consent pursuant to the relevant lease agreement. Each Chargor agrees that it will, as soon as reasonably practicable after acquiring any additional leasehold property not listed in Part 3 of Schedule 2 (*Charged Assets*), use commercially reasonable efforts to obtain such consent. If such consent is required but not obtained from the relevant landlord, then this Clause 2.2 shall, in so far as it relates to that particular leasehold property, be of no legal effect.
- (c) A reference in this Clause 2.2 to a mortgage or charge of any freehold or leasehold property includes:
 - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 Investments

Each Chargor charges by way of a first fixed charge its interest in all Investments owned by it or held by any nominee, trustee, custodian or clearance system on its behalf and Related Rights in respect of such Investments.

2.4 Plant and machinery

Each Chargor charges by way of a first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

2.5 Accounts

Each Chargor charges by way of a first fixed charge all of its rights in respect of any Account and any amount standing to the credit of that Account and the debt represented by that Account.

2.6 Insurances

Each Chargor charges by way of a first fixed charge all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf, or in which it has an interest including, but not limited to, the Charged Specific Insurance Policies but excluding any rights under any third party liability insurance and insurance in favour of employees (to the extent permissible by applicable law).

2.7 Other contracts

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of each Assigned Specific Contract to which it is a party.
- (b) Subject to paragraph (c) below, each Chargor charges by way of a first fixed charge all of its rights in respect of any agreement, instrument or other document to which it is a party (other than any Assigned Specific Contract to the extent such Assigned Specific Contract is validly assigned pursuant to paragraph (a) above), including, but not limited to, the Charged Specific Contracts.
- (c) Paragraph (b) above does not apply to any agreement, instrument or other document to which a Chargor is a party that is subject to any fixed security created under any other term of this Clause 2.

2.8 Intellectual property

Each Chargor charges by way of a first fixed charge all of its rights in respect of:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right, including, but not limited to, the patents and trademarks (if any) specified under its name in Part 8 of Schedule 2 (*Charged Assets*);
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case, whether registered or not and including all applications for any of the rights referred to in paragraphs (a) and (b) above, *provided that* if granting the security interest over any such intellectual property right and/or interest purported to be created by this Clause 2.8 would necessitate the relevant Chargor having to notify or gain consent from a third party, the relevant Chargor will not be required to take such steps and such intellectual property right and/or interest shall be excluded from the scope of this Deed.

2.9 Miscellaneous

Each Chargor charges by way of a first fixed charge:

- (a) any beneficial interest, claim or entitlement it has in any pension fund;
- (b) its goodwill;

- (c) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Charged Asset;
- (d) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (c) above; and
- (e) its uncalled capital.

2.10 Floating charge

- (a) Each Chargor charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause 2.
- (b) Except as provided below, the Collateral Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Clause 2.10 into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Event of Default has occurred which is continuing;
 - (ii) the Collateral Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or
 - (iii) the Collateral Agent reasonably considers that it is necessary in order to protect the priority, value or enforceability of the Security created under this Deed.
- (c) The floating charge created by this Clause 2.10 may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by this Clause 2.10 will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of a Chargor's assets if:
 - (i) the members of the Chargor convene a meeting for the purposes of considering any resolution for its winding-up, dissolution, or a compromise, assignment or arrangement with any creditor;
 - (ii) the Chargor creates, or purports to create, Security (except as permitted by the Loan Documents or with the prior consent of the Collateral Agent) on or over any asset which is subject to the floating charge created under this Deed;
 - (iii) any third party takes any formal step with a view to levying distress, attachment, execution or other legal process against any such asset;

- (iv) any person (entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court; or
- (v) if any other floating charge created by the Chargor crystallises for any reason.
- (e) Upon the conversion of any floating charge pursuant to this Clause, the Chargor shall, at its own expense, immediately upon request by the Collateral Agent execute a fixed charge or legal assignment in such form as the Collateral Agent may require.
- (f) The floating charge created by this Clause is a **"qualifying floating charge"** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. REPRESENTATIONS - GENERAL

3.1 Nature of security

Each Chargor represents and warrants to each Secured Party that this Deed creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

3.2 PSC register

Each Chargor has not:

- (a) issued and does not intend to issue any PSC Warning Notice or PSC Restrictions Notice under Schedule 1B of the Companies Act 2006 in respect of any shares which constitute Charged Assets; or
- (b) received any PSC Warning Notice or PSC Restrictions Notice under Schedule 1B of the Companies Act 2006 in respect of any shares which constitute Charged Assets.

3.3 Times for making representations

- (a) The representations and warranties set out in this Deed (including in this Clause 3) are made on the date of this Deed.
- (b) Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be made by each Chargor by reference to the facts and circumstances then existing on each Borrowing Notice Date and on each Borrowing Date.

4. RESTRICTIONS ON DEALINGS

No Chargor may at any time during the Security Period:

- (a) create, purport to create or permit to subsist any Security Interest on, or in relation to, any Charged Asset; or
- (b) sell, assign, transfer, licence, lease or otherwise dispose of in any manner (or purport to do so), all or any part of, any interest in, any Charged Asset; or

- (c) create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party).

except as expressly allowed under the Term Loan Agreement or this Deed.

5. LAND

5.1 General

In this Clause 5:

"Mortgaged Property" means all freehold or leasehold property included in the definition of **"Charged Asset"** and, where the context so requires, includes any buildings on that property.

"Property Report" means, in respect of any Mortgaged Property, any certificate of or report on title on that Mortgaged Property addressed to any Secured Party and provided at the request of the Administrative Agent before the date of this Deed or, in the case of any Mortgaged Property acquired after the date of this Deed, its date of acquisition.

5.2 Title

- (a) Each Chargor represents and warrants to each Secured Party that it:

- (i) is the sole legal and beneficial owner of its Mortgaged Property; and
- (ii) has good and marketable title to its Mortgaged Property;

in each case, free of any Security Interests (except for those created by or pursuant to the Security Documents) and restrictions and onerous covenants (except for those set out in any Property Report in relation to its Mortgaged Property).

- (b) Each Chargor represents and warrants to each Secured Party that except as disclosed in any Property Report in relation to its Mortgaged Property:

- (i) no breach of any law, regulation or covenant is continuing which adversely affects or would be reasonably likely to adversely affect the value, saleability or use of its Mortgaged Property;
- (ii) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting its Mortgaged Property;
- (iii) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over its Mortgaged Property;
- (iv) all facilities necessary for the enjoyment and use of its Mortgaged Property (including those necessary for the carrying on of any business of it at that Mortgaged Property) are enjoyed by that Mortgaged Property by right;
- (v) none of the facilities referred to in paragraph (iv) above are enjoyed on terms;

- (A) entitling any person to terminate or curtail its use of that Mortgaged Property; or
 - (B) which conflict with or restrict its use of that Mortgaged Property;
- (vi) it has not received any notice of any adverse claim by any person in respect of the ownership of its Mortgaged Property or any interest in it which would be reasonably likely to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of its Mortgaged Property; and
- (vii) its Mortgaged Property is held by it free from any lease or licence (other than those entered into in accordance with the Term Loan Agreement or this Deed).
- (a) Each Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Mortgaged Property.
- (b) No Chargor may agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Mortgaged Property.
- (c) Each Chargor must take all such steps as may be necessary or desirable to enable the Security created by the Security Documents to be registered at HM Land Registry and Companies House.

5.3 Information

- (d) The information supplied by the Chargors or on their behalf to the lawyers who prepared any Property Report for the purpose of that Property Report was true and accurate as at the date of the Property Report or (if appropriate) as at the date (if any) at which it is stated to be given.
- (e) The information referred to in paragraph (a) above was at the date it was expressed to be given complete and accurate and did not omit any information which, if disclosed, would make that information untrue or misleading in any material respect.
- (f) Nothing has occurred since the date of any information referred to in paragraph (a) above which, if disclosed, would make that information untrue or misleading in any material respect.

5.4 Compliance with leases

In relation to each lease comprised in its Mortgaged Property, each Chargor must:

- (a) exercise its rights and comply with its obligations under that lease in a proper and timely manner;
- (b) use its reasonable endeavours to ensure that the landlord complies with its obligations under that lease;

- (c) not agree to any amendment, supplement, waiver, surrender or release of that lease without obtaining the Collateral Agent's prior consent;
- (d) not exercise any right to break, determine or extend that lease without obtaining the Collateral Agent's prior consent; and
- (e) not do or allow to be done any act as a result of which that lease may become liable to forfeiture, disclaimer or otherwise be terminated and, if so required by the Collateral Agent, apply for relief against forfeiture of any lease.

5.5 Maintenance

Each Chargor must ensure that all buildings, plant, machinery, fixtures and fittings on its Mortgaged Property are in and are maintained in:

- (a) good and substantial repair and condition and, as appropriate, good working order; and
- (b) such repair, condition and order as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is either:
 - (i) in force; or
 - (ii) expected to come into force and a prudent property owner in the same business as that Chargor would ensure that its buildings, plant, machinery, fixtures and fittings were in such condition, repair and order in anticipation of that law or regulation coming into force.

5.6 Development

- (a) Each Chargor must comply in all respects with all planning laws, permissions, consents, agreements and conditions to which its Mortgaged Property may be subject.
- (b) No Chargor may:
 - (i) make or allow to be made any application for planning permission in respect of any part of its Mortgaged Property; or
 - (ii) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its Mortgaged Property,

provided that such restrictions shall not apply to any work required to be undertaken by a Chargor in relation to the Mortgaged Property as disclosed to the Collateral Agent in accordance with the Term Loan Agreement prior to the date of this Deed.

5.7 Notices

Each Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public, local or other authority with respect to its Mortgaged Property (or any part of it):

- (a) deliver a copy of the relevant application, requirement, order or notice to the Collateral Agent; and
- (b) inform the Collateral Agent of the steps taken or proposed to be taken to comply with the relevant application, requirement, order or notice.

5.8 Investigation of title

Each Chargor must grant the Collateral Agent or its lawyers on request all facilities within the power of that Chargor to enable the Collateral Agent or its lawyers (at the expense of that Chargor) to:

- (a) carry out investigations of title to the Mortgaged Property; and
- (b) make such enquiries in relation to any part of the Mortgaged Property as a prudent mortgagee might carry out from time to time.

5.9 Power to remedy

- (a) If a Chargor fails to perform any obligations under the Loan Documents affecting its Mortgaged Property, that Chargor must allow the Collateral Agent or any of its agents and contractors:
 - (i) to enter any part of its Mortgaged Property;
 - (ii) to comply with or object to any notice served on that Chargor in respect of its Mortgaged Property; and
 - (iii) to take any action that the Collateral Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such obligation or to comply with or object to any such notice.
- (b) The relevant Chargor must, immediately on demand, pay the costs and expenses of the Collateral Agent and its agents and contractors incurred in connection with any action taken by it under this Clause 5.9.
- (c) No Secured Party is obliged to account as mortgagee in possession as a result of any action taken under this Clause 5.9.

5.10 Insurance

- (a) Each Chargor must ensure that at all times from the date of this Deed contracts of insurance ("**Insurances**") are maintained in full force and effect (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) which:
 - (i) insure that Chargor in respect of its interests in the Mortgaged Property and the plant, machinery, fixtures and fittings on the Mortgaged Property for their full replacement value (being the total cost of entirely rebuilding, reinstating or

replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs);

- (ii) provide cover for all normally insurable risks of loss or damage for a property of the type of its Mortgaged Property;
 - (iii) insure such other risks as a prudent company in the same business as that Chargor would insure; and
 - (iv) insure any other risks which the Collateral Agent may reasonably require.
- (b) Each Chargor must procure that a note of the interest of the Collateral Agent (in its capacity as such) is endorsed on each of the Insurances maintained by that Chargor or any person on its behalf in respect of its Mortgaged Property.
- (c) Each Chargor shall, if requested by the Collateral Agent, produce to the Collateral Agent a copy of the policy, certificate or cover note relating to any Insurance maintained by that Chargor and the receipt for the payment of any premium for any such Insurance and any information in connection with any such Insurance and any claim under it which the Collateral Agent may reasonably require (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) Each Chargor must:
 - (i) comply with the terms of the Insurances maintained by that Chargor;
 - (ii) not do or omit to do, or permit anything to be done or omitted, any act or thing, which may invalidate, make void or voidable or otherwise prejudice any such Insurances; and
 - (iii) comply with all reasonable risk improvement requirements of its insurers.
- (e) Each Chargor must ensure that:
 - (i) each premium for the Insurances maintained by that Chargor is paid promptly and in any event before the period of insurance for which that premium is payable begins; and
 - (ii) all other things necessary are done so as to keep such Insurances in full force and effect.
- (f) Except as provided in paragraph (g) below, all amounts received or receivable under any Insurance must be applied, to the extent permitted under the Term Loan Agreement:
 - (i) in replacing, restoring or reinstating the Mortgaged Property or in any other manner which the Collateral Agent may agree; or

- (ii) after an Event of Default has occurred, if the Collateral Agent so directs (but subject to the terms of the relevant Insurances), in or towards satisfaction of the Secured Obligations.
- (g) Amounts received under liability policies held by a Chargor which are required by that Chargor to satisfy established liabilities of it to third parties must be used to satisfy those liabilities.

5.11 Property Report

Each Chargor must, as soon as practicable after a request by the Collateral Agent, provide the Collateral Agent with a Property Report in relation to that Chargor's Mortgaged Property concerning those items which may properly be sought to be covered by a lawyer's report of this nature.

5.12 Leases

No Chargor may grant or agree to grant (whether in exercise of any statutory power or otherwise) any lease or tenancy of the Mortgaged Property or any part of it or accept a surrender of any lease or tenancy or confer upon any person any contractual license or right to occupy the Mortgaged Property.

5.13 Access

Each Chargor must permit the Collateral Agent and any person nominated by it at all reasonable times to enter any part of its Mortgaged Property and view the state of it.

5.14 Acquisitions

- (a) If a Chargor acquires any freehold or leasehold property after the date of this Deed it must:
 - (i) notify the Collateral Agent immediately;
 - (ii) immediately on demand and at the cost of that Chargor, execute and deliver to the Collateral Agent a legal mortgage over that property in favour of the Collateral Agent in any form which the Collateral Agent may require;
 - (iii) if the title to that freehold or leasehold property is registered at H.M. Land Registry or required to be so registered, give H.M. Land Registry written notice of this Security; and
 - (iv) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at H.M. Land Registry.
- (b) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over that lease, that Chargor will not be required to perform that obligation unless and until it has obtained the landlord's consent. That Chargor must use commercially reasonable efforts to obtain the landlord's consent.

5.15 Compliance with applicable laws and regulations

- (a) Each Chargor must perform all of its obligations under any law or regulation in any way related to or affecting its Mortgaged Property.
- (b) Each Chargor must:
 - (i) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to its Mortgaged Property; and
 - (ii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or its Mortgaged Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for a Secured Party.

5.16 H.M. Land Registry

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at H.M. Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the security agreement dated [] in favour of [] referred to in the charges register or their conveyancer."

5.17 Deposit of title deeds

Each Chargor must deposit with the Collateral Agent all deeds and documents of title relating to its Mortgaged Property and all local land charges, land charges and H.M. Land Registry search certificates and similar documents received by it or on its behalf.

6. INVESTMENTS

6.1 Investments

Each Chargor represents and warrants to each Secured Party that:

- (a) its Shares and, to the extent applicable, its other Investments, are duly authorised, fully paid, validly issued and are not subject to any option to purchase or similar right;
- (b) its Shares in any of its Subsidiaries represent the whole of the issued share capital of those Subsidiaries;
- (c) it (or a nominee, trustee, custodian or clearance system on its behalf) is the sole legal, and it is the sole beneficial, owner of its Investments;
- (d) its Investments are free of any Security Interests (except for those created by or pursuant to the Security Documents or those expressly permitted under the Term Loan Agreement) and any other rights or interests in favour of third parties and it has not received a PSC Notice, PSC Warning Notice or PSC Restrictions Notice in relation to any of its Investments; and

- (e) the constitutional documents of the companies whose shares are subject to Security do not and could not restrict or inhibit any transfer of any such shares on creation or enforcement of the Security.

6.2 Deposit

Each Chargor must:

- (a) as soon as reasonably practicable following, and in any event within five Business Days of, the date of this Deed (or, if later, as soon as reasonably practicable following, and in any event within five Business Days of, the acquisition of or subscription for any other Investments) deposit with the Collateral Agent, or as the Collateral Agent may direct, all certificates and other documents of title or evidence of ownership in relation to any of its Investments and stock transfer forms (executed in blank and left undated by it or on its behalf), together with a copy of the register of members for such Investments;
- (b) as soon as reasonably practicable following, and in any event within five Business Days of, the acquisition, subscription, accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Investments, notify the Collateral Agent of that occurrence and procure the delivery to the Collateral Agent of all certificates or other documents of title representing such items and such stock transfer forms or other instruments of transfer (executed in blank and left undated by it or on its behalf) in respect thereof as the Collateral Agent may request, together with a copy of the register for such Investments; and
- (c) promptly execute and deliver to the Collateral Agent all share transfers and other documents which may be requested by the Collateral Agent in order to enable the Collateral Agent or its nominees to be registered as the owner or otherwise obtain a legal title to any of its Investments.

6.3 Changes to rights

No Chargor may take any action or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered.

6.4 Calls

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of its Investments.
- (b) If a Chargor fails to do so, the Collateral Agent may pay the calls or other payments on behalf of that Chargor. That Chargor must, immediately on demand, reimburse the Collateral Agent for any payment made by the Collateral Agent under this Clause 6.4.

6.5 Other obligations in respect of Investments

- (a) Each Chargor must promptly copy to the Collateral Agent and comply with all requests for information which is within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other constitutional document relating to any of its

Investments. If it fails to do so, the Collateral Agent may elect to provide such information as it may have on behalf of that Chargor.

- (b) Each Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) The Collateral Agent is not obliged to:
 - (i) perform any obligation of a Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed.

in respect of any of the Investments.

6.6 Voting rights and dividends

- (a) Before this Security becomes enforceable:
 - (i) each Chargor may continue to exercise (or refrain from exercising) the voting rights and any other rights or powers in respect of its Investments;
 - (ii) if the voting rights or other rights or powers are exercisable by the Collateral Agent, the Collateral Agent must exercise (or refrain from exercising) them as that Chargor may direct in writing; and
 - (iii) all dividends, distributions or other income paid or payable in relation to the Investments must be paid directly to that Chargor,

provided that no Chargor (or Collateral Agent on behalf of a Chargor under paragraph (ii) above) shall exercise (or refrain from exercising) any voting rights or any other rights or powers in respect of its Investments in a manner that would be reasonably likely to adversely affect the validity, perfection or enforceability of all or any part of the Security or cause an Event of Default to occur.

- (b) Each Chargor must indemnify the Collateral Agent against any cost, loss or liability incurred by the Collateral Agent as a consequence of the Collateral Agent acting (or refraining from acting) in respect of any Investments as directed by any Chargor.
- (c) After this Security has become enforceable:
 - (i) the Collateral Agent may exercise (or refrain from exercising), in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor, any voting rights and any other rights or powers which may be exercised by the beneficial owner of any Investments, any person who is the holder of any Investments or otherwise; and

- (ii) if any Investments remain registered in the name of a Chargor, that Chargor irrevocably appoints the Collateral Agent as its proxy to exercise the voting rights and other rights or powers in respect of the Investments.

6.7 Clearance systems

Each Chargor must, if requested by the Collateral Agent, instruct any clearance system to transfer any Investments held by it for that Chargor or its nominee to an account of the Collateral Agent or its nominee with that clearance system.

6.8 Custodian arrangements

Each Chargor must:

- (a) promptly give notice of this Security to any custodian or other entity in respect of any Investments held for it by that custodian or other entity in a form the Collateral Agent may require; and
- (b) use its reasonable endeavours to ensure that the custodian or other entity acknowledges that notice in a form the Collateral Agent may require.

7. ACCOUNTS

7.1 Accounts

- (a) If a Chargor opens or maintains an Account after the date of this Deed (which is not set out in Part 1 or Part 2 of Schedule 2 (Charged Assets)), upon the written request of the Collateral Agent (such request not to be made more frequently than once every six months), it shall deliver details of such Account to the Security Agent as soon as reasonably practicable after such written request.
- (b) Each Chargor may close an Account (other than a Restricted Account) at any time provided that any amount standing to the credit of that Account is credited:
 - (i) to any other Account; or
 - (ii) to any other bank account maintained by an Obligor provided that such Obligor has granted a valid and effective Security Interest over that bank account pursuant to a Security Document in favour of the Collateral Agent.

7.2 Book debts and receipts

Each Chargor shall get in and realise its:

- (a) securities to the extent held by way of temporary investment;
- (b) book and other debts and other moneys owed to it; and
- (c) royalties, fees and income of any nature owed to it.

in the ordinary course of its business and, following the occurrence of an Event of Default that is continuing:

- (i) pay such monies into such account as the Collateral Agent may designate; and
- (ii) not enter into a single transaction or series of transactions to sell, factor, discount or otherwise dispose of all or part of its receivables.

7.3 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) it is the sole legal and beneficial owner of the credit balance from time to time in each Account which it maintains;
- (b) each of its Accounts are detailed in Part 1 or Part 2 of Schedule 2 (*Charged Assets*); and
- (c) those credit balances are free of any Security Interests (except for those created by or pursuant to the Security Documents or those expressly permitted under the Term Loan Agreement) and any other rights or interests in favour of third parties.

7.4 Withdrawals

- (a) Prior to the occurrence of an Event of Default that is continuing, the Chargor may withdraw any moneys (including interest) standing to the credit of an Account (other than a Restricted Account) except as prohibited by the Term Loan Agreement.
- (b) After the occurrence of an Event of Default that is continuing, the Collateral Agent may (subject to the payment of any claims having priority to this Security) withdraw, transfer or set-off amounts standing to the credit of any Account to satisfy the Secured Obligations.
- (c) Except with the prior consent of the Collateral Agent or as permitted under the terms of the Term Loan Agreement, no Chargor may withdraw any moneys (including interest) standing to the credit of any Restricted Account.

7.5 Notices of Security

- (a) Each Chargor must:
 - (i) as soon as possible and, in any event, within five Business Days of the date of this Deed, serve a notice of charge, substantially in the form of Part 1 of Schedule 3 (*Forms of letter for Account Bank*) on each Account Bank with which a Restricted Account is held; and
 - (ii) use its reasonable endeavours to ensure that each such Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 3 (*Forms of letter for Account Bank*).
- (b) Each Chargor must:

- (i) as soon as possible and, in any event, within five Business Days of the date of this Deed, serve a notice of charge, substantially in the form of Part 3 of Schedule 3 (*Forms of letter for Account Bank*) on each Account Bank with which an Account (other than a Restricted Account) is held; and
- (ii) use its reasonable endeavours to ensure that each such Account Bank acknowledges the notice, substantially in the form of Part 4 of Schedule 3 (*Forms of letter for Account Bank*).

7.6 Restricted Accounts

- (a) Each Restricted Account must be maintained at a branch of an Account Bank approved by the Collateral Agent.
- (b) The Account Bank in respect of a Restricted Account may be changed to another bank or financial institution if the Collateral Agent so agrees and must be changed if the Collateral Agent so requires.
- (c) A change of Account Bank pursuant to this Clause will only be effective when the relevant Chargor has served a notice of charge, substantially in the form set out in Part 1 of Schedule 3 (*Forms of letter for Account Bank*), on the new Account Bank. The relevant Chargor must use its reasonable endeavours to ensure that the new Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 3 (*Forms of letter for Account Bank*).

8. INTELLECTUAL PROPERTY

8.1 General

In this Clause 8, "Intellectual Property Rights" means:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right;
- (c) any interest (including by way of licence) in any of the above; or
- (d) any application for any of (a) and/or (b) above.

In each case, (i) whether registered or not, (ii) solely if and to the extent that such intellectual property right and/or interest does not require the Chargor to notify any third party or obtain any third party consent in order for the relevant intellectual property right and/or interest to be charged under this Deed, and (iii) which are Charged Assets.

8.2 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) the Intellectual Property Rights owned and used by it are all of the Intellectual Property Rights required by it in order for it to carry on its business in all material respects as it is now being conducted;

- (b) it is the sole legal and beneficial owner of the Intellectual Property Rights owned by such Chargor;
- (c) the Intellectual Property Rights owned by such Chargor are free of any Security Interests (including any licences, other than those licences granted in the ordinary course of business) in favour of third parties (except for those created by or pursuant to the Security Documents or those expressly permitted under the Term Loan Agreement);
- (d) it does not, in carrying on its business, to its knowledge infringe any Intellectual Property Rights of any third party; and
- (e) to its knowledge, no Intellectual Property Rights owned by it are being infringed, nor is there any threatened infringement of any such Intellectual Property Rights.

8.3 Preservation

- (a) Each Chargor must:
 - (i) make such registrations and pay such fees, registration taxes and similar amounts as are reasonably necessary to keep its Intellectual Property Rights in force;
 - (ii) take all other steps which are reasonably practicable to maintain and preserve its interests in its Intellectual Property Rights;
 - (iii) if requested to do so in writing by the Collateral Agent, as soon as reasonably practicable after the date of: (i) this Deed or (ii) the grant of any registered Intellectual Property Rights covering the jurisdiction of the United Kingdom in the name of a Chargor in addition to that specified in Part 8 of Schedule 2 (*Charged Assets*) (as applicable), execute all such documents required in order to make an application to record the interest of the Collateral Agent in the Intellectual Property Rights specified in Part 8 of Schedule 2 (*Charged Assets*) or such newly granted Intellectual Property Rights (as applicable) with the United Kingdom Intellectual Property Office, the European Intellectual Property Office or the European Patent Office; and
 - (iv) take such steps as are commercially reasonable (including the institution of legal proceedings) to enforce the Intellectual Property Rights owned by such Chargor against third party infringement.
- (b) Each Chargor shall use reasonable endeavours to ensure that none of the Intellectual Property Rights it owns which are registered are abandoned or cancelled, lapse or are liable to any claim of abandonment for non-use or otherwise, except, in each case: (i) where the relevant Chargor provides the Collateral Agent with written notification as soon as reasonably practicable that such registered Intellectual Property Right is no longer required for the Chargor to carry on its business as it is being conducted at that time or (ii) otherwise with the prior written consent of the Collateral Agent.

9. SPECIFIC CONTRACTS

9.1 General

In this Clause 9:

"**Specific Contract**" means:

- (a) any Assigned Specific Contract;
- (b) any Charged Specific Contract; and
- (c) any other agreement, instrument or other document to which a Chargor is a party and which the Collateral Agent has designated in writing as a Specific Contract.

9.2 Representations

Each Chargor represents and warrants to each Secured Party that:

- (a) no amount payable to it under a Specific Contract is subject to any right of set-off or similar right (except for any such right that arises under the express terms of that Specific Contract);
- (b) each such Specific Contract is its legal, valid, binding and enforceable obligation;
- (c) it is not in default of any of its obligations under any such Specific Contract;
- (d) there is no prohibition on assignment in, or other restriction on the creation of security by that Chargor over, any such Specific Contract;
- (e) its entry into and performance of this Deed will not conflict with any term of any such Specific Contract; and
- (f) its rights in respect of each such Specific Contract are free of any Security Interests (except for those created by or pursuant to the Security Documents) and any other rights or interests in favour of third parties.

9.3 Preservation

No Chargor may, without the prior consent of the Collateral Agent:

- (a) amend or waive any term of, or terminate, any Specific Contract to which it is a party; or
- (b) take any action which might jeopardise the existence or enforceability of any such Specific Contract.

9.4 Other undertakings

Each Chargor must:

- (a) duly and promptly perform its obligations, and diligently pursue its rights, under each Specific Contract to which it is a party; and
- (b) supply the Collateral Agent and any Receiver with copies of each such Specific Contract and any information and documentation relating to any such Specific Contract requested by the Collateral Agent or any Receiver.

9.5 Notices of assignment/charge

Each Chargor must:

- (a) as soon as reasonably practicable after, and in any event within five Business Days from, the date of this Deed (or, as soon as reasonably practicable, and in any event within five Business Days, following the entering into or designation of any other Assigned Specific Contract) serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (*Forms of letter for Assigned Specific Contracts*) or in such other form as may be specified by the Collateral Agent, on each counterparty to an Assigned Specific Contract to which it is a party;
- (b) use its reasonable endeavours to procure that the counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (*Forms of letter for Assigned Specific Contracts*);
- (c) as soon as reasonably practicable after, and in any event within five Business Days from, the date of this Deed (or, as soon as reasonably practicable, and in any event within five Business Days, following the entering into or designation of any other Charged Specific Contract or Charged Specific Insurance Policy (as applicable)) serve a notice of charge, substantially in the form of Part 1 of Schedule 5 (*Forms of letter for Charged Specific Contracts/Charged Specific Insurance Policies*) or in such other form as may be specified by the Collateral Agent, on each counterparty to a Charged Specific Contract or Charged Specific Insurance Policy (as applicable) to which it is a party; and
- (d) use its reasonable endeavours to procure that the counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 5 (*Forms of letter for Charged Specific Contracts/Charged Specific Insurance Policies*).

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs which is continuing.

10.2 Discretion

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

10.3 Power of sale

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

11. ENFORCEMENT OF SECURITY

11.1 General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Collateral Agent are extended so as to authorise the Collateral Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Collateral Agent may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

11.2 No liability as mortgagee in possession

Neither the Collateral Agent nor any Receiver will be liable, by reason of entering into possession of a Charged Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

11.3 Privileges

Each Receiver and the Collateral Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

11.4 Protection of third parties

No person (including a purchaser) dealing with the Collateral Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Collateral Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Loan Documents; or
- (d) how any money paid to the Collateral Agent or to that Receiver is to be applied.

11.5 Receipt conclusive

The receipt of the Collateral Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Collateral Agent or any Receiver.

11.6 Contingencies

If this Security is enforced at a time when no amount is due under the Loan Documents but at a time when amounts may or will become due, the Collateral Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

11.7 Financial collateral

- (a) To the extent that the Charged Assets constitute "financial collateral" and this Deed and the obligations of a Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Collateral Agent may after this Security has become enforceable appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) Where the Collateral Agent appropriates any financial collateral:
 - (i) if it is cash, its value will be the amount standing to the credit of the relevant account on the date of appropriation plus any accrued but uncredited interest;
 - (ii) if it is listed or traded on a recognised exchange, its value will be the amount for which it could have been sold on the exchange on the date of appropriation; and
 - (iii) in any other case, its value will be the amount that the Collateral Agent reasonably determines.

and each Secured Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

12. RECEIVER

12.1 Appointment of Receiver

- (a) Except as provided below, the Collateral Agent may from time to time appoint any one or more persons to be a Receiver of all or any part of the Charged Assets if:
 - (i) this Security has become enforceable; or
 - (ii) a Chargor so requests the Collateral Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by agreement, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Collateral Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

- (e) The Collateral Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Charged Assets if the Collateral Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

12.2 Removal

The Collateral Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 Remuneration

The Collateral Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

12.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of each Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver (save for those incurred due to any fraud, gross negligence or wilful misconduct on the part of the Receiver).
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

12.5 Relationship with Collateral Agent

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after this Security becomes enforceable, be exercised by the Collateral Agent in relation to any Charged Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

13. POWERS OF RECEIVER

13.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 13 in addition to those conferred on it by any law. This includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers

conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13.2 Possession

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

13.3 Carry on business

A Receiver may carry on any business of any Chargor in any manner it thinks fit.

13.4 Employees

(a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as it thinks fit.

(b) A Receiver may discharge any person appointed by any Chargor.

13.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Charged Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which it thinks fit.

13.6 Sale of assets

(a) A Receiver may sell, exchange, convert into money and realise any Charged Asset by public auction or private contract and generally in any manner and on any terms which it thinks fit.

(b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which it thinks fit.

(c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

13.7 Leases

A Receiver may let any Charged Asset for any term and at any rent (with or without a premium) which it thinks fit and may accept a surrender of any lease or tenancy of any Charged Asset on any terms which it thinks fit (including the payment of money to a lessee or tenant on a surrender).

13.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Charged Asset.

13.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Asset which it thinks fit.

13.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Asset.

13.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Charged Asset.

13.12 Delegation

A Receiver may delegate its powers in accordance with this Deed.

13.13 Lending

A Receiver may lend money or advance credit to any customer of any Chargor.

13.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Charged Asset;
- (b) commence and/or complete any building operation or other works; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation, in each case as it thinks fit.

13.15 Other powers

A Receiver may:

- (a) do all other acts and things which it may consider desirable or necessary for realising any Charged Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Charged Asset all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of that Charged Asset; and
- (c) use the name of any Chargor for any of the above purposes.

14. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Collateral Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of this Security will be held by the Collateral Agent and applied in the following order of priority (but without prejudice to the Collateral Agent's or any Receiver's right to recover any shortfall from the Borrower):

- (a) in or towards payment of all costs, liabilities, charges and expenses reasonably incurred by or on behalf of the Collateral Agent (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of or provision for the Secured Obligations in accordance with the terms of the Term Loan Agreement and this Deed; and
- (c) in payment of the surplus (if any) to any Chargor or other person entitled to it.

This Clause 14 is subject to the payment of any claims having priority over this Security. This Clause 14 does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

15. CURRENCY CLAUSES

15.1 Conversion

All monies received or held by the Collateral Agent or any Receiver under this Deed may be converted into any other currency which the Collateral Agent considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Agent's Spot Rate of Exchange then prevailing for purchasing that other currency with the existing currency.

15.2 No discharge

No payment to the Collateral Agent (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the relevant Chargor in respect of which it was made unless and until the Collateral Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Collateral Agent shall have a further separate cause of action against the relevant Chargor and shall be entitled to enforce the Security constituted by this Deed to recover the amount of the shortfall.

16. RULING OFF

If the Collateral Agent or any other Secured Party receives notice of any subsequent Security Interest or other interest affecting any of the Charged Assets (except as permitted by the Term Loan Agreement) it may open a new account for the relevant Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the relevant Chargor), as from the time it receives that notice, all payments made by the relevant Chargor to it (in the absence of

any express appropriation to the contrary) shall be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Obligations.

17. REDEMPTION OF PRIOR CHARGES

The Collateral Agent may, at any time after an Event of Default has occurred and is continuing, redeem any prior Security Interest over or relating to any of the Charged Assets or procure the transfer of that Security Interest to itself, and may settle and pass the accounts of any person entitled to that prior Security Interest. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor. Each Chargor will on demand pay to the Collateral Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

18. EXPENSES AND INDEMNITY

Each Chargor must:

- (a) immediately on demand, pay to each of the Secured Parties the amount of all costs and expenses (including legal fees) incurred by the relevant Secured Parties in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each of the Secured Parties indemnified against any failure or delay in paying those costs or expenses.

19. DELEGATION

19.1 Power of attorney

The Collateral Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

19.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Collateral Agent or any Receiver may think fit.

19.3 Liability

Neither the Collateral Agent nor any Receiver will be in any way liable or responsible to any Chargor for any cost, loss or liability arising as a result of any act, default, omission or misconduct on the part of any delegate or sub-delegate (save for, in the case of delegation or sub-delegation by a Receiver, cases of fraud, gross negligence or wilful misconduct on the part of such delegate or sub-delegate).

19.4 Cumulative powers

The powers which this Deed confers on the Collateral Agent, the other Secured Parties and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks

appropriate. The Collateral Agent, the other Secured Parties or any Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Collateral Agent, the other Secured Parties and any Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

20. FURTHER ASSURANCES

20.1 Further assurances

Each Chargor must, at its own expense, take whatever action the Collateral Agent or a Receiver may require for:

- (a) creating, perfecting or protecting any security over any Charged Asset created or intended to be created by this Deed; or
- (b) facilitating the realisation of any Charged Asset, or the exercise of any right, power or discretion exercisable, by the Collateral Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Charged Asset.

20.2 Action required

The action that may be required under Clause 20.1 (*Further Assurances*) includes:

- (a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance in respect of any asset, whether to the Collateral Agent or to its nominee; or
- (b) the giving of any notice, order or direction and the making of any filing or registration, which, in any such case, the Collateral Agent may think expedient.

21. POWER OF ATTORNEY

- (a) Subject to paragraph (b) below, each Chargor, by way of security, irrevocably and severally appoints the Collateral Agent, each Receiver and any person nominated for the purpose by the Collateral Agent or any Receiver (in writing and signed by an officer of the Collateral Agent or the relevant Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf to execute, seal and deliver (using a company seal where appropriate) and otherwise perfect and do any deed, agreement, assurance, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Collateral Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Chargor covenants with the Collateral Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.
- (b) Without prejudice to Clause 5.9 (*Power to remedy*), the Collateral Agent, each Receiver and any person appointed for the purpose by the Collateral Agent or any Receiver may only exercise the power of attorney granted under paragraph (a) above following:
 - (i) the occurrence of an Event of Default which is continuing; or

- (ii) the failure by a Chargor to comply with any undertaking or obligation under Clause 7.5 (*Notices of Security*), Clause 9.5 (*Notices of assignment/charge*) or Clause 20 (*Further Assurances*) within five Business Days of becoming aware or being notified of that failure by the Collateral Agent.

22. PRESERVATION OF SECURITY

22.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by any of the Secured Parties in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

22.2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 22.2, would reduce, release or prejudice, any of its obligations under this Deed including (without limitation and whether or not known to it or any of the Secured Parties):

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (f) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Loan Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Loan Document or other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Loan Document or any other document or security; or
- (h) any insolvency, resolution or similar proceedings.

22.3 Immediate recourse

- (a) Each Chargor waives any right it may have of first requiring any of the Secured Parties (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed.
- (b) This waiver applies irrespective of any law or provision of a Loan Document to the contrary.

22.4 Appropriations

Each of the Secured Parties (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or trustee or agent) in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and no Chargor will be entitled to the benefit of such moneys, security or rights; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

22.5 Deferral of Chargor's rights

- (a) Unless the Security Period has expired or the Collateral Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Deed:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other person who has provided security or a guarantee in respect of any Obligor's obligations under the Loan Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Loan Documents or of any other guarantee or security taken pursuant to, or in connection with, the Loan Documents by any of the Secured Parties;
 - (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Chargor has granted security under this Deed;
 - (v) to exercise any right of set-off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any of the Secured Parties.

- (b) If a Chargor receives any benefit, payment or distribution in relation to such rights, it must hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Loan Documents to be repaid in full on trust for the Secured Parties and must promptly pay or transfer them to the Collateral Agent or as the Collateral Agent may direct for application in accordance with the terms of this Deed.

22.6 Additional security

- (a) This Security is in addition to and is not in any way prejudiced by any other security or guarantee now or subsequently held by any of the Secured Parties.
- (b) No prior security held by any of the Secured Parties (in its capacity as such or otherwise) over any Charged Asset will merge with this Security.

23. MISCELLANEOUS

23.1 Continuing security

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

23.2 Covenant to pay

Each Chargor must pay or discharge the Secured Obligations in the manner provided for in the Loan Documents.

23.3 Tacking

Each Lender must perform its obligations under the Term Loan Agreement (including any obligation to make available further advances).

23.4 Time deposits

Without prejudice to any right of setoff any of the Secured Parties may have under any other Loan Document or otherwise, if any time deposit matures on any account a Chargor has with any of the Secured Parties within the Security Period when:

- (a) this Security has become enforceable; and
- (b) none of the Secured Obligations are due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

23.5 Notice to Chargor

This Deed constitutes notice in writing to each Chargor of any charge or assignment by way of security that may at any time be created or made under any Security Document by any member

of the group in respect of any obligation or liability under any agreement, instrument or other document to which that member is a party.

23.6 PSC register

- (a) Each Chargor shall promptly:
 - (i) notify the Collateral Agent of its intention to issue, or its receipt of, any PSC Restrictions Notice or PSC Warning Notice in respect of any shares which constitute Charged Assets; and
 - (ii) provide to the Collateral Agent a copy of any such PSC Restrictions Notice or PSC Warning Notice,

in each case before it issues, or after it receives, any such notice.

- (b) For the purposes of withdrawing any PSC Restrictions Notice or for any application (or similar) to the court under Schedule 1B of the Companies Act 2006, each Chargor shall provide such assistance as the Collateral Agent may reasonably request in respect of any shares which constitute Charged Assets and provide the Collateral Agent with all information, documents and evidence that it may reasonably request in connection with the same.

24. RELEASE

Subject to paragraph (f) of Clause 1.2 (*Construction*) above, at the end of the Security Period, the Secured Parties must, at the request and cost of a Chargor, take whatever action is necessary to release that Chargor's Charged Assets from this Security.

25. GOVERNING LAW

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

26. ENFORCEMENT

26.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraph (a) above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been entered into as a deed and is delivered on the date stated at the beginning of this Deed.

SCHEDULE 1

CHARGORS

Name of Chargor	Registered number
Cobra Biologics Holdings Limited	04442927
Cobra Biologics Limited (f/k/a Recipharmcobra Biologics Limited)	02710654

SCHEDULE 2

CHARGED ASSETS

**PART 1
ACCOUNTS**

Name of Chargor	Name of Account Bank	Account number	Type of Account
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Cobra Biologics Holdings Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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Cobra Biologics Limited			
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PART 2
RESTRICTED ACCOUNTS

Name of Chargor	Name of Account Bank	Restricted Account number	Sort code
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None at the date of this Deed.

PART 3
REAL PROPERTY

Registered Land

CHARGOR	PROPERTY DESCRIPTION	TITLE NUMBER
Cobra Biologics Limited		SF638377

**PART 4
SHARES**

Name of Chargor which holds the shares	Name of company issuing shares	Number and class of shares
Cobra Biologics Holdings Limited	Cobra Biologics Limited	13,889,913 ordinary shares of £0.10 each

PART 5
ASSIGNED SPECIFIC CONTRACTS

None at the date of this Deed.

PART 6
CHARGED SPECIFIC CONTRACTS

1. Master Services Agreement between Juno Therapeutics, Inc. and Cobra Biologics Limited dated 1 February 2016 (as amended by a first amendment dated 24 February 2017 and a second amendment dated 27 October 2017).
2. Master Services Agreement between Avexis, Inc. and Cobra Biologics Limited dated 19 January 2017.
3. Master Services Agreement between Tolerion, Inc. and Cobra Biologics Limited dated 14 June 2018.

PART 7
CHARGED SPECIFIC INSURANCE POLICIES

None at the date of this Deed.

PART 8
SPECIFIC INTELLECTUAL PROPERTY RIGHTS

PATENTS AND PATENT APPLICATIONS

Name of Chagor	Territory	Description	Registration No./Publication No.
Cobra Biologics Limited	Great Britain	Plasmid stabilization in vivo	EP1507863
Cobra Biologics Limited	Great Britain	Self-deleting plasmid	EP2588615
Cobra Biologics Limited (assigned from RPH Pharmaceuticals AB on 3 November 2011)	Great Britain	Process for the removal of selectable marker gene sequences	EP1766036

TRADEMARKS AND TRADEMARK APPLICATIONS

Name of Chagor	Territory	Mark	Class	Application No./Registration No.
Cobra Biologics Limited	United Kingdom	ORT	01 42	Registration No. 2214670
Cobra Biologics Limited	European Union (EUTM)	ORT	01 05 42	Registration No. 1663962
Cobra Biologics Limited (f/k/a Recipharmcobra Biologics Limited)	European Union (EUTM)	COBRA	05 42 44	Registration No. 10116457

SCHEDULE 3

FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK OF A RESTRICTED ACCOUNT

To: [Account Bank]

Copy: CRG SERVICING LLC (as Collateral Agent)

[Date]

Dear Sir or Madam

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we (the "**Chargor**") have charged (by way of a first fixed charge) in favour of CRG Servicing LLC (the "**Collateral Agent**") all our rights in respect of the account maintained by us with you (Account no. [] sort code []) (the "**Restricted Account**"), any amount standing to the credit of that account and the debt represented by that account.

We irrevocably instruct and authorise you to:

- (a) disclose to the Collateral Agent any information relating to the Restricted Account requested from you by the Collateral Agent;
- (b) comply with the terms of any written notice or instruction relating to the Restricted Account received by you from the Collateral Agent;
- (c) hold all sums standing to the credit of the Restricted Account to the order of the Collateral Agent; and
- (d) pay or release any sum standing to the credit of the Restricted Account in accordance with the written instructions of the Collateral Agent.

We are not permitted to withdraw any amount from the Restricted Account without the prior written consent of the Collateral Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

The instructions in this letter may not be revoked or amended without the prior written consent of the Collateral Agent.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Collateral Agent at [ADDRESS] with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)

[Chargor]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK OF A RESTRICTED ACCOUNT

To: CRG SERVICING LLC (as Collateral Agent)

Copy: [Chargor]

[Date]

Dear Sir or Madam

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargers and CRG Servicing LLC (the "Security Agreement")

We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [] of a charge upon the terms of the Security Agreement over all the rights of the Chargor to its account with us (Account no. [], sort code []) (the "**Restricted Account**"), any amount standing to the credit of that account and the debt represented by that account.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Restricted Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Restricted Account; and
- (d) will not permit any amount to be withdrawn from the Restricted Account without your prior written consent.

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

Yours faithfully,

.....
(Authorised Signatory)

[Account Bank]

PART 3

NOTICE TO ACCOUNT BANK OF AN ACCOUNT (OTHER THAN A RESTRICTED ACCOUNT)

To: [Account Bank]

Copy: CRG SERVICING LLC (as Collateral Agent)

[Date]

Dear Sir or Madam

**Security Agreement dated [] between Cobra Biologics Holdings Limited and
Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we (the **Chargor**) have charged (by way of a first fixed charge) in favour of [] (the "**Collateral Agent**") all our rights in respect of the account maintained by us with you (Account no. [] sort code []) (the "**Charged Account**"), any amount standing to the credit of that account and the debt represented by that account.

If the security constituted by the Security Agreement becomes enforceable, the Collateral Agent may notify you of such event (an "**Enforcement Notice**").

We irrevocably instruct and authorise you following receipt by you of an Enforcement Notice to:

- (a) disclose to the Collateral Agent any information relating to the Charged Account requested from you by the Collateral Agent;
- (b) comply with the terms of any written notice or instruction relating to the Charged Account received by you from the Collateral Agent;
- (c) hold all sums standing to the credit of the Charged Account to the order of the Collateral Agent; and
- (d) pay or release any sum standing to the credit of the Charged Account in accordance with the written instructions of the Collateral Agent.

We also give you notice that until you have received an Enforcement Notice, we may make withdrawals from the Charged Account.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

The instructions in this letter may not be revoked or amended without the prior written consent of the Collateral Agent.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Collateral Agent at [ADDRESS] with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)

[Chargor]

PART 4
ACKNOWLEDGEMENT OF ACCOUNT BANK

To: CRG SERVICING LLC (as Collateral Agent)

Copy: [Chargor]

[Date]

Dear Sir or Madam:

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

We confirm receipt from [Chargor] (the **Chargor**) of a notice dated [] of a charge upon the terms of the Security Agreement over all the rights of the Chargor to its account with us (Account no. [], sort code []) (the **"Charged Account"**), any amount standing to the credit of that account and the debt represented by that account.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Charged Account; and
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Charged Account.

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

Yours faithfully,

.....
(Authorised Signatory)

[Account Bank]

SCHEDULE 4

FORMS OF LETTER FOR ASSIGNED SPECIFIC CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: [Counterparty]

Copy: CRG SERVICING LLC (as Collateral Agent)

[Date]

Dear Sir or Madam

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security to CRG Servicing LLC (the "Collateral Agent") all our rights in respect of [insert details of Contract] (the "Contract").

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Collateral Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all the rights, powers and discretions which under the terms of the Contract were vested in us, and you should continue to send payments and communications under the Contract to us, unless and until you receive notice from the Collateral Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all payments and communications must be sent to, the Collateral Agent or as it directs. The contact details for the Collateral Agent are as set out below or as otherwise notified to you from time to time by it. However, we have agreed with the Collateral Agent that in no event will we amend or waive any provision of, or terminate, the Contract without its prior consent.

We irrevocably instruct and authorise you to disclose to the Collateral Agent any information relating to the Contract requested from you by the Collateral Agent.

The instructions in this letter may not be revoked or amended without the prior consent of the Collateral Agent and you may comply with them without further permission from us or enquiry by you.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Collateral Agent at [address], with a copy to ourselves.

Yours faithfully

.....
(Authorised Signatory)

[Chargor]

PART 2
ACKNOWLEDGEMENT OF COUNTERPARTY

To: CRG SERVICING LLC (as Collateral Agent)

Copy: [Chargor]

[Date]

Dear Sir or Madam:

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [] of an assignment on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the Contract] (the "**Contract**").

We confirm that we will make payments and send communications under the Contract as directed in that notice.

We confirm that no amount payable by us under the Contract is subject to any set-off, counterclaim or other similar right and we will not exercise or claim any such right.

We also confirm that we have not received notice of the interest of any third party in the Contract.

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

Yours faithfully

.....
(Authorised Signatory)

[Counterparty]

SCHEDULE 5
FORMS OF LETTER FOR CHARGED SPECIFIC CONTRACTS/ CHARGED SPECIFIC
INSURANCE POLICIES

PART 1
NOTICE TO COUNTERPARTY

To: [Counterparty]

Copy: CRG SERVICING LLC (as Collateral Agent)

[Date]

Dear Sir or Madam

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of CRG Servicing LLC (the "Collateral Agent") all our rights in respect of [insert details of Contract] (the "Contract").

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Collateral Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all the rights, powers and discretions which under the terms of the Contract were vested in us, and you should continue to send payments and communications under the Contract to us, unless and until you receive notice from the Collateral Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all payments and communications must be sent to, the Collateral Agent or as it directs. The contact details for the Collateral Agent are as set out below or as otherwise notified to you from time to time by it. However, we have agreed with the Collateral Agent that in no event will we amend or waive any provision of, or terminate, the Contract without the prior consent of the Collateral Agent.

We irrevocably instruct and authorise you to disclose to the Collateral Agent any information relating to the Contract requested from you by the Collateral Agent.

The instructions in this letter may not be revoked or amended without the prior consent of the Collateral Agent and you may comply with them without further permission from us or enquiry by you.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Collateral Agent at [address], with a copy to ourselves.

Yours faithfully

.....
(Authorised Signatory)

[Chargor]

PART 2
ACKNOWLEDGEMENT OF COUNTERPARTY

To: CRG SERVICING LLC (as Collateral Agent)

Copy: [Chargor]

[Date]

Dear Sir or Madam

Security Agreement dated [] between Cobra Biologics Holdings Limited and Cobra Biologics Limited as Chargors and CRG Servicing LLC (the "Security Agreement")

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [] of a charge on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the Contract] (the "Contract").

We confirm that we will make payments and send communications under the Contract as directed in that notice.

We confirm that no amount payable by us under the Contract is subject to any set-off, counterclaim or other similar right and we will not exercise or claim any such right.

We also confirm that we have not received notice of the interest of any third party in the Contract.

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

Yours faithfully

.....
(Authorised Signatory)

[Counterparty]

SIGNATORIES

CHARGORS

EXECUTED AS A DEED by
COBRA BIOLOGICS HOLDINGS LIMITED
acting by

Director

In the presence of:

Witness's signature:

Name:

Address:

EXECUTED AS A DEED by

COBRA BIOLOGICS LIMITED

acting by

Director

In the presence of:

Witness's signature

Name:

Address

COLLATERAL AGENT

CRG SERVICING LLC

By: 

Name: 

Title: Authorized Signatory