



**Registration of a Charge**

Company name: **CELLNOVO LIMITED**

Company number: **04349221**

Received for Electronic Filing: **18/08/2018**



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**Details of Charge**

Date of creation: **31/07/2018**

Charge code: **0434 9221 0017**

Persons entitled: **KREOS CAPITAL V (UK) LIMITED**

Brief description: **THE FOLLOWING TRADEMARKS: MDM REGISTERED IN EU NUMBER 009942632; C.ONLINE REGISTERED IN EU NUMBER 012422069; CELLNOVO PUBLISHED SUBJECT TO AN OBJECTION FROM NOVO NORDISK A/S IN EU NUMBER 008136921, AND REGISTERED IN USA NUMBER 77708262; AND C.PAL REGISTERED IN EU NUMBER 012422085**

**Contains fixed charge(s).**

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

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**Authentication of Form**

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

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**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:

**CHARLES RUSSELL SPEECHLYS LLP**



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

Company number: 4349221

Charge code: 0434 9221 0017

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st July 2018 and created by CELLNOVO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th August 2018 .

Given at Companies House, Cardiff on 22nd August 2018

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**

**EXECUTION VERSION**

DATED

31 July

2018

- (1) CELLNOVO LIMITED as Chargor
- (2) KREOS CAPITAL V (UK) LIMITED as Security  
Trustee

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**DEBENTURE**

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I certify that save for material redacted pursuant  
to section 859G of the Companies Act 2006,  
this copy is a correct copy of the original instrument.

Signed:

*Charles Russell Speechlys*

Dated:

*17 August 2018*

## CONTENTS

1	INTERPRETATION	1
2	COVENANT TO PAY	4
3	NATURE OF SECURITY	5
4	SECURITY	5
5	COVENANTS BY THE CHARGOR	7
6	WARRANTIES	9
7	ENFORCEMENT	10
8	RECEIVER	10
9	APPLICATION OF PROCEEDS	11
10	PROTECTION OF THIRD PARTIES	12
11	ENTRY INTO POSSESSION AND LIABILITY TO PERFORM	12
12	POWER OF ATTORNEY	12
13	NEW ACCOUNTS	13
14	PRIOR CHARGES	13
15	FURTHER ASSURANCE	13
16	SET OFF	14
17	AVOIDANCE OF PAYMENTS	14
18	RELEASE	14
19	COSTS AND INDEMNITY	15
20	NOTICES	15
21	MISCELLANEOUS	16
22	GOVERNING LAW AND JURISDICTION	17
	SCHEDULE 1 FREEHOLD AND LEASEHOLD PROPERTY	18
	SCHEDULE 2 REGISTERED INTELLECTUAL PROPERTY	19
	SCHEDULE 3 SPECIFIED ACCOUNTS	20
	SCHEDULE 4	21
	Part 1 Form of bank account notices	21
	Part 2 Form of Acknowledgement	23
	SCHEDULE 5 CONTRACTS	24
	SCHEDULE 6 EQUIPMENT	25

THIS DEBENTURE is dated 31 July 2018

**BETWEEN:**

- (1) **CELLNOVO LIMITED** a company incorporated in England and Wales under number 4349221 whose registered office is at Pencoed Technology Centre, Pencoed Technology Park, Bridgend, Wales, CF35 5HZ (the "**Chargor**"); and
- (2) **KREOS CAPITAL V (UK) Limited** a company incorporated in England and Wales under registered number 09728300 whose registered office is at 25 Old Burlington Street, London, W1S 3AN (the "**Security Trustee**").

**BACKGROUND:**

(A) This Debenture is entered into by the Chargor to secure the payment of the Secured Obligations to or in favour of the Secured Parties (each as defined below).

(B) The Security Trustee is appointed as security trustee for the Secured Parties pursuant to a Security Trust Deed made between the Chargor, the Lenders and the Security Trustee dated on or about the date of this Debenture.

**AGREED PROVISIONS:**

**1 INTERPRETATION**

- 1.1 In this Debenture, the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

**Business Day** a day on which clearing banks are open for business in the City of London;

**Convertible Bonds Issue Agreement** a convertible bonds issue agreement entered into between Cellnovo Group SA, a company incorporated in France, with number 808 426 662 (RCS Paris), the parent company of the Chargor and Kreos Capital V (Expert Fund) LP, a Secured Party, dated on or about the date of this Debenture, as amended, restated, supplemented or replaced from time to time;

**Debenture** this debenture including its recitals;

**Equipment** the equipment listed in Schedule 6 (*Equipment*);

**Event of Default** shall have the meaning given to such term in the Facility Agreement;

**Finance Documents** As defined in the Facility Agreement;

**Intellectual Property** all legal and beneficial interests of the Chargor (in any part of the world) in inventions, improvements, modifications, processes, formulae, know-how,

designs, models, prototypes, sketches, drawings, plans, business names, licences, patents, patent applications, trademarks (registered and unregistered), service marks, designs (registered and unregistered) and any other intellectual property rights of every kind, together with choses in action and claims and all fees, royalties and other rights of every kind deriving from them now or in the future belonging to the Chargor, including without limitation the intellectual property specified on Schedule 2;

<b>Lenders</b>	the Security Trustee in its capacity as Lender under the Facility Agreement and Kreos Capital V (Expert Fund) LP as noteholder under the Convertible Bonds Issue Agreement ; and references to the " <b>Lender</b> " shall be to each of the Lenders respectively;
<b>Facility Agreement</b>	the loan facility agreement between the Security Trustee in its capacity as Lender and the Chargor in its capacity as Borrower dated on around the date of this Debenture, as amended, restated, supplemented or replaced from time to time;
<b>Material Contracts</b>	means the contracts listed in Schedule 5;
<b>Permitted Security</b>	<ul style="list-style-type: none"><li>(i) security created in favour of the Security Trustee under the Finance Documents; and</li><li>(ii) any security permitted by the Security Trustee in writing from time to time;</li></ul>
<b>Receivables</b>	<p>all present and future book debts and other debts, rentals, fees, VAT and monetary claims and all other amount at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever), including all inter-company loans and accounts owed to the Chargor, together with:</p> <ul style="list-style-type: none"><li>(i) the benefit of all rights, guarantees, securities and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar association rights); and</li><li>(ii) all proceeds of any of the foregoing;</li></ul>

<b>Receiver</b>	as defined in clause 8.1;
<b>Secured Obligations</b>	all monies, liabilities and obligations which are now or may at any time in the future be due, owing or incurred by the Chargor to the Security Trustee and/or to or in respect of the Secured Parties in any manner whatsoever under the Finance Documents;
<b>Secured Parties</b>	the Lenders, the Security Trustee, any Receiver and any delegate appointed by any of such parties, and references to a " <b>Secured Party</b> " shall be to each and every of the Secured Parties;
<b>Securities</b>	shall have the meaning given to that term in clause 4.1.2(h);
<b>Security Assets</b>	all property and assets from time to time charged or assigned (or expressed to be charged or assigned) by or pursuant to this Debenture;
<b>Security Period</b>	means the period commencing on the date of this Debenture and ending on the date upon which the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
<b>Specified Accounts</b>	the bank accounts set out in Schedule 3, as renumbered or redesigned from time to time, each replacement or sub-account relating to it, all money from time to time standing to the credit of that account and all interest accruing in relation to it.

1.2 In this Debenture unless the context requires otherwise:

- 1.2.1 capitalised terms not defined in this Debenture shall have the respective meanings given to those terms in the Facility Agreement;
- 1.2.2 any reference to a clause, Schedule or appendix (other than a Schedule to a statutory provision) is a reference to a clause of or Schedule or appendix to this Debenture and the Schedule and appendices form part of and are deemed to be incorporated in and in references to this Debenture;
- 1.2.3 references to this Debenture and to any provisions of this Debenture or to any other document or agreement shall be construed as references to this Debenture or that document or agreement in force for the time being and as amended, varied, supplemented, substituted or novated from time to time;
- 1.2.4 words importing the singular number only shall include the plural number and vice versa; and words importing the masculine gender only shall include the feminine gender;



- 1.2.5 references to persons includes a reference to firms, corporations, unincorporated associations or personal representatives;
- 1.2.6 references to any person are to be construed to include that person's assigns or transferees or successors in title, whether direct or indirect;
- 1.2.7 references to any statutory provision means that statutory provision as amended, supplemented, re-enacted or replaced from time to time (whether before or after the date of this Debenture) and are to include any orders, regulations, instruments or other subordinate legislation made under the relevant statutory provision except to the extent that any amendment, supplement, re-enactment or replacement coming into force after the date of this Debenture would increase or extend the liability of the parties to one another;
- 1.2.8 the rule known as the *ejusdem generis* rule shall not apply and general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things.
- 1.2.9 clause headings are for ease of reference only and are not to affect the interpretation of this Debenture;
- 1.2.10 the terms of the Facility Agreement are incorporated into this Debenture to the extent required to ensure that any disposition of the Real Property contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- 1.2.11 it is intended by the parties to this Debenture that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document underhand; and
- 1.2.12 references to a continuing Event of Default means an Event of Default that has not been remedied or waived.

## **2 COVENANT TO PAY**

- 2.1 The Chargor covenants (when the same shall be or become due) on demand to pay and discharge to the Security Trustee and each of the other Secured Parties the Secured Obligations when the same become due and payable under the Facility Agreement and the other Finance Documents.
- 2.2 Any amount which is not paid under this Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which that amount is unconditionally and irrevocably paid and discharged in full at the rate and in the manner specified in the Facility Agreement but without charging default interest under this Debenture on any amounts of default interest accruing or payable under the Facility Agreement.

### **3 NATURE OF SECURITY**

3.1 All mortgages, charges, assignments and other security made or created under this Debenture are made or created:

3.1.1 in favour of the Security Trustee;

3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and

3.1.3 as a continuing security for the payment or discharge of all Secured Obligations hereby covenanted to be paid or discharged by the Chargor.

3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

### **4 SECURITY**

4.1 The Chargor charges and agrees to charge all the present and future right, title and interest of the Chargor in and to the following assets which are at any time owned by the Chargor or in which the Chargor from time to time has an interest:

4.1.1 by way of first legal mortgage:

(a) all freehold, leasehold (with an unexpired term of more than five years) or other immovable property now vested in or charged to the Chargor, including the property listed on Schedule 1;

(b) the Equipment;

4.1.2 by way of first fixed charge:

(a) all other freehold, leasehold and other immovable property now or in the future belonging to the Chargor (and not charged by clause 4.1.1);

(b) all plant and machinery now or in the future belonging to the Chargor other than fixed plant and machinery charged under clauses 4.1.1 and 4.1.2(a);

(c) the Equipment (to the extent not charged under clause 4.1.1);

(d) all computers, vehicles, office equipment and other equipment;

(e) all stock in trade;

(f) the Specified Accounts and all other accounts held with any bank, financial institution or other person, from time to time, and all monies from time to time standing to the credit of those accounts and all interest accruing in relation to them;

- (g) all Receivables;
- (h) all stocks, shares, loan capital, bonds and other securities now or in the future belonging to the Chargor (either legally or beneficially) together with all dividends and all other rights deriving from them (the "**Securities**");
- (i) the goodwill of the Chargor and its uncalled capital both present and future;
- (j) the benefit of all Intellectual Property.

4.2 The Chargor assigns and agrees to assign absolutely to the Security Trustee (to the fullest extent assignable or capable of assignment without first infringing any contractual provision restricting the same (unless any applicable consent or waiver to any such consent has been granted) and subject to a proviso for reassignment on redemption in accordance with clause 18, the benefit of all its right, title and interest to, in and under all present and future:

4.2.1 the Material Contracts;

4.2.2 all policies and contracts of insurance issued or entered into for the benefit of or by the Chargor and all rights, claims and interests which the Company has from time to time in any such policy or contract.

4.3 If so requested by the Security Trustee, the Chargor shall (within ten Business Days) in respect of any of the assets assigned under clause 4.2, deliver a duly completed notice of assignment to each of the other parties to the relevant contract (if applicable).

4.4 To the extent not validly and effectively charged by way of first mortgage pursuant to clause 4.1.1 or fixed charge pursuant to clause 4.1.2 or effectively assigned pursuant to clause 4.2, the Chargor by way of first floating charge charges the whole of the Chargor's undertaking and all its property and assets whatsoever and wheresoever present and future.

4.5 If an Event of Default occurs and is continuing the Security Trustee may convert the floating charge by notice in writing to the Chargor into a fixed charge as regards all the property and assets which for the time being are the subject of such floating charge or, as the case may be, such of the said property and assets as are specified by such notice.

4.6 The floating charge created by this Debenture shall unless otherwise agreed in writing by the Security Trustee automatically, immediately and without notice be converted into a fixed charge in the event that (i) the Chargor shall create or permit to subsist any Security other than Permitted Security in breach of clause 14.2 of the Facility Agreement; (ii) if any third party levies any distress, attachment, execution or other legal process against any asset charged by this floating charge; (iii) a receiver is appointed over all or any of the Security Assets that are subject to the floating charge

51

or (iv) the Security Trustee and/or any of the other Secured Parties receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Chargor.

- 4.7 A reference in this Debenture to a mortgage, assignment or charge of any freehold or leasehold property includes all buildings and fixtures on the property other than those belonging to any landlord, tenant or occupant other than the relevant Chargor, the proceeds of sale of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property and the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property to the extent held by the Chargor, or any monies paid or payable in respect of those covenants.
- 4.8 The security from time to time constituted by or pursuant to this Debenture shall be in addition to and shall not prejudice, determine or affect any other security which the Security Trustee and/or any of the other Secured Parties may from time to time hold for or in respect of all or any part of the Secured Obligations hereby secured. No prior security held by the Security Trustee and/or any of the other Secured Parties over the property charged by this Debenture or any part of it shall merge in the security created hereby or pursuant to this Debenture which will remain in full force and effect as a continuing security until discharged by the Security Trustee.
- 4.9 There shall be excluded from the charge created by clause 4.1 and from the operation of clause 15 any leasehold property held by the Chargor under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its leasehold interest in that property (each an **"Excluded Property"**) until the relevant condition or waiver has been satisfied or obtained.
- 4.10 For each Excluded Property, the Chargor undertakes to apply for the relevant consent or waiver of prohibition or condition within 14 days of the date of this deed and, in respect of each Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use all reasonable endeavours to obtain that consent as soon as possible and to keep the Security Trustee informed of the progress of its negotiations.
- 4.11 Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Trustee under clause 4.1. If required by the Security Trustee at any time following receipt of that waiver or consent, the Chargor will forthwith execute a valid legal mortgage in such form as the Security Trustee shall reasonably require.
- 4.12 Nothing in this Debenture shall prevent the continuing existence or enforcement of Permitted Security.

## 5 COVENANTS BY THE CHARGOR

- 5.1 The Chargor shall, in addition to covenants contained in the Facility Agreement during the Security Period:

- 5.1.1 as soon as reasonably practicable following execution of this deed serve a notice of charge in the form of Part 1 of Schedule 4 in respect of the Specified Account and use all reasonable endeavours to procure that the relevant bank acknowledges that notice by signing and returning to the Security Trustee a letter of acknowledgement substantially in the form of Part 2 of Schedule 4. Any instructions contained in a notice of charge sent by the Chargor pursuant to this clause may not be revoked or amended without the Security Trustee's prior written consent;
- 5.1.2 not, without the prior consent of the Security Trustee, maintain any other bank account other than the Specified Account;
- 5.1.3 promptly (but in any event within five days) on request by the Security Trustee give notice to any:
- (a) bank or other financial institution with whom the Chargor has any other bank account;
  - (b) party to a Material Contract;
  - (c) party to a policy of insurance; and
  - (d) other applicable third party,
- of the creation of the Security Interests under this Debenture and use reasonable efforts to procure that each addressee of any such notice promptly provides an acknowledgement of the Security Trustee's interest to the Security Trustee. The Chargor shall obtain the Security Trustee's prior approval of the form of any notice or acknowledgement to be used under this clause;
- 5.1.4 permit the Security Trustee, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice in accordance with the terms of the Facility Agreement;
- 5.1.5 duly and promptly pay all calls, instalments and other monies that may be payable from time to time in respect of the Securities. The Chargor acknowledges that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other monies;
- 5.1.6 not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of, the memorandum or articles of association, or any other constitutional documents, of any issuer of Securities that is not a public company, or the rights or liabilities attaching to any of the Securities;
- 5.1.7 ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of Securities that is not a public company shall not other than as permitted under the Facility Agreement.

- (a) consolidate or subdivide any of its Securities, or reduce or re-organise its share capital in any way;
  - (b) issue any new shares or stock; or
  - (c) refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Security Trustee or the Chargor in accordance with this Debenture;
- 5.1.8 if so requested by the Security Trustee (acting reasonably), place and maintain on each item of plant, machinery or equipment (including, without limitation, the Equipment), in a conspicuous place, a clearly legible identification plate in a form approved by the Security Trustee specifying that such item is subject to the security created under this Debenture;
- 5.1.9 use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Security Trustee informed of all matters relating to each such registration;
- 5.1.10 inform the Security Trustee in writing within seven days of any Intellectual Property being registered in the name of the Chargor which is not specified on Schedule 2;
- 5.2 After the security constituted by this Debenture has become enforceable:
  - 5.2.1 all dividends and other distributions paid in respect of the Investments and received by the Chargor shall be held by the Chargor on trust for the Security Trustee and immediately paid into an account directed by the Security Trustee in writing or, if received by the Security Trustee, shall be retained by the Security Trustee; and
  - 5.2.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Trustee and the Chargor shall, and shall procure that its nominees shall, comply with any directions the Security Trustee may give, in its absolute discretion, concerning the exercise of those rights and powers.
- 5.3 If the Chargor shall fail to perform any of its obligations under this clause 5.1, then the Security Trustee may take such steps as it considers appropriate to procure the performance of such obligation and shall not thereby be deemed to be a mortgagee in possession and the monies reasonably expended by the Security Trustee shall be reimbursed by the Chargor on demand and until so reimbursed shall carry interest as mentioned in clause 2.2 from the date of payment to the date of reimbursement.

## 6 WARRANTIES

The Chargor warrants to the Security Trustee on the date of this deed and on each day that the Secured Obligations or any of them remain outstanding that:

- 6.1 Schedule 1 to this deed lists all the freehold and leasehold property beneficially owned by it as at the date of this deed;
- 6.2 Schedule 2 to this deed lists all the Intellectual Property which is registered in its name as at the date of this deed;
- 6.3 the Specified Accounts are the only bank accounts maintained by the Chargor.

## **7 ENFORCEMENT**

- 7.1 This Debenture shall become enforceable on the occurrence of an Event of Default that is continuing.
- 7.2 Section 103 of the Law of Property Act 1925 shall not apply and the statutory power of sale and all other powers under that or any other Act as varied or extended by this Debenture shall arise on and be exercisable at any time after the Security Trustee shall have demanded the payment or discharge by the Chargor of all or any of the Secured Obligations secured by this Debenture.
- 7.3 Section 93 of the Law of Property Act 1925 dealing with the consolidation of mortgages shall not apply to this Debenture.

## **8 RECEIVER**

- 8.1 At any time after this Debenture has become enforceable or if the Chargor so requests in writing the Security Trustee may without further notice to the Chargor appoint by writing, under hand or under seal any one or more persons either singly, jointly, severally or jointly and severally to be a receiver, receiver and manager or administrative receiver (each a "**Receiver**") of all or any part of the property charged by this Debenture and either at the time of appointment or any time after may fix his or their remuneration and except as otherwise required by statute may remove any such Receiver and appoint another or others in his or their place.
- 8.2 Any Receiver shall be the agent of the Chargor which shall be solely responsible for his acts and defaults and the payment of his remuneration.
- 8.3 Any Receiver shall have all the powers conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagors, mortgagees in possession (but without liability as such), receivers, administrative receivers and administrators appointed under those Acts which in the case of joint receivers may be exercised either jointly or severally. In addition, but without prejudice to the generality of the foregoing the Receiver shall have power (in the name of the Chargor or otherwise and in such manner and on such terms and conditions as he shall think fit) to:
  - 8.3.1 take possession of, collect and get in all or any part of the property in respect of which he is appointed and for that purpose to take any proceedings;

- 8.3.2 carry on or concur in carrying on the business of the Chargor and to raise money from the Security Trustee or others on the security of any property charged by this Debenture;
- 8.3.3 purchase or acquire any land and purchase, acquire and grant any interest in or right over land;
- 8.3.4 sell or concur in selling, let or concur in letting and terminate or accept surrenders of leases or tenancies of any of the property charged by this Debenture and to carry any such transactions into effect;
- 8.3.5 sell, assign, let or otherwise dispose of or concur in selling, assigning, letting or otherwise disposing of all or any of the debts and any other property in respect of which he is appointed;
- 8.3.6 make any arrangement or compromise between the Chargor and any other person which he may think expedient;
- 8.3.7 make and effect all repairs, improvement and insurances;
- 8.3.8 purchase materials, tools, equipment, goods or supplies;
- 8.3.9 call up any uncalled capital of the Chargor with all the powers conferred by the articles of association of the Chargor in relation to calls;
- 8.3.10 employ, engage and appoint managers and other employees and professional advisers; and
- 8.3.11 do all such other acts and things as may be considered to be incidental or conducive to any other matters or powers aforesaid or to the realisation of the security constituted by this Debenture and which he lawfully may or can do.

## 9 APPLICATION OF PROCEEDS

- 9.1 Any monies received by the Security Trustee or any Receiver shall subject to the repayment of any claims having priority to the charges created by this Debenture be applied in the following order but without prejudice to the right of the Security Trustee to recover any shortfall from the Chargor:
  - 9.1.1 in the payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers and of all outgoings paid by him;
  - 9.1.2 in the payment of the Receiver's remuneration;
  - 9.1.3 in or towards the satisfaction of the Secured Obligations secured by this Debenture in such order as the Security Trustee in its absolute discretion thinks fit;
  - 9.1.4 in payment of the surplus (if any) to the person or persons entitled to it.



- 9.2 All monies received, recovered or realised by the Security Trustee under this Debenture may be credited at the discretion of the Security Trustee to any interest bearing suspense or impersonal account and may be held in such account for so long as the Security Trustee shall think fit pending its application from time to time in or towards the discharge of any of the Secured Obligations secured by this Debenture.

## **10 PROTECTION OF THIRD PARTIES**

No person dealing with a Receiver or the Security Trustee shall be concerned to enquire whether any power which he or it is purporting to exercise has become exercisable or whether any money is due under this Debenture or as to the application of any money paid raised or borrowed or as to the propriety or regularity of any sale by or other dealing with such Receiver or the Security Trustee. All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with a Receiver or the Security Trustee.

## **11 ENTRY INTO POSSESSION AND LIABILITY TO PERFORM**

- 11.1 If the Security Trustee or any Receiver shall enter into possession of the property charged under this Debenture or any part of it, it or he may from time to time and at any time go out of such possession. Neither the Security Trustee nor any Receiver shall in any circumstances (either by reason of any entry into or taking of possession of any such property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything except its or his actual receipts or be liable to the Chargor for any loss or damage arising from any realisation of the property hereby charged or from any act, default or omission in relation to that.
- 11.2 Notwithstanding anything contained in this Debenture or implied to the contrary, the Chargor remains liable to observe and perform all of the conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfil any of those conditions or obligations or make any payment in respect of those conditions or obligations.

## **12 POWER OF ATTORNEY**

The Chargor irrevocably appoints the Security Trustee, any Receiver and any person nominated by the Security Trustee jointly and also severally to be the attorney of the Chargor with the power of substitution and in its name and otherwise on its behalf and as its act and deed at any time after the occurrence of an Event of Default which is continuing, whilst the same is continuing, to sign or execute all deeds instruments and documents which the Security Trustee or any Receiver or any person nominated by the Security Trustee may require or deem proper for any of the purposes of or which the Chargor ought to do under this Debenture. The Chargor agrees to ratify and confirm anything such attorney shall lawfully and properly do.

**13 NEW ACCOUNTS**

If the Security Trustee shall at any time receive actual or constructive notice of any charge or other interest affecting any part of the property of the Chargor hereby charged then the Security Trustee may open a new account or accounts for the Security Trustee and if the Security Trustee does not do so then the Security Trustee shall be treated as if it had done so at the time when it received or was deemed to receive notice and as from that time all payments made by the Chargor to the Security Trustee shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Debenture at the time when the Security Trustee received or was deemed to receive notice.

**14 PRIOR CHARGES**

If there is any encumbrance over any of the property charged by this Debenture which ranks in priority to this Debenture and any proceedings or steps are taken to exercise or enforce any powers or remedies conferred by such prior encumbrance the Security Trustee or any Receiver appointed under this Debenture in respect of such property may (but without prejudice to any rights the Receiver may have under section 43 of the Insolvency Act 1986) redeem such prior encumbrance or procure its transfer to itself and may settle and pass the accounts of any prior mortgagee, chargee or encumbrancer. Any account so settled and passed shall be conclusive and binding on the Chargor and all the principal, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be secured on the property charged by this Debenture and all the powers conferred by any prior encumbrance upon the encumbrancer or any receiver under such encumbrance shall be exercisable by the Security Trustee or a Receiver in like manner as if the same were expressly included in this Debenture.

**15 FURTHER ASSURANCE**

- 15.1 The Chargor shall whenever requested by the Security Trustee (acting reasonably) immediately execute and sign all such deeds and documents and do all such things as the Security Trustee may require over any property or assets specified by the Security Trustee for the purpose of perfecting security to the Security Trustee for the payment and discharge of the Secured Obligations secured by this Debenture.
- 15.2 In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, the Chargor hereby irrevocably consents to the Security Trustee applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that real property (including any unregistered properties subject to compulsory first registration at the date of this deed) on the prescribed Land Registry form and in the following or substantially similar terms:

*"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 charge dated [date] in favour of Kreos Capital V (UK) Limited referred to in the*

*charges register or, if appropriate, signed on such proprietor's behalf by its authorised signatory."*

- 15.3 Subject to the terms of the Facility Agreement, the Security Trustee is under an obligation to make further advances to the Chargor (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances. In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, the Security Trustee may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that real property (including any unregistered properties subject to compulsory first registration at the date of this deed) that there is an obligation to make further advances on the security of the registered charge.

## 16 SET OFF

The Security Trustee may at any time and without notice to the Chargor combine or consolidate all or any of the Chargor's then existing accounts with and liabilities to the Security Trustee and set off or transfer any sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Chargor to the Security Trustee on any other account or in any other respects. The Security Trustee shall notify the Chargor that such a transfer has been made.

## 17 AVOIDANCE OF PAYMENTS

- 17.1 No assurance, security or payment which may be avoided or adjusted under any enactment relating to bankruptcy or insolvency or Part IV of the Insolvency Act 1986 or similar legislation binding on the Chargor in a jurisdiction other than England and Wales and no release, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security or payment shall prejudice or affect the right of the Security Trustee to recover from the Chargor (including the right to recover any monies which it may have been compelled by due process of law to refund under the provisions of the Insolvency Act 1986 and any costs payable by it pursuant to or otherwise incurred in connection with such process) or to enforce the security created by or pursuant to this Debenture to the full extent of the Secured Obligations secured by this Debenture.

## 18 RELEASE

- 18.1 Upon redemption and payment in full (in accordance with the terms of the Finance Documents) of all the Secured Obligations, the Security Trustee shall do all things reasonably necessary to release the assets of the Chargor from the security constituted by this Debenture, re-assign any rights assigned under this deed, return all deeds and documents of title delivered to the Security Trustee under this deed and execute and deliver such further deeds or documents as the Chargor may reasonably require in order to give effect to this clause (including, without limitation, any filings required to be made in order to remove the restriction at clause 15.2 of this deed).
- 18.2 The Security Trustee may release any asset of the Chargor from the security constituted by this Debenture at any time and any release shall not in any way affect,

prejudice or invalidate the security created under this Debenture over any of the remaining assets of the Chargor.

## **19 COSTS AND INDEMNITY**

Save to the extent that any such costs have been recovered under the Facility Agreement, the Security Trustee and every Receiver, attorney or other person appointed by the Security Trustee under this Debenture and their respective employees shall be entitled to be indemnified on a full indemnity basis out of the property charged by this Debenture in respect of all liabilities and reasonable expenses incurred by any of them in or directly or indirectly as a result of the lawful exercise or purported exercise of any of the powers authorities or discretions vested in them under this Debenture and against all actions, proceedings, losses, costs, claims and demands in respect of any matter or thing lawfully done or omitted in any way relating to the property charged by this Debenture provided that such actions, proceedings, losses, costs, claims and demands did not arise as a consequence of the gross negligence or wilful default of any such person and the Security Trustee and any such Receiver may retain and pay all sums in respect of the same out of the monies received under the powers conferred by this Debenture.

## **20 NOTICES**

- 20.1 Any notice under this Debenture shall be in writing signed by or on behalf of the party giving it in the case of a company to its registered office and in the case of an individual to the relevant address shown in the preamble to this Debenture or to such other address as shall be notified in writing for these purposes.
- 20.2 Without prejudice to any other proper method of service approved by the Courts, any such notice may be served:
  - 20.2.1 by leaving it or sending it by prepaid, recorded delivery letter sent through the post; or
  - 20.2.2 by facsimile (in which case it shall be deemed to have been signed by or on behalf of the party giving it) to such facsimile number as any party may from time to time notify in writing to the others. A copy of any such notice shall also be sent by first class post to the last known principal place of business of the relevant party and to the relevant party's solicitors.
- 20.3 A notice served by post shall be deemed to have been served two Business Days after the day of posting and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted.
- 20.4 A notice served personally or by facsimile shall be deemed to have been served on the day of delivery or transmission if in the ordinary course of transmission it would first be received by the addressee on a Business Day prior to 4 pm and otherwise on the next Business Day.

## 21 MISCELLANEOUS

- 21.1 The Security Trustee may without discharging or in any way affecting the security created by this Debenture or any remedy of the Security Trustee grant time or other indulgence or abstain from exercising or enforcing any remedies, securities, guarantees or other rights which it may now or in the future have from or against the Chargor and may make any arrangement, variation or release with any person or persons without prejudice either to this Debenture or the liability of the Chargor for the Secured Obligations secured by this Debenture.
- 21.2 All the provisions of this Debenture are severable and distinct from one another and if, at any time, any one or more of the provisions of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity and enforceability of the remaining provisions of this Debenture nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.
- 21.3 The rights and remedies of the Security Trustee provided by this Debenture are cumulative and are not exclusive of any rights powers or remedies provided by law and may be exercised from time to time and as often as the Security Trustee may deem expedient.
- 21.4 This Debenture may be executed in any number of counterparts each of which when executed and delivered is an original, but all counterparts together constitute the same document.
- 21.5 A person who is not a party to this Debenture shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture. This clause does not affect any right or remedy of any person which exists, or is available, otherwise then pursuant to that Act.
- 21.6 At any time, without the consent of the Chargor, the Security Trustee may assign or transfer the whole or any part of its rights and obligations under this Debenture to any other person. The Chargor may not assign any of its rights, or transfer any of its obligations, under this debenture, or enter into any transaction that would result in any of those rights or obligations passing to another person.
- 21.7 Any waiver or variation of any right or remedy by the Security Trustee (whether arising under this debenture or under the general law), or any consent given under this Debenture, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 21.8 No act or course of conduct or negotiation by, or on behalf of, the Security Trustee shall, in any way, preclude the Security Trustee from exercising any right or remedy under this debenture or constitute a suspension or variation of any such right or remedy.

21.9 No delay or failure to exercise any right or remedy under this debenture shall operate as a waiver of that right or remedy.

21.10 No single or partial exercise of any right or remedy under this debenture shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this Debenture.

## **22 GOVERNING LAW AND JURISDICTION**

22.1 This Debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

22.2 The parties to this debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction.

22.3 The Chargor irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this Debenture relating to service of notices. Nothing contained in this debenture shall affect the right to serve process in any other manner permitted by law.

**EXECUTED** as a Deed and delivered on the date above.

**SCHEDULE 1**  
**FREEHOLD AND LEASEHOLD PROPERTY**

None

**SCHEDULE 2**  
**REGISTERED INTELLECTUAL PROPERTY**

The following trademarks:

- MDM registered in EU number 009942632
- C.ONLINE registered in EU number 012422069
- CELLNOVO published subject to an objection from Novo Nordisk A/S in EU number 008136921, and registered in USA number 77708262
- C.PAL registered in EU number 012422085

The following domain names:

- [www.cellnovo.com](http://www.cellnovo.com)
- [www.cellnovo.co.uk](http://www.cellnovo.co.uk)
- [www.cellnovian.com](http://www.cellnovian.com)
- [www.cellnovosecure.com](http://www.cellnovosecure.com)
- [www.cellnovo-secure.com](http://www.cellnovo-secure.com)
- [www.starbridgesystems.co.uk](http://www.starbridgesystems.co.uk)

83



**SCHEDULE 3  
SPECIFIED ACCOUNTS**

Account name	Account Bank	Account number	Sort Code	Denomination
Cellnovo Limited	HSBC	[REDACTED]	[REDACTED]	Euro
Cellnovo Limited	HSBC	[REDACTED]	[REDACTED]	GBP
Cellnovo Limited	HSBC	[REDACTED]	[REDACTED]	GBP

51

## SCHEDULE 4

### Part 1 Form of bank account notices

#### [On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: [ ]

Copy to: Kreos Capital V (UK) Limited

Date: [ ]

Dear Sirs

**Debenture dated [ ] (the "Debenture") between Cellnovo Limited (the "Chargor") and Kreos Capital V (UK) Limited (the "Security Trustee")**

This letter constitutes notice to you that, pursuant to the Debenture, we have charged (by way of fixed charge) in favour of the Security Trustee all our present and future rights and interest in and to account number [ ] in our name with you (the "**Account**") together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights as defined in the Debenture.

We hereby irrevocably instruct and authorise you to:

- 1 credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 hold all sums from time to time standing to the credit of the Account to the order of the Security Trustee;
- 3 until such time as you receive notice signed by a director of the Security Trustee that an Event of Default has occurred and is continuing (a "**Default Notice**"), comply with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive signed by or on behalf of the Chargor;
- 4 following receipt of a Default Notice: (i) you shall comply only with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive from the Security Trustee and signed by a director of the Security Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions; and (ii) you will not accept or comply with any notice or instruction (including payment instructions) received from the Chargor;

- 5 disclose to the Security Trustee, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Account and the sums in the Account as the Security Trustee may from time to time request; and
- 6 send copies of all notices and communications relating to the Account to the Security Trustee as well as ourselves.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Account and that neither the Security Trustee, any Receiver nor any of their agents will at any time have any liability to you regarding the Account.

We are not permitted, without the Security Trustee's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Account or to close the Account.

The instructions in this notice may not be revoked or varied without the prior written consent of the Security Trustee.

This notice is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Trustee with a copy to us at the above address.

Yours faithfully

.....

[Authorised signatory of Chargor]

**Part 2**  
**Form of Acknowledgement**

**[On the letterhead of the account bank]**

To: Kreos Capital V (UK) Limited

Attention: [ ]

Copy to: Cellnovo Limited

Date: [ ]

Dear Sirs

**Debenture dated [ ] (the "Debenture") between Cellnovo Limited (the "Chargor") and Kreos Capital V (UK) Limited (the "Security Trustee")**

We confirm receipt from the Chargor of a notice dated [ ] 2017 [ ] (the "Notice") of the creation of a first fixed charge, pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number [ ] held with us in the name of the Chargor (the "Account") together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights.

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;  
  
we have not received notice of the creation of any other assignment or security regarding the Account or of the creation of any third party interest in the Account or in the sums of money held in the Account or the debts represented by those sums and we will notify you promptly should we receive any such notice;
- 2 we do not have and will not in future create, accept or enforce any security interest or right of set-off or combination or other right in respect of the Account, the sums of money held in the Account or the debts represented by those sums; and
- 3 we will not amend the terms or conditions upon which the Account is operated or close the Account without your prior written consent.

This letter is governed by English law.

Yours faithfully

.....

for and on behalf of

[third party bank]

## **SCHEDULE 5 CONTRACTS**

The following contracts:

- Manufacturing and assembly agreement with Flextronics Medical Sales and Marketing Limited of October 2012
- Horizon 2020 Framework Programme Research & Innovation Consortium Agreement European Commission : Project Patient Empowerment through Predictive PERsonalised decision support (Pepper) October 2015

**SCHEDULE 6  
EQUIPMENT**

<u>Description</u>	<u>Specific / Model Number</u>
<b>Production Line</b>	
<b><u>P200</u></b> Pneumatic Cropping fixture Assembly and press for actuator insert	
<b><u>P300</u></b> Wax Filling robot (complete station)	Asymtek Quantum Q-6800
<b><u>P550</u></b> Soldering robot	ma TR300
<b><u>P800</u></b> Leakage and Flow Test	
<b>Acuator PCB Assembly FAR 5250-15127</b>	
Press-Fit machine for Pins	Autosplice AIS4500
<b>Mould Tooling</b>	
Fluidic Outlet tool	New Tool
Housing Body / Lid tool	New Tool
Septa tool	New Tool
Barp Clip Cover tool	New Tool

**EXECUTION PAGE**

SIGNED as a DEED by

**CELLNOVO LIMITED**

acting by Sophie BARATTE (director)

Director

In the presence of:

Witness Signature

Witness Name

Witness Address

Witness Occupation

SIGNED as a DEED by

**KREOS CAPITAL V (UK) LIMITED**

acting by ..... (director)

Director

In the presence of:

Witness Signature

Witness Name

Witness Address

Witness Occupation

EXECUTION VERSION

DATED 31 July 2018

- (1) CELLNOVO LIMITED as Chargor
- (2) KREOS CAPITAL V (UK) LIMITED as Security  
Trustee

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DEBENTURE

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I certify that save for material redacted pursuant  
to section 859G of the Companies Act 2006,  
this copy is a correct copy of the original instrument.

Signed *Charles Russell Speechlys*  
Dated 17 August 2018



## CONTENTS

1	INTERPRETATION	1
2	COVENANT TO PAY	4
3	NATURE OF SECURITY	5
4	SECURITY	5
5	COVENANTS BY THE CHARGOR	7
6	WARRANTIES	9
7	ENFORCEMENT	10
8	RECEIVER	10
9	APPLICATION OF PROCEEDS	11
10	PROTECTION OF THIRD PARTIES	12
11	ENTRY INTO POSSESSION AND LIABILITY TO PERFORM	12
12	POWER OF ATTORNEY	12
13	NEW ACCOUNTS	13
14	PRIOR CHARGES	13
15	FURTHER ASSURANCE	13
16	SET OFF	14
17	AVOIDANCE OF PAYMENTS	14
18	RELEASE	14
19	COSTS AND INDEMNITY	15
20	NOTICES	15
21	MISCELLANEOUS	16
22	GOVERNING LAW AND JURISDICTION	17
	SCHEDULE 1 FREEHOLD AND LEASEHOLD PROPERTY	18
	SCHEDULE 2 REGISTERED INTELLECTUAL PROPERTY	19
	SCHEDULE 3 SPECIFIED ACCOUNTS	20
	SCHEDULE 4	21
	Part 1 Form of bank account notices	21
	Part 2 Form of Acknowledgement	23
	SCHEDULE 5 CONTRACTS	24
	SCHEDULE 6 EQUIPMENT	25

THIS DEBENTURE is dated 31 July 2018

**BETWEEN:**

- (1) **CELLNOVO LIMITED** a company incorporated in England and Wales under number 4349221 whose registered office is at Pencoed Technology Centre, Pencoed Technology Park, Bridgend, Wales, CF35 5HZ (the "**Chargor**"); and
- (2) **KREOS CAPITAL V (UK) Limited** a company incorporated in England and Wales under registered number 09728300 whose registered office is at 25 Old Burlington Street, London, W1S 3AN (the "**Security Trustee**").

**BACKGROUND:**

(A) This Debenture is entered into by the Chargor to secure the payment of the Secured Obligations to or in favour of the Secured Parties (each as defined below).

(B) The Security Trustee is appointed as security trustee for the Secured Parties pursuant to a Security Trust Deed made between the Chargor, the Lenders and the Security Trustee dated on or about the date of this Debenture.

**AGREED PROVISIONS:**

**1 INTERPRETATION**

- 1.1 In this Debenture, the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

<b>Business Day</b>	a day on which clearing banks are open for business in the City of London;
<b>Convertible Bonds Issue Agreement</b>	a convertible bonds issue agreement entered into between Cellnovo Group SA, a company incorporated in France, with number 808 426 662 (RCS Paris), the parent company of the Chargor and Kreos Capital V (Expert Fund) LP, a Secured Party, dated on or about the date of this Debenture, as amended, restated, supplemented or replaced from time to time;
<b>Debenture</b>	this debenture including its recitals;
<b>Equipment</b>	the equipment listed in Schedule 6 ( <i>Equipment</i> );
<b>Event of Default</b>	shall have the meaning given to such term in the Facility Agreement;
<b>Finance Documents</b>	As defined in the Facility Agreement;
<b>Intellectual Property</b>	all legal and beneficial interests of the Chargor (in any part of the world) in inventions, improvements, modifications, processes, formulae, know-how,

designs, models, prototypes, sketches, drawings, plans, business names, licences, patents, patent applications, trademarks (registered and unregistered), service marks, designs (registered and unregistered) and any other intellectual property rights of every kind, together with choses in action and claims and all fees, royalties and other rights of every kind deriving from them now or in the future belonging to the Chargor, including without limitation the intellectual property specified on Schedule 2;

<b>Lenders</b>	the Security Trustee in its capacity as Lender under the Facility Agreement and Kreos Capital V (Expert Fund) LP as noteholder under the Convertible Bonds Issue Agreement ; and references to the " <b>Lender</b> " shall be to each of the Lenders respectively;
<b>Facility Agreement</b>	the loan facility agreement between the Security Trustee in its capacity as Lender and the Chargor in its capacity as Borrower dated on around the date of this Debenture, as amended, restated, supplemented or replaced from time to time;
<b>Material Contracts</b>	means the contracts listed in Schedule 5;
<b>Permitted Security</b>	<ul style="list-style-type: none"><li>(i) security created in favour of the Security Trustee under the Finance Documents; and</li><li>(ii) any security permitted by the Security Trustee in writing from time to time;</li></ul>
<b>Receivables</b>	<p>all present and future book debts and other debts, rentals, fees, VAT and monetary claims and all other amount at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever), including all inter-company loans and accounts owed to the Chargor, together with:</p> <ul style="list-style-type: none"><li>(i) the benefit of all rights, guarantees, securities and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar association rights); and</li><li>(ii) all proceeds of any of the foregoing;</li></ul>

<b>Receiver</b>	as defined in clause 8.1;
<b>Secured Obligations</b>	all monies, liabilities and obligations which are now or may at any time in the future be due, owing or incurred by the Chargor to the Security Trustee and/or to or in respect of the Secured Parties in any manner whatsoever under the Finance Documents;
<b>Secured Parties</b>	the Lenders, the Security Trustee, any Receiver and any delegate appointed by any of such parties, and references to a "Secured Party" shall be to each and every of the Secured Parties;
<b>Securities</b>	shall have the meaning given to that term in clause 4.1.2(h);
<b>Security Assets</b>	all property and assets from time to time charged or assigned (or expressed to be charged or assigned) by or pursuant to this Debenture;
<b>Security Period</b>	means the period commencing on the date of this Debenture and ending on the date upon which the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
<b>Specified Accounts</b>	the bank accounts set out in Schedule 3, as renumbered or redesigned from time to time, each replacement or sub-account relating to it, all money from time to time standing to the credit of that account and all interest accruing in relation to it.

1.2 In this Debenture unless the context requires otherwise:

- 1.2.1 capitalised terms not defined in this Debenture shall have the respective meanings given to those terms in the Facility Agreement;
- 1.2.2 any reference to a clause, Schedule or appendix (other than a Schedule to a statutory provision) is a reference to a clause of or Schedule or appendix to this Debenture and the Schedule and appendices form part of and are deemed to be incorporated in and in references to this Debenture;
- 1.2.3 references to this Debenture and to any provisions of this Debenture or to any other document or agreement shall be construed as references to this Debenture or that document or agreement in force for the time being and as amended, varied, supplemented, substituted or novated from time to time;
- 1.2.4 words importing the singular number only shall include the plural number and vice versa; and words importing the masculine gender only shall include the feminine gender;

- 1.2.5 references to persons includes a reference to firms, corporations, unincorporated associations or personal representatives;
- 1.2.6 references to any person are to be construed to include that person's assigns or transferees or successors in title, whether direct or indirect;
- 1.2.7 references to any statutory provision means that statutory provision as amended, supplemented, re-enacted or replaced from time to time (whether before or after the date of this Debenture) and are to include any orders, regulations, instruments or other subordinate legislation made under the relevant statutory provision except to the extent that any amendment, supplement, re-enactment or replacement coming into force after the date of this Debenture would increase or extend the liability of the parties to one another;
- 1.2.8 the rule known as the *ejusdem generis* rule shall not apply and general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things.
- 1.2.9 clause headings are for ease of reference only and are not to affect the interpretation of this Debenture;
- 1.2.10 the terms of the Facility Agreement are incorporated into this Debenture to the extent required to ensure that any disposition of the Real Property contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- 1.2.11 it is intended by the parties to this Debenture that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document underhand; and
- 1.2.12 references to a continuing Event of Default means an Event of Default that has not been remedied or waived.

## 2 COVENANT TO PAY

- 2.1 The Chargor covenants (when the same shall be or become due) on demand to pay and discharge to the Security Trustee and each of the other Secured Parties the Secured Obligations when the same become due and payable under the Facility Agreement and the other Finance Documents.
- 2.2 Any amount which is not paid under this Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which that amount is unconditionally and irrevocably paid and discharged in full at the rate and in the manner specified in the Facility Agreement but without charging default interest under this Debenture on any amounts of default interest accruing or payable under the Facility Agreement.

### 3 NATURE OF SECURITY

3.1 All mortgages, charges, assignments and other security made or created under this Debenture are made or created:

3.1.1 in favour of the Security Trustee;

3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and

3.1.3 as a continuing security for the payment or discharge of all Secured Obligations hereby covenanted to be paid or discharged by the Chargor.

3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

### 4 SECURITY

4.1 The Chargor charges and agrees to charge all the present and future right, title and interest of the Chargor in and to the following assets which are at any time owned by the Chargor or in which the Chargor from time to time has an interest:

4.1.1 by way of first legal mortgage:

(a) all freehold, leasehold (with an unexpired term of more than five years) or other immovable property now vested in or charged to the Chargor, including the property listed on Schedule 1;

(b) the Equipment;

4.1.2 by way of first fixed charge:

(a) all other freehold, leasehold and other immovable property now or in the future belonging to the Chargor (and not charged by clause 4.1.1);

(b) all plant and machinery now or in the future belonging to the Chargor other than fixed plant and machinery charged under clauses 4.1.1 and 4.1.2(a);

(c) the Equipment (to the extent not charged under clause 4.1.1);

(d) all computers, vehicles, office equipment and other equipment;

(e) all stock in trade;

(f) the Specified Accounts and all other accounts held with any bank, financial institution or other person, from time to time, and all monies from time to time standing to the credit of those accounts and all interest accruing in relation to them;

- (g) all Receivables;
- (h) all stocks, shares, loan capital, bonds and other securities now or in the future belonging to the Chargor (either legally or beneficially) together with all dividends and all other rights deriving from them (the "Securities");
- (i) the goodwill of the Chargor and its uncalled capital both present and future;
- (j) the benefit of all Intellectual Property.

4.2 The Chargor assigns and agrees to assign absolutely to the Security Trustee (to the fullest extent assignable or capable of assignment without first infringing any contractual provision restricting the same (unless any applicable consent or waiver to any such consent has been granted) and subject to a proviso for reassignment on redemption in accordance with clause 18, the benefit of all its right, title and interest to, in and under all present and future:

4.2.1 the Material Contracts;

4.2.2 all policies and contracts of insurance issued or entered into for the benefit of or by the Chargor and all rights, claims and interests which the Company has from time to time in any such policy or contract.

4.3 If so requested by the Security Trustee, the Chargor shall (within ten Business Days) in respect of any of the assets assigned under clause 4.2, deliver a duly completed notice of assignment to each of the other parties to the relevant contract (if applicable).

4.4 To the extent not validly and effectively charged by way of first mortgage pursuant to clause 4.1.1 or fixed charge pursuant to clause 4.1.2 or effectively assigned pursuant to clause 4.2, the Chargor by way of first floating charge charges the whole of the Chargor's undertaking and all its property and assets whatsoever and wheresoever present and future.

4.5 If an Event of Default occurs and is continuing the Security Trustee may convert the floating charge by notice in writing to the Chargor into a fixed charge as regards all the property and assets which for the time being are the subject of such floating charge or, as the case may be, such of the said property and assets as are specified by such notice.

4.6 The floating charge created by this Debenture shall unless otherwise agreed in writing by the Security Trustee automatically, immediately and without notice be converted into a fixed charge in the event that (i) the Chargor shall create or permit to subsist any Security other than Permitted Security in breach of clause 14.2 of the Facility Agreement; (ii) if any third party levies any distress, attachment, execution or other legal process against any asset charged by this floating charge; (iii) a receiver is appointed over all or any of the Security Assets that are subject to the floating charge

or (iv) the Security Trustee and/or any of the other Secured Parties receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Chargor.

- 4.7 A reference in this Debenture to a mortgage, assignment or charge of any freehold or leasehold property includes all buildings and fixtures on the property other than those belonging to any landlord, tenant or occupant other than the relevant Chargor, the proceeds of sale of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property and the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property to the extent held by the Chargor, or any monies paid or payable in respect of those covenants.
- 4.8 The security from time to time constituted by or pursuant to this Debenture shall be in addition to and shall not prejudice, determine or affect any other security which the Security Trustee and/or any of the other Secured Parties may from time to time hold for or in respect of all or any part of the Secured Obligations hereby secured. No prior security held by the Security Trustee and/or any of the other Secured Parties over the property charged by this Debenture or any part of it shall merge in the security created hereby or pursuant to this Debenture which will remain in full force and effect as a continuing security until discharged by the Security Trustee.
- 4.9 There shall be excluded from the charge created by clause 4.1 and from the operation of clause 15 any leasehold property held by the Chargor under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its leasehold interest in that property (each an **"Excluded Property"**) until the relevant condition or waiver has been satisfied or obtained.
- 4.10 For each Excluded Property, the Chargor undertakes to apply for the relevant consent or waiver of prohibition or condition within 14 days of the date of this deed and, in respect of each Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use all reasonable endeavours to obtain that consent as soon as possible and to keep the Security Trustee informed of the progress of its negotiations.
- 4.11 Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Trustee under clause 4.1. If required by the Security Trustee at any time following receipt of that waiver or consent, the Chargor will forthwith execute a valid legal mortgage in such form as the Security Trustee shall reasonably require.
- 4.12 Nothing in this Debenture shall prevent the continuing existence or enforcement of Permitted Security.
- 5 **COVENANTS BY THE CHARGOR**
- 5.1 The Chargor shall, in addition to covenants contained in the Facility Agreement during the Security Period:



- 5.1.1 as soon as reasonably practicable following execution of this deed serve a notice of charge in the form of Part 1 of Schedule 4 in respect of the Specified Account and us all reasonable endeavours to procure that the relevant bank acknowledges that notice by signing and returning to the Security Trustee a letter of acknowledgement substantially in the form of Part 2 of Schedule 4. Any instructions contained in a notice of charge sent by the Chargor pursuant to this clause may not be revoked or amended without the Security Trustee's prior written consent;
- 5.1.2 not, without the prior consent of the Security Trustee, maintain any other bank account other than the Specified Account;
- 5.1.3 promptly (but in any event within five days) on request by the Security Trustee give notice to any:
- (a) bank or other financial institution with whom the Chargor has any other bank account;
  - (b) party to a Material Contract;
  - (c) party to a policy of insurance; and
  - (d) other applicable third party,
- of the creation of the Security Interests under this Debenture and use reasonable efforts to procure that each addressee of any such notice promptly provides an acknowledgement of the Security Trustee's interest to the Security Trustee. The Chargor shall obtain the Security Trustee's prior approval of the form of any notice or acknowledgement to be used under this clause;
- 5.1.4 permit the Security Trustee, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice in accordance with the terms of the Facility Agreement;
- 5.1.5 duly and promptly pay all calls, instalments and other monies that may be payable from time to time in respect of the Securities. The Chargor acknowledges that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other monies;
- 5.1.6 not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of, the memorandum or articles of association, or any other constitutional documents, of any issuer of Securities that is not a public company, or the rights or liabilities attaching to any of the Securities;
- 5.1.7 ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of Securities that is not a public company shall not other than as permitted under the Facility Agreement;

- (a) consolidate or subdivide any of its Securities, or reduce or re-organise its share capital in any way;
  - (b) issue any new shares or stock; or
  - (c) refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Security Trustee or the Chargor in accordance with this Debenture;
- 5.1.8 if so requested by the Security Trustee (acting reasonably), place and maintain on each item of plant, machinery or equipment (including, without limitation, the Equipment), in a conspicuous place, a clearly legible identification plate in a form approved by the Security Trustee specifying that such item is subject to the security created under this Debenture;
- 5.1.9 use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Security Trustee informed of all matters relating to each such registration;
- 5.1.10 inform the Security Trustee in writing within seven days of any Intellectual Property being registered in the name of the Chargor which is not specified on Schedule 2;
- 5.2 After the security constituted by this Debenture has become enforceable:
  - 5.2.1 all dividends and other distributions paid in respect of the Investments and received by the Chargor shall be held by the Chargor on trust for the Security Trustee and immediately paid into an account directed by the Security Trustee in writing or, if received by the Security Trustee, shall be retained by the Security Trustee; and
  - 5.2.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Trustee and the Chargor shall, and shall procure that its nominees shall, comply with any directions the Security Trustee may give, in its absolute discretion, concerning the exercise of those rights and powers.
- 5.3 If the Chargor shall fail to perform any of its obligations under this clause 5.1, then the Security Trustee may take such steps as it considers appropriate to procure the performance of such obligation and shall not thereby be deemed to be a mortgagee in possession and the monies reasonably expended by the Security Trustee shall be reimbursed by the Chargor on demand and until so reimbursed shall carry interest as mentioned in clause 2.2 from the date of payment to the date of reimbursement.

## 6 WARRANTIES

The Chargor warrants to the Security Trustee on the date of this deed and on each day that the Secured Obligations or any of them remain outstanding that:

- 6.1 Schedule 1 to this deed lists all the freehold and leasehold property beneficially owned by it as at the date of this deed;
- 6.2 Schedule 2 to this deed lists all the Intellectual Property which is registered in its name as at the date of this deed;
- 6.3 the Specified Accounts are the only bank accounts maintained by the Chargor.

## **7 ENFORCEMENT**

- 7.1 This Debenture shall become enforceable on the occurrence of an Event of Default that is continuing.
- 7.2 Section 103 of the Law of Property Act 1925 shall not apply and the statutory power of sale and all other powers under that or any other Act as varied or extended by this Debenture shall arise on and be exercisable at any time after the Security Trustee shall have demanded the payment or discharge by the Chargor of all or any of the Secured Obligations secured by this Debenture.
- 7.3 Section 93 of the Law of Property Act 1925 dealing with the consolidation of mortgages shall not apply to this Debenture.

## **8 RECEIVER**

- 8.1 At any time after this Debenture has become enforceable or if the Chargor so requests in writing the Security Trustee may without further notice to the Chargor appoint by writing, under hand or under seal any one or more persons either singly, jointly, severally or jointly and severally to be a receiver, receiver and manager or administrative receiver (each a "Receiver") of all or any part of the property charged by this Debenture and either at the time of appointment or any time after may fix his or their remuneration and except as otherwise required by statute may remove any such Receiver and appoint another or others in his or their place.
- 8.2 Any Receiver shall be the agent of the Chargor which shall be solely responsible for his acts and defaults and the payment of his remuneration.
- 8.3 Any Receiver shall have all the powers conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagors, mortgagees in possession (but without liability as such), receivers, administrative receivers and administrators appointed under those Acts which in the case of joint receivers may be exercised either jointly or severally. In addition, but without prejudice to the generality of the foregoing the Receiver shall have power (in the name of the Chargor or otherwise and in such manner and on such terms and conditions as he shall think fit) to:
  - 8.3.1 take possession of, collect and get in all or any part of the property in respect of which he is appointed and for that purpose to take any proceedings;

- 8.3.2 carry on or concur in carrying on the business of the Chargor and to raise money from the Security Trustee or others on the security of any property charged by this Debenture;
- 8.3.3 purchase or acquire any land and purchase, acquire and grant any interest in or right over land;
- 8.3.4 sell or concur in selling, let or concur in letting and terminate or accept surrenders of leases or tenancies of any of the property charged by this Debenture and to carry any such transactions into effect;
- 8.3.5 sell, assign, let or otherwise dispose of or concur in selling, assigning, letting or otherwise disposing of all or any of the debts and any other property in respect of which he is appointed;
- 8.3.6 make any arrangement or compromise between the Chargor and any other person which he may think expedient;
- 8.3.7 make and effect all repairs, improvement and insurances;
- 8.3.8 purchase materials, tools, equipment, goods or supplies;
- 8.3.9 call up any uncalled capital of the Chargor with all the powers conferred by the articles of association of the Chargor in relation to calls;
- 8.3.10 employ, engage and appoint managers and other employees and professional advisers; and
- 8.3.11 do all such other acts and things as may be considered to be incidental or conducive to any other matters or powers aforesaid or to the realisation of the security constituted by this Debenture and which he lawfully may or can do.

## 9 APPLICATION OF PROCEEDS

- 9.1 Any monies received by the Security Trustee or any Receiver shall subject to the repayment of any claims having priority to the charges created by this Debenture be applied in the following order but without prejudice to the right of the Security Trustee to recover any shortfall from the Chargor:
  - 9.1.1 in the payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers and of all outgoings paid by him;
  - 9.1.2 in the payment of the Receiver's remuneration;
  - 9.1.3 in or towards the satisfaction of the Secured Obligations secured by this Debenture in such order as the Security Trustee in its absolute discretion thinks fit;
  - 9.1.4 in payment of the surplus (if any) to the person or persons entitled to it.

- 9.2 All monies received, recovered or realised by the Security Trustee under this Debenture may be credited at the discretion of the Security Trustee to any interest bearing suspense or impersonal account and may be held in such account for so long as the Security Trustee shall think fit pending its application from time to time in or towards the discharge of any of the Secured Obligations secured by this Debenture.

## **10 PROTECTION OF THIRD PARTIES**

No person dealing with a Receiver or the Security Trustee shall be concerned to enquire whether any power which he or it is purporting to exercise has become exercisable or whether any money is due under this Debenture or as to the application of any money paid raised or borrowed or as to the propriety or regularity of any sale by or other dealing with such Receiver or the Security Trustee. All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with a Receiver or the Security Trustee.

## **11 ENTRY INTO POSSESSION AND LIABILITY TO PERFORM**

- 11.1 If the Security Trustee or any Receiver shall enter into possession of the property charged under this Debenture or any part of it, it or he may from time to time and at any time go out of such possession. Neither the Security Trustee nor any Receiver shall in any circumstances (either by reason of any entry into or taking of possession of any such property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything except its or his actual receipts or be liable to the Chargor for any loss or damage arising from any realisation of the property hereby charged or from any act, default or omission in relation to that.
- 11.2 Notwithstanding anything contained in this Debenture or implied to the contrary, the Chargor remains liable to observe and perform all of the conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfil any of those conditions or obligations or make any payment in respect of those conditions or obligations.

## **12 POWER OF ATTORNEY**

The Chargor irrevocably appoints the Security Trustee, any Receiver and any person nominated by the Security Trustee jointly and also severally to be the attorney of the Chargor with the power of substitution and in its name and otherwise on its behalf and as its act and deed at any time after the occurrence of an Event of Default which is continuing, whilst the same is continuing, to sign or execute all deeds instruments and documents which the Security Trustee or any Receiver or any person nominated by the Security Trustee may require or deem proper for any of the purposes of or which the Chargor ought to do under this Debenture. The Chargor agrees to ratify and confirm anything such attorney shall lawfully and properly do.

### 13 NEW ACCOUNTS

If the Security Trustee shall at any time receive actual or constructive notice of any charge or other interest affecting any part of the property of the Chargor hereby charged then the Security Trustee may open a new account or accounts for the Security Trustee and if the Security Trustee does not do so then the Security Trustee shall be treated as if it had done so at the time when it received or was deemed to receive notice and as from that time all payments made by the Chargor to the Security Trustee shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Debenture at the time when the Security Trustee received or was deemed to receive notice.

### 14 PRIOR CHARGES

If there is any encumbrance over any of the property charged by this Debenture which ranks in priority to this Debenture and any proceedings or steps are taken to exercise or enforce any powers or remedies conferred by such prior encumbrance the Security Trustee or any Receiver appointed under this Debenture in respect of such property may (but without prejudice to any rights the Receiver may have under section 43 of the Insolvency Act 1986) redeem such prior encumbrance or procure its transfer to itself and may settle and pass the accounts of any prior mortgagee, chargee or encumbrancer. Any account so settled and passed shall be conclusive and binding on the Chargor and all the principal, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be secured on the property charged by this Debenture and all the powers conferred by any prior encumbrance upon the encumbrancer or any receiver under such encumbrance shall be exercisable by the Security Trustee or a Receiver in like manner as if the same were expressly included in this Debenture.

### 15 FURTHER ASSURANCE

15.1 The Chargor shall whenever requested by the Security Trustee (acting reasonably) immediately execute and sign all such deeds and documents and do all such things as the Security Trustee may require over any property or assets specified by the Security Trustee for the purpose of perfecting security to the Security Trustee for the payment and discharge of the Secured Obligations secured by this Debenture.

15.2 In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, the Chargor hereby irrevocably consents to the Security Trustee applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that real property (including any unregistered properties subject to compulsory first registration at the date of this deed) on the prescribed Land Registry form and in the following or substantially similar terms:

*"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 charge dated [date] in favour of Kreos Capital V (UK) Limited referred to in the*

*charges register or, if appropriate, signed on such proprietor's behalf by its authorised signatory."*

- 15.3 Subject to the terms of the Facility Agreement, the Security Trustee is under an obligation to make further advances to the Chargor (which obligation is deemed to be incorporated into this deed) and this security has been made for securing those further advances. In relation to real property charged by way of legal mortgage under this deed situated in England and Wales, the Security Trustee may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that real property (including any unregistered properties subject to compulsory first registration at the date of this deed) that there is an obligation to make further advances on the security of the registered charge.

## 16 SET OFF

The Security Trustee may at any time and without notice to the Chargor combine or consolidate all or any of the Chargor's then existing accounts with and liabilities to the Security Trustee and set off or transfer any sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Chargor to the Security Trustee on any other account or in any other respects. The Security Trustee shall notify the Chargor that such a transfer has been made.

## 17 AVOIDANCE OF PAYMENTS

- 17.1 No assurance, security or payment which may be avoided or adjusted under any enactment relating to bankruptcy or insolvency or Part IV of the Insolvency Act 1986 or similar legislation binding on the Chargor in a jurisdiction other than England and Wales and no release, settlement or discharge given or made by the Security Trustee on the faith of any such assurance, security or payment shall prejudice or affect the right of the Security Trustee to recover from the Chargor (including the right to recover any monies which it may have been compelled by due process of law to refund under the provisions of the Insolvency Act 1986 and any costs payable by it pursuant to or otherwise incurred in connection with such process) or to enforce the security created by or pursuant to this Debenture to the full extent of the Secured Obligations secured by this Debenture.

## 18 RELEASE

- 18.1 Upon redemption and payment in full (in accordance with the terms of the Finance Documents) of all the Secured Obligations, the Security Trustee shall do all things reasonably necessary to release the assets of the Chargor from the security constituted by this Debenture, re-assign any rights assigned under this deed, return all deeds and documents of title delivered to the Security Trustee under this deed and execute and deliver such further deeds or documents as the Chargor may reasonably require in order to give effect to this clause (including, without limitation, any filings required to be made in order to remove the restriction at clause 15.2 of this deed).
- 18.2 The Security Trustee may release any asset of the Chargor from the security constituted by this Debenture at any time and any release shall not in any way affect,

prejudice or invalidate the security created under this Debenture over any of the remaining assets of the Chargor.

## **19 COSTS AND INDEMNITY**

Save to the extent that any such costs have been recovered under the Facility Agreement, the Security Trustee and every Receiver, attorney or other person appointed by the Security Trustee under this Debenture and their respective employees shall be entitled to be indemnified on a full indemnity basis out of the property charged by this Debenture in respect of all liabilities and reasonable expenses incurred by any of them in or directly or indirectly as a result of the lawful exercise or purported exercise of any of the powers authorities or discretions vested in them under this Debenture and against all actions, proceedings, losses, costs, claims and demands in respect of any matter or thing lawfully done or omitted in any way relating to the property charged by this Debenture provided that such actions, proceedings, losses, costs, claims and demands did not arise as a consequence of the gross negligence or wilful default of any such person and the Security Trustee and any such Receiver may retain and pay all sums in respect of the same out of the monies received under the powers conferred by this Debenture.

## **20 NOTICES**

- 20.1 Any notice under this Debenture shall be in writing signed by or on behalf of the party giving it in the case of a company to its registered office and in the case of an individual to the relevant address shown in the preamble to this Debenture or to such other address as shall be notified in writing for these purposes.
- 20.2 Without prejudice to any other proper method of service approved by the Courts, any such notice may be served:
  - 20.2.1 by leaving it or sending it by prepaid, recorded delivery letter sent through the post; or
  - 20.2.2 by facsimile (in which case it shall be deemed to have been signed by or on behalf of the party giving it) to such facsimile number as any party may from time to time notify in writing to the others. A copy of any such notice shall also be sent by first class post to the last known principal place of business of the relevant party and to the relevant party's solicitors.
- 20.3 A notice served by post shall be deemed to have been served two Business Days after the day of posting and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted.
- 20.4 A notice served personally or by facsimile shall be deemed to have been served on the day of delivery or transmission if in the ordinary course of transmission it would first be received by the addressee on a Business Day prior to 4 pm and otherwise on the next Business Day.



## 21 MISCELLANEOUS

- 21.1 The Security Trustee may without discharging or in any way affecting the security created by this Debenture or any remedy of the Security Trustee grant time or other indulgence or abstain from exercising or enforcing any remedies, securities, guarantees or other rights which it may now or in the future have from or against the Chargor and may make any arrangement, variation or release with any person or persons without prejudice either to this Debenture or the liability of the Chargor for the Secured Obligations secured by this Debenture.
- 21.2 All the provisions of this Debenture are severable and distinct from one another and if, at any time, any one or more of the provisions of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity and enforceability of the remaining provisions of this Debenture nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.
- 21.3 The rights and remedies of the Security Trustee provided by this Debenture are cumulative and are not exclusive of any rights powers or remedies provided by law and may be exercised from time to time and as often as the Security Trustee may deem expedient.
- 21.4 This Debenture may be executed in any number of counterparts each of which when executed and delivered is an original, but all counterparts together constitute the same document.
- 21.5 A person who is not a party to this Debenture shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture. This clause does not affect any right or remedy of any person which exists, or is available, otherwise then pursuant to that Act.
- 21.6 At any time, without the consent of the Chargor, the Security Trustee may assign or transfer the whole or any part of its rights and obligations under this Debenture to any other person. The Chargor may not assign any of its rights, or transfer any of its obligations, under this debenture, or enter into any transaction that would result in any of those rights or obligations passing to another person.
- 21.7 Any waiver or variation of any right or remedy by the Security Trustee (whether arising under this debenture or under the general law), or any consent given under this Debenture, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 21.8 No act or course of conduct or negotiation by, or on behalf of, the Security Trustee shall, in any way, preclude the Security Trustee from exercising any right or remedy under this debenture or constitute a suspension or variation of any such right or remedy.

21.9 No delay or failure to exercise any right or remedy under this debenture shall operate as a waiver of that right or remedy.

21.10 No single or partial exercise of any right or remedy under this debenture shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this Debenture.

## **22 GOVERNING LAW AND JURISDICTION**

22.1 This Debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

22.2 The parties to this debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction.

22.3 The Chargor irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this Debenture relating to service of notices. Nothing contained in this debenture shall affect the right to serve process in any other manner permitted by law.

**EXECUTED** as a Deed and delivered on the date above.

SCHEDULE 1  
FREEHOLD AND LEASEHOLD PROPERTY

None

**SCHEDULE 2**  
**REGISTERED INTELLECTUAL PROPERTY**

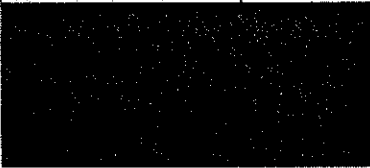
The following trademarks:

- MDM registered in EU number 009942632
- C.ONLINE registered in EU number 012422069
- CELLNOVO published subject to an objection from Novo Nordisk A/S in EU number 008136921, and registered in USA number 77708262
- C.PAL registered in EU number 012422085

The following domain names:

- [www.cellnovo.com](http://www.cellnovo.com)
- [www.cellnovo.co.uk](http://www.cellnovo.co.uk)
- [www.cellnovian.com](http://www.cellnovian.com)
- [www.cellnovosecure.com](http://www.cellnovosecure.com)
- [www.cellnovo-secure.com](http://www.cellnovo-secure.com)
- [www.starbridgesystems.co.uk](http://www.starbridgesystems.co.uk)

SCHEDULE 3  
SPECIFIED ACCOUNTS

Account name	Account Bank	Account number	Sort Code	Denomination
Cellnovo Limited	HSBC			Euro
Cellnovo Limited	HSBC			GBP
Cellnovo Limited	HSBC			GBP

## SCHEDULE 4

### Part 1

#### Form of bank account notices

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: [ ]

Copy to: Kreos Capital V (UK) Limited

Date: [ ]

Dear Sirs

Debenture dated [ ] (the "Debenture") between Cellnovo Limited (the "Chargor") and Kreos Capital V (UK) Limited (the "Security Trustee")

This letter constitutes notice to you that, pursuant to the Debenture, we have charged (by way of fixed charge) in favour of the Security Trustee all our present and future rights and interest in and to account number [ ] in our name with you (the "Account") together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights as defined in the Debenture.

We hereby irrevocably instruct and authorise you to:

- 1 credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 hold all sums from time to time standing to the credit of the Account to the order of the Security Trustee;
- 3 until such time as you receive notice signed by a director of the Security Trustee that an Event of Default has occurred and is continuing (a "Default Notice"), comply with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive signed by or on behalf of the Chargor;
- 4 following receipt of a Default Notice: (i) you shall comply only with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive from the Security Trustee and signed by a director of the Security Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions; and (ii) you will not accept or comply with any notice or instruction (including payment instructions) received from the Chargor;

- 5 disclose to the Security Trustee, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Account and the sums in the Account as the Security Trustee may from time to time request; and
- 6 send copies of all notices and communications relating to the Account to the Security Trustee as well as ourselves.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Account and that neither the Security Trustee, any Receiver nor any of their agents will at any time have any liability to you regarding the Account.

We are not permitted, without the Security Trustee's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Account or to close the Account.

The instructions in this notice may not be revoked or varied without the prior written consent of the Security Trustee.

This notice is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Trustee with a copy to us at the above address.

Yours faithfully

.....

[Authorised signatory of Chargor]

Part 2  
Form of Acknowledgement

[On the letterhead of the account bank]

To: Kreos Capital V (UK) Limited

Attention: [ ]

Copy to: Cellnovo Limited

Date: [ ]

Dear Sirs

Debenture dated [ ] (the "Debenture") between Cellnovo Limited (the "Chargor") and Kreos Capital V (UK) Limited (the "Security Trustee")

We confirm receipt from the Chargor of a notice dated [ ] 2017 [ ] (the "Notice") of the creation of a first fixed charge, pursuant to the terms of the Debenture, of all the Chargor's present and future rights and interest in and to account number [ ] held with us in the name of the Chargor (the "Account") together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights.

We confirm that:

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;  
  
we have not received notice of the creation of any other assignment or security regarding the Account or of the creation of any third party interest in the Account or in the sums of money held in the Account or the debts represented by those sums and we will notify you promptly should we receive any such notice;
- 2 we do not have and will not in future create, accept or enforce any security interest or right of set-off or combination or other right in respect of the Account, the sums of money held in the Account or the debts represented by those sums; and
- 3 we will not amend the terms or conditions upon which the Account is operated or close the Account without your prior written consent.

This letter is governed by English law.

Yours faithfully

.....

for and on behalf of

[third party bank]



## SCHEDULE 5 CONTRACTS

The following contracts:

- Manufacturing and assembly agreement with Flextronics Medical Sales and Marketing Limited of October 2012
- Horizon 2020 Framework Programme Research & Innovation Consortium Agreement European Commission : Project Patient Empowerment through Predictive PERsonalised decision support (Pepper) October 2015

SCHEDULE 6  
EQUIPMENT

<u>Description</u>	<u>Specific / Model Number</u>
<b>Production Line</b>	
<b><u>P200</u></b> Pneumatic Cropping fixture Assembly and press for actuator insert	
<b><u>P300</u></b> Wax Filling robot (complete station)	Asymtek Quantum Q-6800
<b><u>P550</u></b> Soldering robot	ma TR300
<b><u>P800</u></b> Leakqage and Flow Test	
<b>Acuator PCB Assembly FAR 5250-15127</b>	
Press-Fit machine for Pins	Autosplice AIS4500
<b>Mould Tooling</b>	
Fluidic Outlet tool	New Tool
Housing Body / Lid tool	New Tool
Septa tool	New Tool
Barp Clip Cover tool	New Tool

EXECUTION PAGE

SIGNED as a DEED by

**CELLNOVO LIMITED**

acting by ..... (director)

Director

In the presence of:

Witness Signature

Witness Name

Witness Address

Witness Occupation

SIGNED as a DEED by

**KREOS CAPITAL V (UK) LIMITED**

acting by MAURIZIO PETTIBON (director)

Director

In the presence of:

Witness Signature

Witness Name

Witness Address

Witness Occupation

Lauren Mahoney

Administrator