

MR01

Particulars of a charge

108970/k26

Laserform

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

☒ You **must** enclose a certified copy of the instrument with this form. This must be scanned and placed on the public record. **Do not send the original**



A3NBH28B

A37

23/12/2014

#410

COMPANIES HOUSE

1 Company details

Company number 0 4 6 1 0 7 2 7

Company name in full Thinksmart Europe Limited

2 For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 5 m 1 m 2 y 2 y 0 y 1 y 4

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Santander UK Plc

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

No specific land, ship, aircraft or intellectual property has been charged. For full details of the fixed charges please refer to the charging document directly.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ¹

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *D A Rizer UK LLP* X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Hayley Mason

Company name DLA Piper UK LLP

Address 101 Barbirolli Square

Manchester

Post town

County/Region

Postcode M 2 3 D L

Country

DX DX 14304 MANCHESTER

Telephone 08700 111 111



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4610727

Charge code: 0461 0727 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th December 2014 and created by THINKSMART EUROPE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2014.

Given at Companies House, Cardiff on 5th January 2015



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



DATED *15 December*

2014

(1) THINKSMART EUROPE LIMITED
as Chargor

- and -

(2) SANTANDER UK PLC
as Security Holder

CHARGE OVER SHARES



I CERTIFY THAT SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE *17/12/2014*

SIGNED *DLA Piper*
DLA PIPER UK LLP

CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	COVENANT TO PAY	4
3	GRANT OF SECURITY	4
4	CONTINUING SECURITY	5
5	LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS	5
6	REPRESENTATIONS	5
7	UNDERTAKINGS BY THE CHARGOR	6
8	RIGHTS AND OBLIGATIONS IN RESPECT OF CHARGED INVESTMENTS	8
9	POWER TO REMEDY	9
10	WHEN SECURITY BECOMES ENFORCEABLE	9
11	ENFORCEMENT OF SECURITY	10
12	RECEIVER	12
13	POWERS OF RECEIVER	13
14	APPLICATION OF PROCEEDS	14
15	SET-OFF	15
16	DELEGATION	15
17	FURTHER ASSURANCES	15
18	POWER OF ATTORNEY	16
19	PAYMENTS	16
20	STAMP DUTY	17
21	COSTS AND EXPENSES	17
22	CURRENCIES	17
23	INDEMNITY	18
24	CHANGES TO THE PARTIES	18
25	MISCELLANEOUS	18
26	NOTICES	19
27	CALCULATIONS AND CERTIFICATES	20
28	PARTIAL INVALIDITY	20
29	REMEDIES AND WAIVERS	21
30	AMENDMENTS AND WAIVERS	21
31	COUNTERPARTS	21
32	RELEASE	21
33	GOVERNING LAW	21
34	ENFORCEMENT	21
	SCHEDULE 1 THE INITIAL CHARGED SECURITIES	23

THIS CHARGE OVER SHARES is made on

15 December

2014

BETWEEN.

- (1) **THINKSMART EUROPE LIMITED**, a company incorporated and registered under the laws of England and Wales with number 04610727 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ (the "**Chargor**"), and
- (2) **SANTANDER UK PLC** as security trustee for each Secured Party (the "**Security Holder**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed at all times the following terms have the following meanings

"**Act**" means the Law of Property Act 1925,

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London,

"**Company**" means Thinksmart Financial Services Limited, a company incorporated and registered under the laws of England and Wales with number 05176340 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ

"**Charged Investments**" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,

"**Charged Securities**" means

- (a) the securities specified in the schedule (*The Initial Charged Securities*),
- (b) any other stocks, shares, debentures, bonds or other securities of the Company now or in future owned (legally or beneficially) by the Chargor, held by any nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time, and
- (c) any Related Rights which are constituted by any stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor, held by any nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time,

"**Default**" means an Event of Default or any event or circumstance specified in clause 10 (*When security becomes enforceable*) which would with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing be an Event of Default,

"**Default Rate**" means the rate of interest payable in accordance with the terms of any agreements or letters setting out the terms of or constituting the relevant Secured Obligations

in relation to any amount which is not paid on the due date for payment or if none, or the relevant Secured Party is unable to determine which rate otherwise applies at the relevant time, the rate which is 4% (four per cent) above that Secured Party's published base rate from time to time,

"Event of Default" means each of the events listed in clause 10 (*When security becomes enforceable*),

"Facility Agreement" means a revolving facility agreement dated on or around the date of this Deed between (1) the Chargor as parent, (2) the Company as borrower and (3) the Lender as lender,

"Lender" means Santander UK plc,

"Lender Group" means the Lender and its Subsidiaries from time to time,

"Lender Group Member" means each member of the Lender Group,

"Party" means a party to this Deed,

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Security Holder under this Deed,

"Related Rights" means, in relation to any Charged Security.

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

"Secured Obligations" means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Holder and/or the other Lender Group Member by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in the Security Holder or a Lender Group Member and including interest, discount, commission and other lawful charges or expenses which the Security Holder and/or a Lender Group Member may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual rates and practice (or otherwise agreed in writing) after as well as before any demand made or judgment or decree contained under or in relation to this Deed,

"Secured Party" means the Security Holder and each Lender Group Member,

"Security" means the Security Interests created by or pursuant to this Deed,

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed,

"Security Interest" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security,

"Security Period" means the period beginning on the date of this Deed and ending on the date on which

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) no Lender Group Member has any further commitment, obligation or liability to the Chargor or the Company (including to make any finance credit or other accommodation available to the Chargor and/or the Company), and

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006

1 2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to
 - (i) the **"Chargor"**, the **"Security Holder"**, any **"Lender Group Member"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
 - (ii) **"this Deed"** or any other agreement or instrument shall be construed as a reference to this Deed or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or provides for further advances),
 - (iii) **"assets"** includes any present and future properties, revenues and rights of every description and includes uncalled capital,
 - (iv) **"including"** or **"includes"** means including or includes without limitation,
 - (v) **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor,
 - (vi) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vii) the singular includes the plural and vice versa
- (b) References to clauses and the schedule are to be construed, unless otherwise stated, as references to clauses and the schedule of this Deed and references to this Deed include its schedule
- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed
- (d) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed

- (i) must be complied with at all times during the Security Period, and
- (ii) is given by the Chargor for the benefit of the Security Holder and each other Lender Group Member
- (e) If the Security Holder reasonably considers that an amount paid by the Chargor to a Secured Party under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a Party shall not, unless specifically stated herein, have any right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2 1(a)

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full, at the Default Rate from time to time
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Holder states are appropriate

3. GRANT OF SECURITY

3.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this Deed are created or made

- (a) in favour of the Security Holder,
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and
- (c) as continuing security for payment of the Secured Obligations

3.2 Charged Investments

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

- (a) by way of first fixed charge the Charged Securities referred to in the schedule (*The Initial Charged Securities*), and
- (b) by way of first fixed charge all other Charged Securities (not charged by clause 3.2(a)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments

4. CONTINUING SECURITY

4.1 Continuing security

The Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

4.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which the Security Holder and/or any other Secured Party may at any time hold for any Secured Obligation.

4.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Holder and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it or any of them.

5. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Holder is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of such condition or obligation.

6. REPRESENTATIONS

6.1 General

The Chargor makes the representations and warranties set out in this clause 6 to the Security Holder and each other Secured Party.

6.2 No Security Interests

The Security Assets are, or when acquired will be, legally and beneficially owned by the Chargor free from any Security Interest other than as created by this Deed

6.3 Ranking

The Security has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security Interests

6.4 No avoidance

This Deed creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise

6.5 No proceedings pending or threatened

No litigation, arbitration or administrative proceeding has currently been started or threatened in relation to any Security Asset

6.6 Charged Securities fully paid

The Charged Securities are fully paid

6.7 Entire share capital

The Charged Securities constitute the entire share capital of the Company

6.8 Time when representations made

- (a) All the representations and warranties in this clause 6 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor at monthly intervals after the date of this Deed
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made

7. UNDERTAKINGS BY THE CHARGOR

7.1 Restrictions on dealing

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Holder

- (a) create or permit to subsist any Security Interest on any Security Asset,
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset, or

- (c) take or permit the taking of any action which may result in
 - (i) the rights attaching to any Security Asset being altered, or
 - (ii) further securities in the Company being issued
- (d) nominate another person to enjoy or exercise all or any of its specified rights in relation to any Security Asset, as contemplated by section 145 of the Companies Act 2006 or otherwise

7.2 Deposit of documents of title

The Chargor shall, immediately upon execution of this Deed or (in relation only to any Charged Security acquired after the date of this Deed) as soon as is practicable after its acquisition of such Charged Security) by way of security for the Secured Obligations

- (a) deposit with the Security Holder (or as the Security Holder may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights, and
- (b) execute and deliver to the Security Holder
 - (i) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (ii) such other documents as the Security Holder shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser)

7.3 Notification

The Chargor shall

- (a) notify the Security Holder within 14 days of receipt of every notice received by it in relation to the Security Assets, and
- (b) (if required by the Security Holder) shall immediately provide it with a copy of that notice and either (A) comply with such notice or (B) make such objections to it as the Security Holder may require or approve

7.4 Calls

- (a) The Chargor shall promptly pay all calls or other payments which may become due in respect of the Security Assets and all other outgoings in respect of the Security Assets
- (b) If the Chargor fails to make such payments, the Security Holder may (without prejudice to the rights of the Security Holder under clause 9 (*Power to remedy*)) make such payments on behalf of the Chargor
- (c) Any sums so paid by the Security Holder shall be repayable by the Chargor to the Security Holder on demand together with interest at the Default Rate (both before and

after judgment) from the date on which those payments were made by the Security Holder and otherwise in accordance with clause 2.2 (*Default interest*)

7.5 Compliance with laws

The Chargor shall comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under by-laws, regulations or requirements of any competent authority or other approvals, licences and consents

7.6 Information

- (a) The Chargor shall provide the Security Holder with all information which it may reasonably request in relation to the Security Assets
- (b) Without limiting its obligations under clause 7.6(a), the Chargor shall comply with all requests for information relating to a Security Asset which is within its knowledge and which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the Company were a public limited company or under any similar provision relating to the Security Assets and, if it fails to do so, the Security Holder may provide such information as it may have on behalf of the Chargor

7.7 Not prejudice

The Chargor shall not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

8. RIGHTS AND OBLIGATIONS IN RESPECT OF CHARGED INVESTMENTS

8.1 Before Event of Default

Until an Event of Default occurs (and following the waiver of each Event of Default that has occurred), the Chargor shall be entitled to

- (a) receive and retain all dividends, distributions and other monies paid on or derived from the Charged Securities, and
- (b) exercise all voting and other rights and powers attaching to the Charged Securities, provided that it must not do so in a manner which
 - (i) has the effect of changing the terms of the Charged Securities (or any class of them) or of any Related Rights, or
 - (ii) is prejudicial to the interests of the Security Holder and/or the other Secured Parties under this Deed

8.2 Rights in respect of Charged Investments following an Event of Default

At any time following the occurrence of an Event of Default which is continuing, the Security Holder may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select

8.3 Exoneration of the Security Holder

At any time when any Charged Security is registered in the name of the Security Holder or its nominee, the Security Holder shall be under no duty to

- (a) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee, or
- (b) verify that the correct amounts are paid or received, or
- (c) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for such Charged Security

9. POWER TO REMEDY

9.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Holder (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Security Holder and its employees and agents by way of security to do all things which are necessary or desirable to rectify that default.

9.2 Mortgagee in possession

The exercise of the powers of the Security Holder under this clause 9 shall not render it or any other Secured Party liable as a mortgagee in possession.

9.3 Monies expended

The Chargor shall pay to the Security Holder on demand any monies which are expended by the Security Holder in exercising its powers under this clause 9 together with interest at the Default Rate from the date on which those monies were expended by the Security Holder (both before and after judgment) and otherwise in accordance with clause 2 1(a) (*The Chargor*, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due).

- (a) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2 1(a)

Default interest)

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an event of default or termination event (howsoever defined) in any financing agreement between any Lender Group Member and the Company (subject to any applicable grace periods) and at any time following the occurrence of any of the following events and shall remain so for so long as such event is continuing.

- (a) if the Chargor has failed to pay all or any of the Secured Obligations following a demand for payment by the Secured Party to whom such Secured Obligations are owed,
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor,
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets,
- (d) the making of a request by the Chargor for the appointment of a Receiver or administrator,
- (e) any other indebtedness of the Chargor is
 - (i) not paid when due nor within any applicable grace period,
 - (ii) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), or
 - (iii) any commitment for indebtedness is cancelled or suspended as a result of an event of default (however described),
- (f) if the Chargor breaches any of the provisions of this Deed,
- (g) the Chargor rescinds or purports to rescind or repudiate or evidence an intention to rescind or repudiate this Deed

10.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing

10.3 Enforcement

After this Security has become enforceable, the Security Holder may in its absolute discretion enforce all or any part of the Security in such manner as it sees fit

11. ENFORCEMENT OF SECURITY

11.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security

11.2 Powers of Security Holder

At any time after the Security becomes enforceable, the Security Holder may without further notice (unless required by law)

- (a) (or if so requested by the Chargor by written notice at any time may) appoint any person or persons to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
- (b) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor, and/or
- (c) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver, and/or
- (d) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Security Assets are registered or who is the holder of any of them

11.3 Redemption of prior mortgages

At any time after the Security has become enforceable, the Security Holder may

- (a) redeem any prior Security Interest against any Security Asset, and/or
- (b) procure the transfer of that Security Interest to itself, and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on the Chargor

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Holder on demand

11.4 Privileges

- (a) Each Receiver and the Security Holder is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226)) each Receiver and the Security Holder shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 11 4(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Holder reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

11.5 No liability

- (a) Neither the Security Holder, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct)
- (b) Without prejudice to the generality of clause 11.5(a), neither the Security Holder, any other Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable

11.6 Protection of third parties

No person (including a purchaser) dealing with the Security Holder or any Receiver, delegate or sub-delegate or any of its or his agents will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which the Security Holder or the Receiver is purporting to exercise has become exercisable, or
- (c) how any money paid to the Security Holder or to the Receiver is to be applied

12. RECEIVER

12.1 Removal and replacement

The Security Holder may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated

12.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document)

12.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Holder (or, failing such agreement, to be fixed by the Security Holder)

12.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Holder in relation to the Secured Obligations shall be capable of being applied by the Security Holder in discharge of the Secured Obligations

12.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

13. POWERS OF RECEIVER

13.1 General powers

Any Receiver shall have

- (a) all powers which are conferred on the Security Holder by clause 11.2 (*Powers of Security Holder*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers.

13.2 Additional powers

In addition to the powers referred to in clause 13.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets as he thinks fit,
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor,
- (f) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was

appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),

- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit,
- (h) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Holder shall direct),
- (i) to appoint and employ such managers and officers and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm), and
- (j) to
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and
 - (iii) use the name of the Chargor for any of the above purposes

14. APPLICATION OF PROCEEDS

14.1 Application

All monies received by the Security Holder or any Receiver under or in connection with this Deed or the Security Assets after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security) be applied in the following order

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred and payments made by the Security Holder, any other Secured Party or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets,
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 14 3 (*Appropriation and suspense account*), and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it

14.2 Contingencies

If the Security is enforced at a time when no Secured Obligations are due, the Security Holder or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account

14.3 Appropriation and suspense account

- (a) Subject to clause 14.1 (*Application*), the Security Holder shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by the Chargor
- (c) All monies received, recovered or realised by the Security Holder under or in connection with this Deed may at the discretion of the Security Holder be credited to a separate interest-bearing suspense account for so long as the Security Holder determines (with interest accruing thereon at such rate (if any) as the Security Holder usually grants for accounts of that size and nature without the Security Holder having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full

15. SET-OFF

- (a) The Chargor agrees that any money from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Security Holder or any other Secured Party may be retained as cover for and/or applied by the Security Holder or that other Secured Party at any time and without notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Obligations or such part of them as the Security Holder or other Secured Party may select
- (b) If the Security Holder or any other Secured Party exercises any rights in respect of any money as referred to in clause 15(a) (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Chargor and that liability or any part of it is in a different currency from any credit balance against which the Security Holder or other Secured Party seeks to exercise its rights, the relevant Secured Party may use the currency of the credit balance to purchase an amount in the currency of the liability at the relevant Secured Party's spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by that Secured Party in connection with that purchase
- (c) No Secured Party shall be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by that Secured Party
- (d) Any Lender Group Member may rely on this clause 15 subject to the provisions of the Third Parties Act

16 DELEGATION

Each of the Security Holder and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Holder nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

17. FURTHER ASSURANCES

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Security Holder or a Receiver may reasonably specify (and in such form as the Security Holder or a Receiver may reasonably require) for

- (a) creating, perfecting or protecting the Security Interests intended to be created by this Deed,
- (b) facilitating the realisation of any Security Asset, or
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Holder, any Receiver or any of its or their delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Security Holder or to its nominees, the giving of any notice, order or direction and the making of any registration which, in any such case, the Security Holder may think expedient

17.2 Security Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interests conferred or intended to be conferred on the Security Holder or any other Secured Party

18. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Holder, each Receiver and any of its or their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed, including under clause 17 (*Further assurances*), which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

19. PAYMENTS

19.1 Payments

Subject to clause 19.2 (*Gross-up*), all payments to be made by the Chargor in respect of this Deed shall be made

- (a) in immediately available funds to the credit of such account as the Security Holder may designate, and
- (b) without (and free and clear of, and without any deduction for or on account of)
 - (i) any set-off or counterclaim, or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax

19.2 Gross-up

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Holder or any other Secured Party, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Security Holder or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed

20. STAMP DUTY

The Chargor shall

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith, and
- (b) indemnify the Security Holder, each other Secured Party and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges

21. COSTS AND EXPENSES

21.1 Enforcement and preservation costs

The Chargor shall promptly on demand pay to the Security Holder, each other Secured Party and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver)

21.2 Default interest

Any amount demanded under clause 21.1 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause (a) (*The Chargor*, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due

- (a) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a)

Default interest)

21.3 Third Parties Act

Any Lender Group Member may rely on this clause 21 subject to the provisions of the Third Parties Act

22. CURRENCIES

22.1 Conversion

All monies received or held by the Security Holder or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Holder or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Holder's spot rate of exchange. The Chargor shall indemnify the Security Holder against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Holder nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

22.2 Currency indemnity

No payment to the Security Holder (whether under any judgment or court order or in the liquidation, administration or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Security Holder shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Holder shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security to recover the amount of the shortfall.

23 INDEMNITY

The Chargor shall indemnify the Security Holder, each other Secured Party, any Receiver and any attorney, agent or other person appointed by the Security Holder under this Deed and the Security Holder's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed,
- (b) the Security Assets or the use or holding of them by any person, or
- (c) any breach by the Chargor of any of its obligations under this Deed.

Any Lender Group Member may rely on this clause 23 subject to the provisions of the Third Parties Act.

24. CHANGES TO THE PARTIES

24.1 Charging Companies

The Chargor may not assign any of its rights or obligations under this Deed.

24.2 Security Holder

Subject to compliance with the provisions of clause 28 (*Changes to the Lender*) of the Facility Agreement for such period as the Facility Agreement is in force, the Security Holder may assign or transfer all or any part of its rights under this Deed. The Chargor shall, immediately

upon being requested to do so by the Security Holder, enter into such documents as may be necessary or desirable to effect such assignment or transfer

25. MISCELLANEOUS

25.1 New accounts

- (a) If the Security Holder or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Holder or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

25.2 Tacking

- (a) Each Secured Party shall perform its obligations (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

26. NOTICES

26.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax, letter or by such other means as the Parent and the Lender may agree from time to time.

26.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is

- (a) in the case of the Chargor, that identified with its name below, and
- (b) in the case of the Security Holder, that identified with its name below,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Holder (or the Security Holder may notify to the Chargor, if a change is made by the Security Holder) by not less than five Business Days' notice.

26.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective
 - (i) if by way of fax, when received in legible form,

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, OR

(iii) if through Client Access, at the time of sending,

and, if a particular department or officer is specified as part of its address details provided under clause 26 2 (*Addresses*), if addressed to that department or officer

- (b) Any communication or document to be made or delivered to the Security Holder will be effective only when actually received by the Security Holder and then only if it is expressly marked for the attention of the department or officer identified with the Security Holder's signature below (or any substitute department or officer as the Security Holder shall specify for this purpose)
- (c) Any communication or document which becomes effective, in accordance with clauses 26 2(a) and 26 2(b), after 5 00pm in the place of receipt shall be deemed only to become effective on the following day

26 4 Notification of address and fax number

Promptly upon changing its address or fax number, the Security Holder shall notify the Chargor

26.5 Electronic communication

- (a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the Parties
- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means, and
- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Chargor to the Security Holder only if it is addressed in such a manner as the Security Holder shall specify for this purpose
- (c) Any electronic communication which becomes effective, in accordance with clause 26 5(b), after 5 00pm in the place of receipt shall be deemed only to become effective on the following day

26.6 English language

- (a) Any notice given under or in connection with this Deed must be in English
- (b) All other documents provided under or in connection with this Deed must be
- (i) in English, or

- (ii) if not in English, and if so required by the Security Holder, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

27. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Security Holder or any other Secured Party specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates. Any Lender Group Member may rely on this clause 27 subject to the provisions of the Third Parties Act.

28. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

29. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Holder or any other Secured Party, any right or remedy under this Deed or otherwise in respect of the Secured Obligations shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law. Any Lender Group Member may rely on this clause 29 subject to the provisions of the Third Parties Act.

30. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Holder and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Holder so agrees in writing. A waiver given or consent granted by the Security Holder under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

31. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

32. RELEASE

32.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Holder shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

32.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Holder may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

33. GOVERNING LAW

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

34. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This clause 34 is for the benefit of the Security Holder and the other Secured Parties only. As a result, the Security Holder and each other Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Holder and each other Secured Party may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Security Holder and has been delivered on the first date specified on page 1 of this Deed by the Chargor.

SCHEDULE 1. THE INITIAL CHARGED SECURITIES

Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Thinksmart Financial Services Limited	Ordinary shares of £1 00	400,000	£400,000

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
THINKSMART EUROPE LIMITED by a)
director in the presence of a witness)

Signature

Name (block capitals)

[Redacted Signature]

GARY HALTON
Director

Witness signature

[Redacted Witness Signature]

Witness name
(block capitals)

SUZANNE TAYLOR

Witness address

DWF LLP
1 Scott Place
2 Hardman Street
Manchester M3 3AA

Address: 7th Floor Oakland House, Talbot Road, Old Trafford, Manchester,
Greater Manchester M16 0PQ

Facsimile No 0161 333 2450

Attention: Gary Halton

THE SECURITY HOLDER

Signed by _____ for)
and on behalf of **SANTANDER UK PLC**)
)

Signature _____

Address: 298 Deansgate Manchester M3 4HH

Facsimile No 0161 953 3301

Attention David Chell/Pat Madden



DATED *15 December* 2014

(1) THINKSMART EUROPE LIMITED
as Chargor

- and -

(2) SANTANDER UK PLC
as Security Holder

CHARGE OVER SHARES



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE *17/12/2014*

SIGNED *DLA Piper*
DLA PIPER UK LLP

CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	COVENANT TO PAY	4
3	GRANT OF SECURITY	4
4	CONTINUING SECURITY	5
5	LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS	5
6	REPRESENTATIONS	5
7	UNDERTAKINGS BY THE CHARGOR	6
8	RIGHTS AND OBLIGATIONS IN RESPECT OF CHARGED INVESTMENTS	8
9	POWER TO REMEDY	9
10	WHEN SECURITY BECOMES ENFORCEABLE	9
11	ENFORCEMENT OF SECURITY	10
12	RECEIVER	12
13	POWERS OF RECEIVER	13
14	APPLICATION OF PROCEEDS	14
15	SET-OFF	15
16	DELEGATION	15
17	FURTHER ASSURANCES	15
18	POWER OF ATTORNEY	16
19	PAYMENTS	16
20	STAMP DUTY	17
21	COSTS AND EXPENSES	17
22	CURRENCIES	17
23	INDEMNITY	18
24	CHANGES TO THE PARTIES	18
25	MISCELLANEOUS	18
26	NOTICES	19
27	CALCULATIONS AND CERTIFICATES	20
28	PARTIAL INVALIDITY	20
29	REMEDIES AND WAIVERS	21
30	AMENDMENTS AND WAIVERS	21
31	COUNTERPARTS	21
32	RELEASE	21
33	GOVERNING LAW	21
34	ENFORCEMENT	21
	SCHEDULE 1. THE INITIAL CHARGED SECURITIES	23

THIS CHARGE OVER SHARES is made on

15 December

2014

BETWEEN:

- (1) **THINKSMART EUROPE LIMITED**, a company incorporated and registered under the laws of England and Wales with number 04610727 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ (the "**Chargor**"), and
- (2) **SANTANDER UK PLC** as security trustee for each Secured Party (the "**Security Holder**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed at all times the following terms have the following meanings

"**Act**" means the Law of Property Act 1925,

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London,

"**Company**" means Thinksmart Financial Services Limited, a company incorporated and registered under the laws of England and Wales with number 05176340 with its registered office at 7th Floor, Oakland House, Talbot Road, Old Trafford, Manchester, M16 0PQ

"**Charged Investments**" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,

"**Charged Securities**" means

- (a) the securities specified in the schedule (*The Initial Charged Securities*),
- (b) any other stocks, shares, debentures, bonds or other securities of the Company now or in future owned (legally or beneficially) by the Chargor, held by any nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time, and
- (c) any Related Rights which are constituted by any stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor, held by any nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time,

"**Default**" means an Event of Default or any event or circumstance specified in clause 10 (*When security becomes enforceable*) which would with the expiry of a grace period, the giving of notice, the making of any determination or any combination of the foregoing be an Event of Default,

"**Default Rate**" means the rate of interest payable in accordance with the terms of any agreements or letters setting out the terms of or constituting the relevant Secured Obligations

in relation to any amount which is not paid on the due date for payment or if none, or the relevant Secured Party is unable to determine which rate otherwise applies at the relevant time, the rate which is 4% (four per cent) above that Secured Party's published base rate from time to time,

"Event of Default" means each of the events listed in clause 10 (*When security becomes enforceable*),

"Facility Agreement" means a revolving facility agreement dated on or around the date of this Deed between (1) the Chargor as parent, (2) the Company as borrower and (3) the Lender as lender,

"Lender" means Santander UK plc,

"Lender Group" means the Lender and its Subsidiaries from time to time,

"Lender Group Member" means each member of the Lender Group,

"Party" means a party to this Deed,

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Security Holder under this Deed,

"Related Rights" means, in relation to any Charged Security

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

"Secured Obligations" means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Security Holder and/or the other Lender Group Member by the Chargor, whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor or cautioner), including any money and liabilities of the Chargor to a third party which have been assigned or novated to or otherwise vested in the Security Holder or a Lender Group Member and including interest, discount, commission and other lawful charges or expenses which the Security Holder and/or a Lender Group Member may in the course of its business charge or incur in respect of any of those matters or for keeping the Chargor's account, and so that interest shall be computed and compounded according to the usual rates and practice (or otherwise agreed in writing) after as well as before any demand made or judgment or decree contained under or in relation to this Deed,

"Secured Party" means the Security Holder and each Lender Group Member,

"Security" means the Security Interests created by or pursuant to this Deed,

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed,

"Security Interest" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) no Lender Group Member has any further commitment, obligation or liability to the Chargor or the Company (including to make any finance credit or other accommodation available to the Chargor and/or the Company), and

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to
 - (i) the **"Chargor"**, the **"Security Holder"**, any **"Lender Group Member"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees,
 - (ii) **"this Deed"** or any other agreement or instrument shall be construed as a reference to this Deed or such other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or provides for further advances),
 - (iii) **"assets"** includes any present and future properties, revenues and rights of every description and includes uncalled capital,
 - (iv) **"including"** or **"includes"** means including or includes without limitation,
 - (v) **"Secured Obligations"** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor,
 - (vi) a provision of law is a reference to that provision as amended or re-enacted, and
 - (vii) the singular includes the plural and vice versa
- (b) References to clauses and the schedule are to be construed, unless otherwise stated, as references to clauses and the schedule of this Deed and references to this Deed include its schedule
- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed
- (d) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed

- (i) must be complied with at all times during the Security Period, and
 - (ii) is given by the Chargor for the benefit of the Security Holder and each other Lender Group Member
- (e) If the Security Holder reasonably considers that an amount paid by the Chargor to a Secured Party under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand

1.3 Third party rights

A person who is not a Party shall not, unless specifically stated herein, have any right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a)

2.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full, at the Default Rate from time to time
- (b) Default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Holder states are appropriate

3. GRANT OF SECURITY

3.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this Deed are created or made

- (a) in favour of the Security Holder,
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and
- (c) as continuing security for payment of the Secured Obligations

3.2 Charged Investments

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

- (a) by way of first fixed charge the Charged Securities referred to in the schedule (*The Initial Charged Securities*), and
- (b) by way of first fixed charge all other Charged Securities (not charged by clause 3 2(a)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments

4. CONTINUING SECURITY

4.1 Continuing security

The Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

4.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which the Security Holder and/or any other Secured Party may at any time hold for any Secured Obligation.

4.3 Right to enforce

This Deed may be enforced against the Chargor without the Security Holder and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it or any of them.

5. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Holder is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of such condition or obligation.

6. REPRESENTATIONS

6.1 General

The Chargor makes the representations and warranties set out in this clause 6 to the Security Holder and each other Secured Party.

6.2 No Security Interests

The Security Assets are, or when acquired will be, legally and beneficially owned by the Chargor free from any Security Interest other than as created by this Deed

6.3 Ranking

The Security has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security Interests.

6.4 No avoidance

This Deed creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise

6.5 No proceedings pending or threatened

No litigation, arbitration or administrative proceeding has currently been started or threatened in relation to any Security Asset

6.6 Charged Securities fully paid

The Charged Securities are fully paid

6.7 Entire share capital

The Charged Securities constitute the entire share capital of the Company

6.8 Time when representations made

- (a) All the representations and warranties in this clause 6 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor at monthly intervals after the date of this Deed
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made

7. UNDERTAKINGS BY THE CHARGOR

7.1 Restrictions on dealing

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Holder

- (a) create or permit to subsist any Security Interest on any Security Asset,
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset, or

- (c) take or permit the taking of any action which may result in
 - (i) the rights attaching to any Security Asset being altered, or
 - (ii) further securities in the Company being issued
- (d) nominate another person to enjoy or exercise all or any of its specified rights in relation to any Security Asset, as contemplated by section 145 of the Companies Act 2006 or otherwise

7.2 Deposit of documents of title

The Chargor shall, immediately upon execution of this Deed or (in relation only to any Charged Security acquired after the date of this Deed) as soon as is practicable after its acquisition of such Charged Security) by way of security for the Secured Obligations

- (a) deposit with the Security Holder (or as the Security Holder may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights, and
- (b) execute and deliver to the Security Holder
 - (i) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (ii) such other documents as the Security Holder shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser)

7.3 Notification

The Chargor shall

- (a) notify the Security Holder within 14 days of receipt of every notice received by it in relation to the Security Assets, and
- (b) (if required by the Security Holder) shall immediately provide it with a copy of that notice and either (A) comply with such notice or (B) make such objections to it as the Security Holder may require or approve

7.4 Calls

- (a) The Chargor shall promptly pay all calls or other payments which may become due in respect of the Security Assets and all other outgoings in respect of the Security Assets
- (b) If the Chargor fails to make such payments, the Security Holder may (without prejudice to the rights of the Security Holder under clause 9 (*Power to remedy*)) make such payments on behalf of the Chargor
- (c) Any sums so paid by the Security Holder shall be repayable by the Chargor to the Security Holder on demand together with interest at the Default Rate (both before and

after judgment) from the date on which those payments were made by the Security Holder and otherwise in accordance with clause 2.2 (*Default interest*)

7.5 Compliance with laws

The Chargor shall comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under by-laws, regulations or requirements of any competent authority or other approvals, licences and consents

7.6 Information

- (a) The Chargor shall provide the Security Holder with all information which it may reasonably request in relation to the Security Assets
- (b) Without limiting its obligations under clause 7.6(a), the Chargor shall comply with all requests for information relating to a Security Asset which is within its knowledge and which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the Company were a public limited company or under any similar provision relating to the Security Assets and, if it fails to do so, the Security Holder may provide such information as it may have on behalf of the Chargor

7.7 Not prejudice

The Chargor shall not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

8. RIGHTS AND OBLIGATIONS IN RESPECT OF CHARGED INVESTMENTS

8.1 Before Event of Default

Until an Event of Default occurs (and following the waiver of each Event of Default that has occurred), the Chargor shall be entitled to

- (a) receive and retain all dividends, distributions and other monies paid on or derived from the Charged Securities, and
- (b) exercise all voting and other rights and powers attaching to the Charged Securities, provided that it must not do so in a manner which
 - (i) has the effect of changing the terms of the Charged Securities (or any class of them) or of any Related Rights, or
 - (ii) is prejudicial to the interests of the Security Holder and/or the other Secured Parties under this Deed

8.2 Rights in respect of Charged Investments following an Event of Default

At any time following the occurrence of an Event of Default which is continuing, the Security Holder may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select

8.3 Exoneration of the Security Holder

At any time when any Charged Security is registered in the name of the Security Holder or its nominee, the Security Holder shall be under no duty to

- (a) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee, or
- (b) verify that the correct amounts are paid or received, or
- (c) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for such Charged Security

9. POWER TO REMEDY

9.1 Power to remedy

If at any time the Chargor does not comply with any of its obligations under this Deed, the Security Holder (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Security Holder and its employees and agents by way of security to do all things which are necessary or desirable to rectify that default.

9.2 Mortgagee in possession

The exercise of the powers of the Security Holder under this clause 9 shall not render it or any other Secured Party liable as a mortgagee in possession.

9.3 Monies expended

The Chargor shall pay to the Security Holder on demand any monies which are expended by the Security Holder in exercising its powers under this clause 9 together with interest at the Default Rate from the date on which those monies were expended by the Security Holder (both before and after judgment) and otherwise in accordance with clause 2 1(a) (*The Chargor*, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due).

- (a) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2 1(a)

Default interest)

10. WHEN SECURITY BECOMES ENFORCEABLE

10.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an event of default or termination event (howsoever defined) in any financing agreement between any Lender Group Member and the Company (subject to any applicable grace periods) and at any time following the occurrence of any of the following events and shall remain so for so long as such event is continuing.

- (a) if the Chargor has failed to pay all or any of the Secured Obligations following a demand for payment by the Secured Party to whom such Secured Obligations are owed,
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to appoint an administrator in respect of the Chargor,
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Chargor or by any other person to wind up or dissolve the Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of the Chargor or any part of its undertaking or assets,
- (d) the making of a request by the Chargor for the appointment of a Receiver or administrator,
- (e) any other indebtedness of the Chargor is
 - (i) not paid when due nor within any applicable grace period,
 - (ii) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), or
 - (iii) any commitment for indebtedness is cancelled or suspended as a result of an event of default (however described),
- (f) if the Chargor breaches any of the provisions of this Deed,
- (g) the Chargor rescinds or purports to rescind or repudiate or evidence an intention to rescind or repudiate this Deed

10.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing

10.3 Enforcement

After this Security has become enforceable, the Security Holder may in its absolute discretion enforce all or any part of the Security in such manner as it sees fit

11. ENFORCEMENT OF SECURITY

11.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security

11.2 Powers of Security Holder

At any time after the Security becomes enforceable, the Security Holder may without further notice (unless required by law)

- (a) (or if so requested by the Chargor by written notice at any time may) appoint any person or persons to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
- (b) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor, and/or
- (c) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver, and/or
- (d) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Security Assets are registered or who is the holder of any of them

11.3 Redemption of prior mortgages

At any time after the Security has become enforceable, the Security Holder may

- (a) redeem any prior Security Interest against any Security Asset, and/or
- (b) procure the transfer of that Security Interest to itself, and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on the Chargor

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Holder on demand

11.4 Privileges

- (a) Each Receiver and the Security Holder is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226)) each Receiver and the Security Holder shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations
- (c) For the purpose of clause 11 4(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Holder reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

11.5 No liability

- (a) Neither the Security Holder, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct)
- (b) Without prejudice to the generality of clause 11.5(a), neither the Security Holder, any other Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable

11.6 Protection of third parties

No person (including a purchaser) dealing with the Security Holder or any Receiver, delegate or sub-delegate or any of its or his agents will be concerned to enquire

- (a) whether the Secured Obligations have become payable, or
- (b) whether any power which the Security Holder or the Receiver is purporting to exercise has become exercisable, or
- (c) how any money paid to the Security Holder or to the Receiver is to be applied

12. RECEIVER

12.1 Removal and replacement

The Security Holder may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated

12.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document)

12.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Holder (or, failing such agreement, to be fixed by the Security Holder)

12.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Holder in relation to the Secured Obligations shall be capable of being applied by the Security Holder in discharge of the Secured Obligations

12.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

13. POWERS OF RECEIVER

13.1 General powers

Any Receiver shall have

- (a) all powers which are conferred on the Security Holder by clause 11.2 (*Powers of Security Holder*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers.

13.2 Additional powers

In addition to the powers referred to in clause 13.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets as he thinks fit,
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor,
- (f) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was

appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),

- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit,
- (h) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Holder shall direct),
- (i) to appoint and employ such managers and officers and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm), and
- (j) to
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and
 - (iii) use the name of the Chargor for any of the above purposes

14. APPLICATION OF PROCEEDS

14.1 Application

All monies received by the Security Holder or any Receiver under or in connection with this Deed or the Security Assets after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security) be applied in the following order

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred and payments made by the Security Holder, any other Secured Party or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets,
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 14.3 (*Appropriation and suspense account*), and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it

14.2 Contingencies

If the Security is enforced at a time when no Secured Obligations are due, the Security Holder or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account

14.3 Appropriation and suspense account

- (a) Subject to clause 14.1 (*Application*), the Security Holder shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by the Chargor
- (c) All monies received, recovered or realised by the Security Holder under or in connection with this Deed may at the discretion of the Security Holder be credited to a separate interest-bearing suspense account for so long as the Security Holder determines (with interest accruing thereon at such rate (if any) as the Security Holder usually grants for accounts of that size and nature without the Security Holder having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full

15. SET-OFF

- (a) The Chargor agrees that any money from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Security Holder or any other Secured Party may be retained as cover for and/or applied by the Security Holder or that other Secured Party at any time and without notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Obligations or such part of them as the Security Holder or other Secured Party may select
- (b) If the Security Holder or any other Secured Party exercises any rights in respect of any money as referred to in clause 15(a) (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Chargor and that liability or any part of it is in a different currency from any credit balance against which the Security Holder or other Secured Party seeks to exercise its rights, the relevant Secured Party may use the currency of the credit balance to purchase an amount in the currency of the liability at the relevant Secured Party's spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by that Secured Party in connection with that purchase
- (c) No Secured Party shall be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by that Secured Party
- (d) Any Lender Group Member may rely on this clause 15 subject to the provisions of the Third Parties Act

16. DELEGATION

Each of the Security Holder and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Holder nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

17. FURTHER ASSURANCES

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Security Holder or a Receiver may reasonably specify (and in such form as the Security Holder or a Receiver may reasonably require) for

- (a) creating, perfecting or protecting the Security Interests intended to be created by this Deed,
- (b) facilitating the realisation of any Security Asset, or
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Holder, any Receiver or any of its or their delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to the Security Holder or to its nominees, the giving of any notice, order or direction and the making of any registration which, in any such case, the Security Holder may think expedient

17.2 Security Documents

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interests conferred or intended to be conferred on the Security Holder or any other Secured Party

18. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Holder, each Receiver and any of its or their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed, including under clause 17 (*Further assurances*), which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

19. PAYMENTS

19.1 Payments

Subject to clause 19.2 (*Gross-up*), all payments to be made by the Chargor in respect of this Deed shall be made

- (a) in immediately available funds to the credit of such account as the Security Holder may designate, and
- (b) without (and free and clear of, and without any deduction for or on account of)
 - (i) any set-off or counterclaim, or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax

19.2 Gross-up

If the Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Holder or any other Secured Party, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Security Holder or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed

20. STAMP DUTY

The Chargor shall

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith, and
- (b) indemnify the Security Holder, each other Secured Party and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges

21. COSTS AND EXPENSES

21.1 Enforcement and preservation costs

The Chargor shall promptly on demand pay to the Security Holder, each other Secured Party and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver)

21.2 Default interest

Any amount demanded under clause 21.1 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause (a) (*The Chargor*, as principal obligor and not merely as surety, covenants in favour of the Security Holder that it will pay and discharge the Secured Obligations from time to time when due

- (a) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a)

Default interest)

21.3 Third Parties Act

Any Lender Group Member may rely on this clause 21 subject to the provisions of the Third Parties Act

22. CURRENCIES

22.1 Conversion

All monies received or held by the Security Holder or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Holder or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Holder's spot rate of exchange. The Chargor shall indemnify the Security Holder against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Holder nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

22.2 Currency indemnity

No payment to the Security Holder (whether under any judgment or court order or in the liquidation, administration or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Security Holder shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Holder shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security to recover the amount of the shortfall.

23. INDEMNITY

The Chargor shall indemnify the Security Holder, each other Secured Party, any Receiver and any attorney, agent or other person appointed by the Security Holder under this Deed and the Security Holder's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed,
- (b) the Security Assets or the use or holding of them by any person, or
- (c) any breach by the Chargor of any of its obligations under this Deed.

Any Lender Group Member may rely on this clause 23 subject to the provisions of the Third Parties Act.

24. CHANGES TO THE PARTIES

24.1 Charging Companies

The Chargor may not assign any of its rights or obligations under this Deed.

24.2 Security Holder

Subject to compliance with the provisions of clause 28 (*Changes to the Lender*) of the Facility Agreement for such period as the Facility Agreement is in force, the Security Holder may assign or transfer all or any part of its rights under this Deed. The Chargor shall, immediately

upon being requested to do so by the Security Holder, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

25. MISCELLANEOUS

25.1 New accounts

- (a) If the Security Holder or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, it may open a new account or accounts for the Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Holder or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

25.2 Tacking

- (a) Each Secured Party shall perform its obligations (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

26. NOTICES

26.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax, letter or by such other means as the Parent and the Lender may agree from time to time.

26.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is

- (a) in the case of the Chargor, that identified with its name below, and
- (b) in the case of the Security Holder, that identified with its name below,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Holder (or the Security Holder may notify to the Chargor, if a change is made by the Security Holder) by not less than five Business Days' notice.

26.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective
 - (i) if by way of fax, when received in legible form,

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, OR

(iii) if through Client Access, at the time of sending,

and, if a particular department or officer is specified as part of its address details provided under clause 26 2 (*Addresses*), if addressed to that department or officer

(b) Any communication or document to be made or delivered to the Security Holder will be effective only when actually received by the Security Holder and then only if it is expressly marked for the attention of the department or officer identified with the Security Holder's signature below (or any substitute department or officer as the Security Holder shall specify for this purpose)

(c) Any communication or document which becomes effective, in accordance with clauses 26 2(a) and 26 2(b), after 5 00pm in the place of receipt shall be deemed only to become effective on the following day

26.4 Notification of address and fax number

Promptly upon changing its address or fax number, the Security Holder shall notify the Chargor

26.5 Electronic communication

(a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the Parties

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means, and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice

(b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by the Chargor to the Security Holder only if it is addressed in such a manner as the Security Holder shall specify for this purpose

(c) Any electronic communication which becomes effective, in accordance with clause 26 5(b), after 5 00pm in the place of receipt shall be deemed only to become effective on the following day

26.6 English language

(a) Any notice given under or in connection with this Deed must be in English

(b) All other documents provided under or in connection with this Deed must be

(i) in English, or

- (ii) if not in English, and if so required by the Security Holder, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

27. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Security Holder or any other Secured Party specifying the amount of any Secured Obligation due from the Chargor (including details of any relevant calculation thereof) is in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates. Any Lender Group Member may rely on this clause 27 subject to the provisions of the Third Parties Act

28. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired

29. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Holder or any other Secured Party, any right or remedy under this Deed or otherwise in respect of the Secured Obligations shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law. Any Lender Group Member may rely on this clause 29 subject to the provisions of the Third Parties Act

30. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Holder and the Chargor so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Holder so agrees in writing. A waiver given or consent granted by the Security Holder under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given

31. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed

32. RELEASE

32.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Holder shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security

32.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Holder may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

33. GOVERNING LAW

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

34. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This clause 34 is for the benefit of the Security Holder and the other Secured Parties only. As a result, the Security Holder and each other Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Holder and each other Secured Party may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Security Holder and has been delivered on the first date specified on page 1 of this Deed by the Chargor.

SCHEDULE 1: THE INITIAL CHARGED SECURITIES

Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Thinksmart Financial Services Limited	Ordinary shares of £1 00	400,000	£400,000

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1, by)
THINKSMART EUROPE LIMITED by a)
director in the presence of a witness)

Signature _____

Name (block capitals) _____

Director

Witness signature _____

Witness name
(block capitals) _____

Witness address _____

Address: 7th Floor Oakland House, Talbot Road, Old Trafford, Manchester,
Greater Manchester M16 0PQ

Facsimile No: 0161 333 2450

Attention: Gary Halton

THE SECURITY HOLDER

Signed by DAVID CHELL for)
and on behalf of **SANTANDER UK PLC**)
)

Signature

Address: 298 Deansgate Manchester M3 4HH

Facsimile No: 0161 953 3301

Attention: David Chell/Pat Madden