



Registration of a Charge

Company name: **SOUNDCLOUD LIMITED**

Company number: **06343600**

Received for Electronic Filing: **08/05/2015**



X46Z8QXC

Details of Charge

Date of creation: **29/04/2015**

Charge code: **0634 3600 0003**

Persons entitled: **OBSIDIAN AGENCY SERVICES, INC. AS SECURITY AGENT**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

OSBORNE CLARKE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6343600

Charge code: 0634 3600 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th April 2015 and created by SOUND CLOUD LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th May 2015 .

Given at Companies House, Cardiff on 11th May 2015

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

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

Dated this 6 day of May 2015

Signed

Osborne Clarke

2 Temple Back East

Temple Quay, Bristol

BS1 6EG

Osborne Clarke

EXECUTION

DEBENTURE

dated April 29 2015

SoundCloud Limited

as Chargor

and

Obsidian Agency Services, Inc.

as Security Agent

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This Debenture is made as a deed on April 29 2015

Between:

- (1) **SOUNDCLOUD LIMITED** (Company Number: 6343600) whose registered office is at c/o Jag Shaw Baker, Berners House, 47-48 Berners Street, London W1T 3NF, (the "Chargor"); and
- (2) **OBSEDIAN AGENCY SERVICES, Inc.** whose office is at 2 Embarcadero Center, Suite 1670, San Francisco, CA 94111, (the "Security Agent") as agent and trustee for the Lenders.

It is agreed as follows:

1. **Definitions and interpretation**

1.1 **Definitions**

Unless otherwise defined in this Debenture, the following expressions shall have the following meanings:

"2002 Act" means the Land Registration Act 2002.

"2003 Rules" mean the Land Registration Rules to the Land Registration Act 2002.

"Accession Deed" means a document substantially in the form set out in Schedule 4 (*Form of Accession Deed*).

"Assets" mean the whole of the property or undertaking (including uncalled share capital) which is or may from time to time be comprised in the property and undertaking of each of the Chargors.

"Assigned Asset" means an asset for the time being comprised within an assignment created by Clause 3 (*Security*), or (with effect from the date of its creation) any assignment created pursuant to an Accession Deed or a Supplemental Debenture or pursuant to Clause 6 (*Further Assurance*).

"Assigned Contract" means each contract of the Chargor designated by the Security Agent and the relevant Chargor as an Assigned Contract from time to time in a Supplemental Debenture or Accession Deed (and for the avoidance of doubt shall not include any Excluded Contract(s)).

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

"Authorities" mean all national and local governments, government departments, supranational bodies, local or public authorities, statutory undertakings, states or agencies.

"Bank Accounts" means all present and future bank accounts of the Chargor (other than the Cash Collateral Accounts), including those listed in Part 5 of Schedule 2 to this Debenture, and (with effect from the date of the relevant Accession Deed or Supplemental Debenture) any accounts specified as Bank Accounts in an Accession Deed or a Supplemental Debenture.

"Book Debts" mean:

- (a) all book and other debts in existence from time to time (including, without limitation, any sums whatsoever owed by banks or similar institutions), both present and future, due, owing to or which may become due, owing to or purchased or otherwise acquired by any Chargor; and

- (b) the benefit of all rights whatsoever relating to the debts referred to above including, without limitation, any related agreements, documents, rights and remedies (including, without limitation, negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all similar connected or related rights and assets).

"Book Debts Account" means an account specified by the Security Agent or Lender in which Book Debts will be paid during the continuance of an Event of Default in accordance with clause 8.2.

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

- (a) London; and
- (b) the place of the office of each of the Chargor and the Lenders through which they perform their respective obligations under the Credit Agreement;

"Cash Collateral Accounts" means any Book Debts Account and (with effect from the date of the relevant Accession Deed or Supplemental Debenture) any accounts specified as Cash Collateral Accounts in an Accession Deed or a Supplemental Debenture.

"Charged Property" means the whole or any part of the property, assets, income and undertaking of each of the Chargors from time to time mortgaged, charged or assigned, or purported to be mortgaged, charged or assigned to the Security Agent pursuant to this Debenture, including, where the context permits, the proceeds of sale or realisation thereof.

"Chargor" means SoundCloud Limited and any member of the Group that has executed an Accession Deed in favour of the Security Agent (each a "Chargor" and together the "Chargors").

"Contracts" mean all of each Chargor's rights, title, interest and benefit in and to any licence, consent, agreement or contract in respect of the whole or any part of the Charged Property to which such Chargor is a party from time to time.

"Credit Agreement" means that certain Loan and Security Agreement made between Soundcloud Limited (as Borrower), Security Agent and the Lenders on or about the date of this Debenture, as such agreement may be amended, modified, supplemented or restated.

"Debenture Security" means the Security constituted by this Debenture, any Accession Deed and any Supplemental Debenture.

"Default Rate" means the default rate of interest set out in Section 1.3(c) of the Credit Agreement.

"Derivative Assets" mean all stocks, shares, warrants or other securities, rights, dividends, interest or other property accruing, offered, issued or deriving at any time by way of dividend, bonus, redemption, exchange, purchase, substitution, conversion, consolidation, subdivision, preference, option or otherwise attributable to any Securities or any Derivative Assets previously described.

"Environment" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);

- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water).

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

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

"Event of Default" is as defined in Section 7 of the Credit Agreement.

"Exchange Rate" means the prevailing spot rate of exchange that appears on Bloomberg at 11 a.m. on the date on which any conversion of currency is to be effected pursuant to this Debenture.

"Excluded Contracts" means Contracts which contain an express restriction on a Chargor on the granting by it of an assignment of such Contract and/or the creation of any type of security interest over its interests in such Contract, provided that:

- (a) the relevant Chargor shall use reasonable endeavours to obtain the consent ("**Consent**") of the relevant counterparty or counterparties to allow the granting by the relevant Chargor of an assignment of such Contract and/or the creation of a security interest over its interests in such Contract (it being acknowledged by the Security Agent that any failure to obtain such consent after using reasonable endeavours to do so, shall not constitute a breach of this Deed and/or the Credit Agreement); and
- (b) such Contract shall cease to be an Excluded Contract, and shall be subject to the fixed charge in Clause 3.4 (*Contracts*), with effect from the date of the relevant Consent (to the extent such consent was able to be obtained for such Contract); and
- (c) in the case of Contracts in existence on the date of this Debenture with any music industry parties relating to the licensing to Chargor of music content, Chargor shall not be required to seek Consent; and
- (d) in the case of Contracts arising after the date of this Debenture with any music industry parties relating to the licensing to Chargor of music content, Chargor shall seek Consent as provided in subsection (a), but shall not be required to agree to terms in any such Contract less favourable than it would be able to receive if it did not obtain of Consent.

"Finance Documents" means the Loan Documents as defined in the Credit Agreement.

"Financial Collateral" shall have the meaning given to that expression in the Financial Collateral Regulations.

"Financial Collateral Regulations" mean the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226).

"Fixed Charge Asset" means an asset for the time being comprised within a mortgage, fixed charge or assignment by way of security created by Clause 3 (*Security*), or (with effect from the date of its creation) pursuant to an Accession Deed or a Supplemental Debenture or pursuant to Clause 6 (*Further Assurance*).

"Fixtures" mean all assets of whatsoever nature, apart from land and buildings, forming part of any freehold or leasehold property owned by any Chargor and deemed by law to be immovable property other than tenant's fixtures.

"Group" means SoundCloud Limited and its Subsidiaries (if any) from time to time.

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by a Chargor for the purpose of hedging liabilities and/or risks.

"Insolvency Act" means the Insolvency Act 1986 unless otherwise stated.

"Legal Reservations" means (i) the principle that equitable remedies are remedies that may be granted or refused at the discretion of the court; (ii) the time barring of claims under applicable statutes, (iii) similar principles and similar matters arising under the laws of any foreign jurisdictions in which the relevant obligations may have to be performed; (iv) the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors; (v) principles relating to frustration of contracts; (vi) the fact that a charge, even expressed as being fixed, will only qualify as such if the chargee has the necessary degree of control over the relevant assets and the proceeds thereof, and it exercises that control in practice; (vii) defences of set-off or counterclaim; (viii) the fact that where any obligations are to be performed or observed in a jurisdiction outside England, they may not be enforceable under English law if and to the extent that such performance or observance would be unlawful, unenforceable or contrary to public policy under the laws of such jurisdiction and (ix) the fact that a jurisdiction outside England may not recognise any judgement or jurisdiction of the English court or uphold the provisions of this agreement.

"Lenders" means each lender identified as a Lender and whose addresses are set out in schedule 1 (each a "Lender" and together the "Lenders").

"Material Adverse Effect" has the meaning given to such term in the Credit Agreement.

"Nominees" means any of the Security Agent, the Lenders, its agents, nominees and any other person holding the Securities and the Derivative Assets on behalf of the Security Agent from time to time.

"Occupational Leases" mean all leasehold interests and other occupational rights whatsoever (including, without limitation, all licences and agreements for leases) in existence from time to time relating to the whole or any part of the Property, the immediate reversion to which is vested in a Chargor.

"Obligations" is defined in section 14 in the Credit Agreement.

"Plant and Machinery" means all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other similar assets (other than Fixtures), wherever they are situated, which are now, or at any time after the date of this Debenture become, the property of any Chargor.

"Permitted Security Interest" means a Permitted Lien as defined in Section 14 of the Credit Agreement or any transaction permitted therein, and any Security in inventory/stock arising by operation of law under retention of title arrangements entered into in the ordinary course of business.

"Property" means all estates and other interests in any freehold, leasehold or other immovable property (including, without limitation, all buildings and Fixtures on such property, and the benefit of all covenants given in respect of such property) which are now, or at any time after the date of this Debenture become, the property of a Chargor, but excluding any interest in land in Scotland, and **"Properties"** shall be construed accordingly.

"Receiver" means any receiver appointed pursuant to this Debenture, including, for the avoidance of doubt, a receiver and manager, a manager or an administrative receiver.

"Relevant Jurisdiction" means, in relation to a Chargor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Debenture Security is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Debenture Security.

"Rights" mean all of any Chargor's rights, title and interest from time to time in any lease, licence or occupational right whatsoever together with the entire benefit of each Chargor's rights, title and interest from time to time in any renewal of, replacement of or variation to any such lease, licence or occupational right (including, without limitation, all its rights, title and interest in any Occupational Lease, agreement for any Occupational Lease and any associated agreements which may be granted by a Chargor or any person deriving title from a Chargor from time to time over or in respect of the whole or any part of the Property and any other properties (freehold or leasehold) in which a Chargor has an interest).

"Secured Liabilities" mean all money, debts, obligations and liabilities from time to time due, owing or incurred by any Chargor or any Chargor's Subsidiary to any Lender or the Security Agent, or their assignees or successors, in each case under or in connection with any of the Finance Documents (whether present or future, whether alone or jointly with any other person, whether actual or contingent, whether as principal or as surety, whether express or implied, in whatever name, form or style, in whatever currency it is denominated, whether originally owing to a Lender or purchased or otherwise acquired by a Lender, its assignee or successor, or otherwise).

"Securities" means all stocks, shares, loan notes, bonds, certificates of deposit, depositary receipts, loan capital indebtedness, debentures or other securities from time to time legally or beneficially owned by or on behalf of each Chargor, together with all property and rights of each Chargor in respect of any account held by or for it as participant, or as beneficiary of a nominee or trustee participant, with any clearance or settlement system or depository or custodian or sub-custodian or broker in the United Kingdom or elsewhere.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Financial Collateral Arrangement" shall have the meaning given to that expression in the Financial Collateral Regulations.

“Security Trust Deed” means the security trust deed between SoundCloud Limited, Security Agent and the Lenders on or about the date of this Debenture, as such agreement may be amended, modified, supplemented or restated.

“Subsidiary” means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

“Supplemental Debenture” means a supplemental debenture to this Debenture (in form and substance satisfactory to the Security Agent) creating further assignments, mortgages or charges over the Assets of any Chargor.

1.2 *Construction*

(a) Unless a contrary indication appears, any reference in this Debenture to:

- (i) **“administrators”** are references to administrators appointed under the Insolvency Act, and include administrators appointed under the out-of-court procedure under the Insolvency Act;
- (ii) the **“Lender”** or the **“Lenders”**, **“Chargor”** or **“Chargors”**, or **“Receiver”** or **“Security Agent”** shall be construed so as to include its successors in title, permitted assigns, permitted transferees and any delegate of any such person;
- (iii) a document in **“agreed form”** is a document which is previously agreed in writing by or on behalf of the Chargors and the Lender and/or the Security Agent.
- (iv) **“assets”** includes present and future properties, revenues and rights of every description;
- (v) a **“certified copy”** means, in relation to a document, a copy of that document bearing the endorsement **“Certified a true, complete and accurate copy of the original, which has not been amended otherwise than by a document a certified copy of which is attached”**, which has been signed and dated by a duly authorised officer of the company or its solicitors and which complies with that endorsement;
- (vi) **“costs”** means all reasonable and properly incurred costs, fees, charges or expenses of whatsoever nature (including, without limitation, legal fees) including, without limitation, disbursements and any VAT to be charged on such costs, charges, expenses and disbursements;
- (vii) the term **“Finance Documents”** includes all restatements, amendments, modifications, variations and supplements including those providing for further advances. The terms of the other Finance Documents and of any side letters between the Lender and any of the Chargors are incorporated into this Debenture to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Debenture is a valid disposition in accordance with Section 2(i) of the Law of Property (Miscellaneous Provisions) Act 1989;
- (viii) the term the **“Lender”** includes any subsidiary or group company or assignee of the Lender granting or continuing to grant facilities or accommodation to a Chargor;
- (ix) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (x) **“indemnify”** and **“indemnifying”** any person against any circumstance includes indemnifying and keeping him harmless from all claims, demands, actions and

proceedings from time to time made against him and all loss or damage and all payments, costs, expenses, fines and charges reasonably made or incurred by that person as a consequence of or which would not have arisen but for that circumstance;

- (xi) "notice" includes any notice, demand, consent or other communication;
 - (xii) a "person" includes any individual, firm, company, corporation, body corporate, unincorporated organisation, government, state or agency or department of a state or any association, trust or partnership (whether or not having separate legal personality) executors, administrators or successors in title of any of the foregoing or two or more of the foregoing;
 - (xiii) "receivers" are references to receivers of whatsoever nature including, without limitation, receivers and managers and administrative receivers; and
 - (xiv) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (xv) "writing" or "written" includes faxes but not e-mail unless otherwise specifically allowed;
 - (xvi) documents, instruments and agreements (including, without limitation, this Debenture and any document, instrument or agreement referred to in this Debenture) are references to such documents, instruments and agreements as modified, amended, varied, restated, supplemented, substituted, replaced or novated from time to time;
 - (xvii) Unless provided otherwise in this Debenture, the Table of Contents, Section, Clause and Schedule headings are references to such Table of Contents, Section, Clause or Schedule of this Debenture and are for ease of reference only and do not affect the interpretation of this Debenture and references to this Debenture include its schedules and any schedule to this Debenture shall have the same force and effect as if set out in the body of this Debenture; and
 - (xviii) the continuance of an Event of Default, or an Event of Default "continuing" are to an Event of Default that has not been cured within any specified or permitted cure period or remedied or waived.
- (b) a statute, or statutory provision or other provision of law (including statutory instruments) includes:
- (i) any subordinate legislation (as defined in Section 21(1), Interpretation Act 1978) made under it;
 - (ii) any repealed statute, or statutory provision or other provision of law which it re-enacts (with or without modification); and
 - (iii) any statute, or statutory provision or other provision of law which modifies, consolidates, re-enacts or supersedes it whether such statute, statutory provision or other provision comes into force before or after the date of this Debenture ;
- (c) a time of day is a reference to London time;
- (d) words in the singular include the plural and vice versa and words in one gender include any other gender;

- (e) Where this Debenture states that an obligation shall be performed “no later than” or “within” a set number of days or months before or after a particular date or event or “by” a date which is a set number of days before or after a particular date or event, time shall be counted in calendar days or months and the latest time for performance shall be 5pm on the last day provided that if the last day falls on a day which is not a Business Day, the latest time for performance shall be extended to 5pm on the next Business Day.
- (f) General words shall not be given a restrictive meaning:
 - (i) if they are introduced by the word “other” or “including” or similar words;
 - (ii) by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing; or
 - (iii) by reason of the fact that they are followed by particular examples intended to be embraced by those general words.
- (g) The Debenture shall not limit Security Agent’s or Lender’s rights or remedies under any of the other Finance Documents and any ambiguity arising under the Finance Documents shall be construed in favour of Security Agent and Lenders.

1.3 ***Trust***

The perpetuity period for any trusts in this Debenture is 125 years.

1.4 ***Third Party Rights***

- (a) Unless expressly provided in this Debenture, no express term of this Debenture nor any term implied under it is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it. Notwithstanding any term of any Finance Document, the consent is not required to rescind or vary this Debenture at any time of any person who is not a party to it.
- (b) For the avoidance of doubt, the terms of this Debenture are intended to be enforceable by each of the Lenders through the Security Agent and any Receiver.

2. **Covenant to Pay**

- 2.1 Each Chargor irrevocably and unconditionally covenants with the Security Agent to pay to the Security Agent (as agent and trustee for the Secured Parties) or discharge on demand all the Secured Liabilities when the Secured Liabilities become due;
- 2.2 Each Chargor gives the covenant in this Clause jointly and severally with the other Chargors from time to time.

3. **Security**

3.1 ***General provisions***

All Security created under this Debenture:

- (a) is made with full title guarantee in accordance with the Law of Property Act (Miscellaneous Provisions) Act 1994;
- (b) is continuing security for the payment and discharge of the Secured Liabilities; and

- (c) is created in favour of the Security Agent as agent and trustee, and the Security Agent holds the benefit of this Debenture on trust, for the Lenders on the terms of the Security Trust Deed.

3.2 *Mortgaged Property*

Each Chargor charges by way of first legal mortgage, the Property specified in respect of that Chargor in Part 1 of Schedule 2 to this Debenture (if any) and all Rights relating to such Property.

3.3 *Other Property*

Each Chargor charges, by way of first fixed charge:

- (a) all Property not validly charged in Clause 3.2 (*Mortgaged Property*) (if any) and all Rights relating to such Property;
- (b) all easements, rights and agreements in respect of all Property; and
- (c) all proceeds of sale derived from all Property.

3.4 *Contracts*

Each Chargor charges, by way of first fixed charge, the Contracts (other than the Excluded Contracts).

3.5 *Book Debts*

Each Chargor charges, by way of first fixed charge, the Book Debts.

3.6 *Plant and Machinery*

Each Chargor charges, by way of first fixed charge, the Plant and Machinery.

3.7 *Securities and Derivative Assets*

- (a) Each Chargor charges by way of first fixed charge, the Securities specified next to its name in Part 2 of Schedule 2 to this Debenture.
- (b) Each Chargor charges by way of first fixed charge, all its Securities not charged by Clause 3.8(a).
- (c) Each Chargor charges by way of first fixed charge, all Derivative Assets of a capital nature.
- (d) Each Chargor charges by way of first fixed charge, all Derivative Assets of an income nature.

3.8 *Bank Accounts*

- (a) Each Chargor charges by way of first fixed charge each Cash Collateral Account, and all monies standing to the credit of each such account.
- (b) Each Chargor charges by way of first fixed charge all Bank Accounts including cash at bank and credit balances in such Bank Accounts (excluding those arising on fluctuating accounts) and all rights relating to or attaching to them (including the right to interest).

3.9 *Goodwill*

Each Chargor charges by way of first fixed charge, all the goodwill and uncalled capital for the time being of that Chargor.

3.10 *Security Assignments*

- (a) Each Chargor assigns absolutely to the Security Agent all present and future insurances and the proceeds of such insurances.
- (b) Each Chargor assigns absolutely to the Security Agent for the benefit of the Hedging Agreements and any letters of credit issued to it.
- (c) The assignments set out in this Clause 3.10 (*Security Assignments*) and Clause 3.11 (*Accruals etc*) are absolute assignments for the purposes of section 136 LPA and are not made by way of charge only.
- (d) Any Assigned Assets which are purported to be assigned pursuant to this Clause 3.10 (*Security Assignments*) and Clause 3.11 (*Accruals etc*) but are not effectively assigned pursuant to this Clause 3.10 (*Security Assignments*) and Clause 3.11 (*Accruals etc*) will instead be charged by way of first fixed charge.

3.11 *Accruals etc*

- (a) Each Chargor assigns absolutely all rights, money or property accruing or payable to that Chargor now or in the future under or by virtue of a Fixed Charge Asset, except to the extent such rights, money or property are for the time being effectively charged under the provisions of Clauses 3.2 (*Mortgaged Property*) to 3.10 (*Security Assignments*) (inclusive).
- (b) Each Chargor charges by way of first fixed charge, that Chargor's rights now or hereafter to recover any VAT on any supplies made to it relating to the Assets any tax refund, rebate or repayment, and any sums so recovered.

3.12 *Floating Charge*

- (a) Each Chargor charges by way of first floating charge, all the undertaking and assets of that Chargor whatsoever, wherever situated, whether movable, immovable, present or future, including, without limitation, its uncalled capital for the time being and all the undertaking and assets of that Chargor referred to above which are, for any reason, not validly charged or assigned pursuant to Clauses 3.2 (*Mortgaged Property*) to 3.11 (*Accruals etc*) (inclusive) of this Debenture.
- (b) The floating charge created by this Debenture is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.

4. Conversion of floating charge

4.1 *Conversion by notice*

The Security Agent may by notice to the relevant Chargor convert the floating charge contained in this Debenture into a fixed charge as regards such Charged Property as the Security Agent may specify (whether generally or specifically) in that notice if: (i) the Security Agent considers that it would be desirable to do so in order to protect, preserve or supplement the charges over the Charged Property or the priority of those charges, or (ii) the Security Agent reasonably considers the Charged Property to be in jeopardy in any respect, or (iii) an Event of Default has occurred and is continuing, or both.

4.2 *Automatic conversion*

If, without the prior written consent of the Security Agent: (i) any Chargor creates any Security (other than Permitted Security Interest) over any of the Charged Property not expressed to be subject to a fixed charge under this Debenture, or attempts to do so, or (ii) any person levies or attempts to levy any distress, attachment, execution or other legal process against any of such Charged Property, or (iii) any steps are taken for the appointment of, or notice is given of intention to appoint, or a petition is filed or application is made, or a competent court makes an order for the appointment of an administrator, in relation to any Chargor, then the floating charge created by this Debenture over the Charged Property which is the subject of such Security, process, steps or order will automatically, without notice, be converted into a fixed charge as soon as such event occurs.

4.3 *Decrystallisation*

If the floating charge created by clause 3.13 has crystallised into a fixed charge under clause 4.1 or 4.2 (as the case may be) and the Security Agent is satisfied, acting reasonably, that the triggering event no longer exists, if the basis of the floating charge so crystallising was

- (a) the creation of Security in favour of another person over all or any of the Charged Property (except as permitted by this Debenture) and subsequently such Security ceases to apply; or
- (b) an Event of Default occurring and the Borrower demonstrates that such Event of Default is no longer continuing (or has been waived)

(each of the above being a "Reconversion Right Event"), the Chargor may require (by serving notice to that effect on the Security Agent) that the fixed charge created pursuant to clause 4.1 or 4.2 (as the case may be) is decrystallised and that the floating charge created in accordance with clause 3.13 shall apply in respect of the relevant Charged Property ("Reconversion Right"). The Security Agent shall take all steps reasonably required (at the cost of the Chargor) to effect the decrystallisation of the relevant fixed charge into a floating charge ("Decrystallisation") if the Chargor validly exercises a Reconversion Right in accordance with this clause. Any such steps taken on the part of the Security Agent to convert the relevant fixed charge back into a floating charge shall not prevent the Security Agent from subsequently converting the floating charge into a fixed charge under clause 4.1 or 4.2 (as the case may be).

4.4 *No conversion as a result of Moratorium*

Notwithstanding any other provision of this Debenture, the floating charge contained in this Debenture or any Accession Deed may not be converted into a fixed charge solely by reason of the obtaining of a moratorium, or anything done with a view to obtaining a moratorium, as a preliminary to a creditors voluntary arrangement, by an eligible company (as determined by Schedule A1 of the Insolvency Act) under the Insolvency Act.

5. Notices of Assignment and Charge

5.1 *Notices of Assignment*

Each Chargor shall promptly give notice (in the case of (a) and (b) below, in the form set out in Schedule 3 to this Debenture, and in the case of (c) and (d) below in such form as the Security Agent may require) in the case of (a), (b) and (d) below during the continuance of an Event of Default only, and in the case of (c) below at any time of:

- (a) the assignment of the Assigned Contracts under this Debenture (that has been made pursuant to any Supplemental Debenture or Accession Deed) to each counterparty to an Assigned Contract;

- (b) if the Security Agent so requires, the assignment of its insurance policies under this Debenture to its insurers;
- (c) if the Security Agent so requires the charge over its Bank Accounts; and
- (d) if the Security Agent so requires, the assignment of any other Assigned Asset to a relevant third party as required by the Security Agent,

and in each case shall use its reasonable endeavours to procure that each such person executes and delivers to the Security Agent an acknowledgement of such notice in form and substance satisfactory to the Security Agent.

5.2 *Notice of Charge*

Each Chargor shall, at the request of the Security Agent and at such Chargor's expense, promptly affix to, or register, endorse or cause to be registered or endorsed on such register and/or documents of title of, such of the Charged Property as the Security Agent reasonably requires, identifying thereby the charge constituted by or pursuant to this Debenture.

5.3 *Notices to Third Parties*

Each Chargor shall, at the request of the Security Agent and at such Chargor's expense, promptly deliver any notices to any third party having rights or liabilities in or to all or any of the Charged Property as the Security Agent reasonably requires, notifying thereby the charge constituted by or pursuant to this Debenture, and shall use all reasonable endeavours to procure that each such person executes and delivers to the Security Agent an acknowledgement of such notice in form and substance satisfactory to the Security Agent.

6. Further assurance

Each Chargor shall at any time if required by the Security Agent and at such Chargor's own expense:

- (a) execute and deliver to the Security Agent, or carry out, such further Supplemental Debentures, legal or other mortgages, charges, assignments, securities, authorities, documents, acts and things as the Security Agent in its discretion may require of or in respect of the whole or such part of the Assets as the Lenders may specify, in such form as the Security Agent in its discretion may require, to secure the payment or discharge of the Secured Liabilities or to vest the whole or such part of the Assets in the Security Agent, its nominee, a Receiver, or in any purchaser from the Security Agent or a Receiver or to perfect or protect the security created by this Debenture;
- (b) pending the execution and delivery of any such further Security, hold such Assets upon trust for the Security Agent or in any other manner required by the Security Agent subject to the provisions of this Debenture; and
- (c) during the continuance of an Event of Default, Chargor shall proceed as to the matters set forth in Subsections 7(a) and (b) as directed by Security Agent in its sole discretion without objection as to reasonableness.

7. Deposit of documents and title deeds

7.1 While the Debenture Security subsists, each Chargor shall deposit with the Security Agent:

- (a) all deeds and documents of title relating to the Property (including, without limitation, all Occupational Leases) (if any);

- (b) all stock and share certificates or other documents of title to or representing the Securities (including without limitation the Securities listed in Part 2 of Schedule 2 to this Debenture) and the Derivative Assets (together with duly executed blank transfers); and
- (c) to the extent requested by the Security Agent from time to time:
 - (i) certified copies of all the Assigned Contracts;
 - (ii) certified copies of all Hedging Agreements and all letters of credit issued to it;
 - (iii) all deeds and documents of title (if any) relating to the Book Debts;
 - (iv) details of all Plant and Machinery; and
 - (v) details of any Bank Account and/or Cash Collateral Account;

7.2 The Security Agent shall be entitled to provide for the safe custody by third parties of all stock and share certificates and documents of title deposited with the Security Agent or its nominee at the expense of the Chargors and shall not be responsible for any loss of or damage to any such certificates or documents.

8. Bank Accounts and Book Debts

8.1 *Cash Collateral Accounts*

While the Debenture Security subsists, no Chargor shall, except with the prior written consent of the Security Agent or as otherwise permitted in the Credit Agreement, withdraw or attempt or be entitled to withdraw from the Cash Collateral Accounts all or any monies standing to the credit of such Cash Collateral Accounts.

8.2 *Book Debts and the Book Debts Account*

While the Debenture Security subsists, each Chargor shall:

- (a) Collect, realise and continue to deal with all Book Debts in the ordinary course of its business (for the avoidance of doubt, it is hereby declared that for the purposes of this Debenture, the ordinary course of business of that Chargor does not include or extend to the selling, assigning or in any other way factoring or discounting any Book Debts);
- (b) hold the proceeds of such collection and realisation of the Book Debts in its Bank Accounts (to the extent such proceeds have not been dealt with, withdrawn and/or reinvested in the ordinary course of its business) upon trust for the Security Agent unless there has been a requirement for payment of such proceeds into the Book Debts Account while an Event of Default is continuing;

While an Event of Default is continuing, each Chargor shall:

- (a) pay the proceeds of such collection and realisation into the Book Debts Account;
- (b) not, except with the prior written consent of the Security Agent, withdraw or attempt or be entitled to withdraw from the Book Debts Account all or any monies standing to the credit of the Book Debts Account; and
- (c) if called upon so to do by the Security Agent, execute a legal assignment of the Book Debts to the Security Agent in such terms as the Security Agent in its discretion may require, give such notice of that legal assignment to the debtors from whom the Book Debts are due, owing or incurred and take

any such others step as the Security Agent may in its discretion require to perfect such legal assignment.

8.3 Other Bank Accounts

At any time when an Event of Default has occurred and is continuing, if the Security Agent has served written notice on SoundCloud Limited requiring the same, no Chargor shall, except with the prior written consent of the Security Agent, withdraw or attempt or be entitled to withdraw from any of the Bank Accounts all or any monies standing to the credit of such Bank Accounts. For the avoidance of doubt, and without prejudice to Clause 8.1 above, unless an Event of Default has occurred and is continuing, at all other times, no Chargor shall be restricted from withdrawing or attempting to withdraw from any of the Bank Accounts all or any monies standing to the credit of such Bank Accounts.

9. Dividends, voting rights and Nominees

9.1 *Dividends and voting rights*

For so long as no Event of Default has occurred and is continuing, each Chargor may:

- (a) subject to Clause 7 (*Deposit of document and title deeds*), receive and retain all dividends, interest and other income deriving from and received by it in respect of the Securities and the Derivative Assets; and
- (b) exercise all voting and other rights and powers attached to the Securities and the Derivative Assets provided that such exercise does not adversely affect the Securities and the Derivative Assets and is not otherwise inconsistent with this Debenture.

9.2 The Security Agent's powers of enforcement over the Securities and the Derivative Assets

- (a) Following the occurrence and during the continuance of an Event of Default:
 - (i) the Security Agent may in its discretion (in the name of any Chargor or otherwise and without any consent or authority on the part of any Chargor) exercise all the powers given to trustees by Section 10(3) and (4) of the Trustee Act 1925 (as amended by Section 9 of the Trustee Investments Act 1961) in respect of those Securities and Derivative Assets subject to a trust;
 - (ii) all dividends, interest and other income forming part of the Securities and Derivative Assets shall, unless otherwise agreed between the Security Agent and the Chargor, be paid without any set-off or deduction whatsoever to an interest bearing suspense account in the name of the Security Agent and shall be retained by the Security Agent until applied as provided in this Debenture as part of the Securities and the Derivative Assets, and any such monies which may be received by a Chargor shall, pending such payment, be held in trust for the Security Agent;
 - (iii) all voting rights in respect of all Securities and Derivative Assets charged by Clause 3.7 (*Securities and Derivative Assets*) may be exercised (without obligation to do so) by the Security Agent (or its nominee) in such a manner as it shall (in its absolute discretion) see fit;
 - (iv) (if directed to do so in writing by the Security Agent) each Chargor shall procure the registration in its books of the transfer of the Securities and the Derivative Assets to the Security Agent (or its Nominees), the entry of the Security Agent (or its Nominees) in the register of members of the company or companies which has/have issued the Securities as the holder or holders of the Securities and the Derivative Assets and the issue of new share

certificates in respect of the Securities and the Derivative Assets to the Security Agent (or its Nominees); and

- (v) upon the accrual, offer, issue or receipt of any Derivative Assets, each Chargor shall deliver or pay to the Security Agent or procure the delivery or payment to the Security Agent of all such Derivative Assets or the stock or share certificates or other documents of title to or representing them together with duly executed blank transfers.
- (b) The Security Agent shall not have any duty as to any Securities or Derivative Assets and shall not incur liability for:
 - (i) ascertaining or taking action in respect of any calls, instalments, conversions, exchanges, maturities, tenders or other matters in relation to any Securities or Derivative Assets or the nature or sufficiency of any payment whether or not the Security Agent has or is deemed to have knowledge of such matters; or
 - (ii) taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Securities or Derivative Assets; or
 - (iii) any failure to present any interest, coupon or any bond or stock drawn for repayment or for any failure to pay any call or instalment or to accept any offer or to notify any Chargor of any such matter or for any failure to ensure that the correct amounts (if any) are paid or received in respect of the Securities or the Derivative Assets.

10. Representations and warranties

Subject to the exceptions specifically provided in the Perfection Certificates (as defined in the Loan Agreement) and the Loan Agreement, each Chargor makes the warranties in respect of it set out in this Clause 10 (*Representations and Warranties*) to the Lenders on the date of this Debenture and as contemplated in Clause 10.14 (*Repetition*) below.

10.1 *Status*

It has the power to own and grant security as contemplated in this Debenture over its assets.

10.2 *Binding obligations*

The obligations expressed to be assumed by it in this Debenture are, legal, valid and binding obligations enforceable in accordance with their terms subject to the Legal Reservations.

10.3 *Non-conflict with other obligations*

The entry into and performance by it of, and the transactions contemplated by, this Debenture do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its or any of its Subsidiaries' constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its Subsidiaries or any of its Subsidiaries' assets nor constitute a material default or termination event (however described) under any such agreement or instrument.

10.4 *Power and authority*

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Debenture and the transactions contemplated by this Debenture.

10.5 *Validity and admissibility in evidence*

All authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights under and comply with its obligations in, this Debenture; and
- (b) to make this Debenture admissible in evidence in its jurisdiction of incorporation,

have been obtained and are in full force and effect.

10.6 *No filing*

Under the law of its jurisdiction of incorporation, it is not necessary that this Debenture be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar tax or fees be paid on or in relation to this Debenture or the transactions contemplated by this Debenture (other than with the Registrar of Companies and (if required) the Land Registry and the Trade Marks Registry at the Patents Office).

10.7 *Governing Law*

- (a) In respect of a Chargor that is incorporated in England, the choice of English law as the governing law of this Debenture will be recognised and enforced in its jurisdiction of incorporation; and
- (b) Any judgment obtained in England in relation to this Debenture in respect of a Chargor incorporated in England will be enforced in its jurisdiction of incorporation.

10.8 *No default*

No Event of Default is reasonably likely to result from the entry into, the performance of, or any transaction contemplated by, this Debenture.

10.9 *No Security*

No Security nor quasi-Security (other than Permitted Security Interests) exists over all or any part of the assets of the Chargor.

10.10 *Ownership of the Charged Property*

- (a) It is the sole legal and beneficial owner of the Charged Property as from the date it or any part of it becomes charged under this Debenture and its rights in respect of the Charged Property are free from any Security of any kind other than under this Debenture or as permitted by the Credit Agreement.
- (b) Schedule 2 (*The Secured Assets*) identifies:
 - (i) all the freehold and leasehold Property situated in England and Wales (if any);
 - (ii) all the registered patents and trade marks, and applications in respect of the same; and
 - (iii) all the Securities in respect of companies incorporated in England and Wales,

beneficially owned by each Chargor at the date of the Debenture.

(c) The Securities listed in Part 2 of Schedule 2 are all fully paid.

10.11 *Future Security*

Except as contemplated by this Debenture, the execution of this Debenture by it and its exercise of the rights and performance of its obligations under this Debenture will not result in the existence of or oblige any Chargor to create any Security over all or any of its present or future revenues or assets.

10.12 *Occupational Leases*

The Occupational Leases (if any) are valid, binding and enforceable (subject to the Legal Reservations) in accordance with their respective terms and the details of the Occupational Leases are true and accurate.

10.13 *Occupiers' Interests*

There is no person in occupation of the Property who has any interest in such property whether pursuant to Part IV of the Family Law Act 1996, Schedule 1, Schedule 3 or Schedule 12 of the 2002 Act or otherwise, save for a Chargor.

10.14 *Repetition*

The representations and warranties set out in this Clause 10 (*Representations and Warranties*) are given and made on and as of the date of this Debenture and shall survive the execution of this Debenture and shall be repeated on the dates which the warranties are repeated under the Credit Agreement.

11. General undertakings

Each Chargor gives each of the undertakings contained in this Clause 11 (*General undertakings*) to each Lender and each of the undertakings shall remain in force while the Debenture Security subsists.

11.1 *Authorisations*

Each Chargor shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) if requested, supply copies to the Security Agent of,

any Authorisation required under any law or regulation of a Relevant Jurisdiction of incorporation to enable it to perform its obligations under this Debenture and to ensure the legality, validity, enforceability or admissibility in evidence of this Debenture in its jurisdiction of incorporation or elsewhere.

11.2 *Compliance with laws*

Each Chargor shall comply in all respects with all laws to which it may be subject, and all obligations under any statute and all byelaws and regulations relating to the whole or any part of the Charged Property; provided however, that any violation or default that does not require an expenditure of, or is not likely to require the expenditure of, US \$500,000 or less, shall not be a violation of this provision.

11.3 *Negative pledge and Restriction on dealing*

No Chargor shall do any of the following without the prior written consent of the Security Agent:

- (a) create or allow to create any Security over any of the Charged Property;
- (b) sell, lease, licence, transfer, loan or otherwise dispose of any of the Charged Property (whether by a voluntary or involuntary single transaction or series of transactions); or
- (c) permit or agree to any variation of the rights attaching to the whole or any part of the Charged Property,

in each case unless permitted by the Credit Agreement.

11.4 *Environment*

- (a) Each Chargor shall comply with all Environmental Laws, obtain, maintain and ensure compliance with all legally required Environmental Permits and implement procedures to monitor compliance with and to prevent liability under any Environmental Law, provided however, that any violation or default that does not require an expenditure of, or is not likely to require the expenditure of, US \$500,000 or less, shall not be a violation of this provision.
- (b) Each Chargor shall, promptly upon becoming aware of the same, inform the Security Agent in writing of:
 - (i) any Environmental Claim against it which is current, pending or threatened; and
 - (ii) any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against it.
- (c) Each Chargor shall, promptly upon becoming aware of the same, inform the Security Agent in writing of:
 - (i) any notice or other communication adversely varying or increasing conditions on, or suspension of, any environmental licence or consent relating to any of the Charged Property; and
 - (ii) any facts or circumstances which are reasonably likely to result in any environmental licence or consent relating to any of the Charged Property being adversely varied, having more onerous conditions attached to it, being suspended or being withdrawn.

11.5 *Insurance*

Each Chargor shall:

- (a) effect and maintain insurances in a form, with insurers, and in amounts that are reasonably satisfactory to the Security Agent. Such insurances shall:
 - (i) provide cover against all risks which are normally insured against by other companies carrying on the same or substantially similar businesses, including, without limitation, insurance against business interruption;
 - (ii) be in such amounts as would in the circumstances be prudent for such companies;
- (b) supply on request copies of each of its policies of insurance together with the current premium receipts relating to each such policy;

- (c) ensure that the interest of the Security Agent is noted on all its insurance policies in respect of its Charged Property (but not any insurances which are exclusively for the benefit of third parties) from time to time;
- (d) duly and punctually pay all premiums and any other moneys necessary for maintaining its insurance policies in full force and effect. If the Chargor at any time fails to pay any such premiums or other moneys, the Security Agent may pay such premiums and other moneys and the Chargor shall reimburse the Security Agent for the amount of such premiums and other moneys within 3 Business Days of demand; and
- (e) not, without the prior written consent of the Security Agent, do any act or commit any default which might prejudice the insurance policies, including, without limitation, any act or default whereby the insurance policies might become void or voidable.

11.6 *Insurance monies*

- (a) Any monies received by virtue of any insurance relating to the whole or any part of the Charged Property (whether effected pursuant to this Debenture or otherwise) shall be deemed to be part of the Charged Property. Each Chargor shall apply all such monies in accordance any requirements of the Finance Documents, or during the continuance of an Event of Default, if the Security Agent in its discretion so requires, towards discharge of the Secured Liabilities.
- (b) Each Chargor shall ensure that all such monies referred to in Clause 11.6(a) (*Insurance monies*) which are not paid directly by the insurers to the Security Agent shall be held by the recipient upon trust for the Security Agent and be applied by that Chargor in accordance with Clause 11.6(a) (*Insurance monies*).
- (c) This Clause applies whether or not the Debenture Security has become enforceable.

11.7 *To repair*

Each Chargor shall:

- (a) at all times keep in good and substantial repair and condition, subject to ordinary wear and tear and obsolescence, all the Charged Property including, without limitation, all buildings, erections and structures on and in the Property where it is the Chargor's responsibility to do so;
- (b) keep all Plant and Machinery in good repair, working order and condition and fit for its purpose in each case, subject to ordinary wear and tear and obsolescence; and
- (c) where it is uneconomic to repair any part of the Charged Property, replace such property by another similar asset of equal or greater quality and value provided however that the foregoing shall not be deemed to require any Chargor to replace property that has been rendered obsolete.

11.8 *To allow entry*

Each Chargor shall allow, and shall procure that any person occupying the whole or any part of the Property under any Occupational Lease will allow, the Security Agent and its agents, with or without surveyors, workmen or others authorised by it upon prior notice (except in an emergency) to enter the Property from time to time on reasonable notice and during reasonable working hours in order to view the Charged Property, to carry out any repairs on the Charged Property which the Security Agent considers necessary or to do anything the Security Agent is entitled to do pursuant to Clause 13 (*Security Agent's performance of covenants*).

11.9 *Alterations*

No Chargor shall:

- (a) commit any waste, or in any manner lessen the value of the Property;
- (b) carry out any works of demolition, construction, refurbishment, addition or otherwise in or to the Property;
- (c) sever any Fixtures; or
- (d) except with the prior written consent of the Security Agent, make any alterations to the Property.

11.10 *No creation of leases*

No Chargor shall, without the express prior written consent of the Security Agent:

- (a) grant nor agree to grant (whether in exercise of any statutory power or otherwise) any lease, underlease, tenancy or agreement for lease affecting the Property;
- (b) confer nor agree to confer on any other person any other right or licence to occupy any land or buildings forming part of the Property nor grant any licence or permission to assign, underlet or sub-let nor part with, nor share occupation or possession of, the Property or any part thereof;
- (c) waive, release nor vary or agree to waive, release or vary any of the terms of any lease, underlease, tenancy or agreement for lease affecting the Property including the determination or review of any rent payable thereunder nor exercise any power to terminate or extend the same;
- (d) forfeit nor commence proceedings for forfeiture nor exercise any right of re-entry nor accept the surrender of any lease, underlease, tenancy or agreement for lease affecting the Property; nor
- (e) change nor permit or suffer to be changed the present user of any part of the Property.

11.11 *No creation of easements etc.*

No Chargor shall grant, create, or permit to be acquired, any easement, right or privilege relating to or affecting the whole or any part of the Charged Property.

11.12 *Unregistered interests*

No Chargor shall, without the prior written consent of the Security Agent, permit any person to be registered as proprietor of the Property or any part thereof or interest therein under the 2002 Act nor create or permit to arise any unregistered interest affecting the Property within the meaning given in Schedule 1 or Schedule 3 of the 2002 Act.

11.13 *VAT*

No Chargor shall, without the express prior written consent of the Security Agent, exercise any option to waive exemption from VAT in relation to the Charged Property or any part thereof and will provide to the Security Agent, on demand, such details of the Chargor's registration for VAT purposes as the Security Agent requires.

11.14 *Notices relating to a Chargor*

Each Chargor shall immediately notify the Security Agent in the event of any creditor executing diligence against it or if any distress or execution is levied or enforced against it or any third party debt order or freezing order is made and served on it or any steps are taken (including, without limitation, the making of any application or the giving of any notice) by any person (including, without limitation, that Chargor or its directors or members, or any of them) in relation to potential or actual administration, receivership, winding up or dissolution.

11.15 *To provide information*

Each Chargor shall supply to the Security Agent promptly following written request such information, documents or papers relating to the Charged Property from time to time as the Security Agent in its discretion may require.

11.16 *Access and information*

Chargor shall:

- (a) permit the Security Agent, its representatives and agents free access on reasonable notice at reasonable times to examine and take copies and extracts from the records, books of account and statutory books of that Chargor;
- (b) supply to the Security Agent all additional information which the Lenders may in its discretion require in connection with such examination; and
- (c) co-operate and comply with all reasonable requests relating to such examination.

11.17 *Miscellaneous undertakings*

Each Chargor shall, unless it has the prior written consent of the Security Agent:

- (a) punctually pay or cause to be paid all rents (where the Chargor is the tenant), rates, taxes, duties, assessments and other outgoings the Chargor is responsible for paying in respect of the Charged Property or any part thereof;
- (b) not do, cause or permit to be done anything which would cause the value or marketability of any Charged Property to depreciate or be jeopardised or prejudiced (or make any omission which has such an effect);
- (c) ensure that at all times any unsecured and unsubordinated claims, if any, of the Lenders against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies; and
- (d) ensure that all transactions entered into with any person are done so on arm's length terms and for full market value, except as may be permitted by the Credit Agreement.

12. Costs

Each Chargor shall, promptly on demand, pay to the Security Agent or the Receiver, or discharge (as the case may be), all costs and expenses (including legal fees) reasonably and properly incurred by any of them in connection with:

- (a) the negotiation, preparation, printing and execution of;

- (b) any amendment, variation or release (in whole or in part), including the negotiation, preparation, printing and execution of any amendment, variation or release, of; and
- (c) the enforcement of, or preservation of rights under,

this Debenture, on a full and unlimited indemnity basis, together with interest at the Default Rate from the date the relevant cost was expended, incurred or suffered (whichever is the earlier) by the Security Agent or the Receiver (as the case may be) until full payment or discharge of such cost and such cost shall form part of the Secured Liabilities.

13. Security Agent's performance of covenants

If any Chargor fails to perform any of the undertakings contained in Clauses 11.4 (*Environment*) or 11.5 (*Insurance*), the Security Agent may perform any such covenant at that Chargor's expense and that Chargor shall reimburse the Security Agent for the reasonable costs of such performance on demand. Nothing in this Debenture shall oblige the Security Agent to perform any covenant of any Chargor.

14. Default

14.1 *Enforcement*

The Debenture Security shall become enforceable without further notice immediately on the occurrence of an Event of Default which is continuing.

14.2 *Enforcement*

- (a) While the Debenture Security is enforceable, the Security Agent will be entitled to enforce all or any part of the Debenture Security in any manner it sees fit, including without limitation by exercising all or any of the powers conferred on a mortgagee by the LPA (as varied or extended by this Debenture), all or any of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act) and all or any of the rights and powers conferred by this Debenture.
- (b) Without limiting the generality of sub-clause (a) above, on and at any time after the occurrence of an Event of Default which is continuing, the Security Agent in its absolute discretion may by written notice to a Chargor:
 - (i) declare the Secured Liabilities to be immediately due and payable by it, together with all accrued interest thereon and any other sums then owed by the relevant Chargor under any Finance Document to which it is a party and, upon that declaration, such sums shall become immediately due and payable without demand or notice of any kind, all of which are hereby expressly waived by the relevant Chargor; and/or
 - (ii) declare the Secured Liabilities to be due and payable on demand of the Security Agent; and/or
 - (iii) declare the security constituted by the Finance Documents to be enforceable; and/or
 - (iv) appropriate (for the purposes of the Financial Collateral Regulations and subject to Clause 14.3 (*Financial Collateral*) below) any part or the whole of the Financial Collateral secured by this Debenture.

14.3 *Financial Collateral*

- (a) To the extent that any of the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Debenture, the Security Agent shall have the right, at any time following the occurrence of and during a continuing Event of Default, to appropriate all or any part of those Assets in or towards the payment or discharge of the Secured Liabilities.
- (b) The value of any Assets appropriated in accordance with this Clause 14.3 (*Financial Collateral*) shall be determined by such method as the Security Agent may reasonably select (including independent valuation), at the time the right of appropriation is exercised. Each Chargor agrees that the methods of valuation provided for in this Clause 14.3 (*Financial Collateral*) are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.
- (c) To the extent that the Assets constitute Financial Collateral, each Chargor agrees that such Assets shall be held or designated so as to be under the control of the Security Agent for all purposes of the Financial Collateral Regulations.

15. Statutory power of sale

- 15.1 For the purposes of all powers under this Debenture and implied by statute, and in particular the power of sale under Section 101 of the LPA (Powers incident to estate or interest in a mortgage), the Secured Liabilities will be deemed to have become due immediately on the date of this Debenture but the Security Agent shall not exercise such powers of sale or other powers until the security constituted by this Debenture becomes enforceable and Section 103 of the LPA (Regulation of exercise of power of sale) and Section 93 of the LPA (Restriction on consolidation of mortgages) will not apply.
- 15.2 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make arrangements for leases, accept surrender of leases and grant options on such terms and conditions as the Security Agent may in its discretion think fit. The Security Agent is not obliged to comply with any of the provisions of Section 99 (Leasing powers of mortgagor and mortgagee in possession) and Section 100 (Powers of mortgagor and mortgagee in possession to accept surrenders of leases) of the LPA.
- 15.3 Each of the Security Agent and the Receiver may exercise the statutory power of sale and the statutory powers of leasing, as amended and varied in the foregoing clauses, and all other statutory powers, in respect of the whole or any part of the Property at any time while the security constituted by this Debenture is enforceable.

16. Administrator

At the time that, or at any time after, the Debenture Security becomes enforceable during the continuance of an Event of Default, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Charged Property pursuant to this Debenture, the Security Agent may, insofar as permitted by law, at its option and in addition to any right to appoint a Receiver, by writing under the hand of any authorised officer of the Security Agent, appoint, petition the relevant court to appoint or apply to the court for the appointment of any person to be an administrator of any Chargor under the Insolvency Act and such person shall, from the effective date of such appointment, be an administrator.

17. Receiver

17.1 Appointment of Receiver

- (a) At any time that the Debenture Security becomes enforceable during a continuing Event of Default, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Charged Property pursuant to this Debenture:

- (i) the Security Agent may, insofar as permitted by law, at its option, by writing under the hand of any authorised officer of the Security Agent, appoint any person to be a receiver of the Charged Property and such person shall, with effect from the effective date of such appointment, be a Receiver provided that this provision shall not apply solely by reason of the obtaining of a moratorium, or anything done with a view to obtaining a moratorium, as a preliminary to a creditors voluntary arrangement, by an eligible company (as defined in Schedule A1 of the Insolvency Act) under the Insolvency Act;
 - (ii) the Security Agent may, from time to time, in similar manner, remove the Receiver and appoint another in his place;
 - (iii) the Security Agent may, either at the time of appointment or at any time thereafter, fix the remuneration of the Receiver (excluding for the purposes of this Clause the limitation set out in Section 109(6) LPA (Appointment, powers, remuneration and duties of receivers));
 - (iv) the Security Agent and any Nominee wherever situate may, without further notice and without the restrictions contained in Section 103 of the LPA (Regulation of exercise of power of sale), exercise in respect of all or any part of the Securities and the Derivative Assets all the powers and rights exercisable by the registered holder of the Securities and the Derivative Assets and all other powers conferred on mortgagees by the LPA as varied or extended by this Debenture; and
 - (v) the Security Agent and any Nominee wherever situate may apply any dividends, interest or other payments received or receivable by the Security Agent or by such Nominee in respect of the Securities and the Derivative Assets as if they were proceeds of sale.
- (b) None of the restrictions imposed by the LPA in relation to the appointment of receivers, the giving of notice or otherwise shall apply.
- (c) The Receiver may from time to time delegate, by power of attorney or otherwise, to any person any of his powers and discretions, whether arising by statute, the provisions of this Debenture or otherwise, upon such terms and for such periods of time as he may in his discretion think fit and may from time to time terminate any such delegation. Neither the Security Agent nor any Receiver shall be liable to any Chargor for any loss or damage arising from any such delegate's act, default, neglect or misconduct of any nature whatsoever.

17.2 *Powers of Receiver*

The Receiver has all the powers to do or abstain from doing anything which the Lenders or any Chargor could do or abstain from doing in relation to the Charged Property including, without limitation the powers conferred by Section 109 of the LPA (Appointment, powers, remuneration and duties of receivers) and, in the case of a Receiver who is an administrative receiver, the powers conferred by Section 29 of the Insolvency Act (Definitions) and Schedule 1 to the Insolvency Act (Powers of administrator or administrative receiver), and in particular the Receiver may:

(a) *Possession*

take immediate possession of, get in and collect the Charged Property or any part thereof;

(b) *Carry on business*

carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit;

(c) *Protection of assets*

- (i) manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Charged Property or concur in so doing;
- (ii) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Property;
- (iii) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit;

(d) *Realisation of assets*

sell, exchange, convert into money and realise the Charged Property or concur in so doing by public auction or private contract and generally in such manner and on such terms as he in his discretion may think fit. Without prejudice to the generality of the foregoing, he may do any of these things for any valuable consideration, whether full market value or otherwise, including, without limitation, cash, shares, stock, debentures or other obligations. Any such consideration may be payable in a lump sum or by instalments spread over such period as he in his discretion may think fit;

(e) *Let, hire or lease*

- (i) let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (ii) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of the Charged Property;
- (iii) exchange or concur in exchanging the Charged Property;

in each such case in such manner and generally on such terms as he may in his discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise;

(f) *Registration*

use a Chargor's name to effect any registration or election for tax or other purposes;

(g) *Insurances*

effect, review or vary insurances;

(h) *Borrowing*

for the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Debenture or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, to raise and borrow money or incur any other liability either unsecured or secured on the Charged Property, either in priority to the Debenture Security or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to

be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed;

(i) *Lending*

lend money to any person;

(j) *Advance credit*

advance credit, in the ordinary course of the Chargor's business, to any person;

(k) *Make calls*

make, or require the directors of any Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his direction may think fit) or otherwise;

(l) *Compromise*

(i) settle or compromise any claim by, adjust any account with, refer to arbitration any dispute with, and deal with any question or demand from, any person who is, or claims to be, a creditor of any Chargor, as he may in his discretion think fit; and

(ii) settle or compromise any claim, adjust any account, refer to arbitration any dispute and deal with any question or demand relating in any way to the Charged Property, as he in his discretion may think fit;

(m) *Proceedings*

in the name of any Chargor, bring, prosecute, enforce, defend or abandon all such actions, suits and proceedings in relation to the Charged Property as he in his discretion may think fit;

(n) *Subsidiaries*

(i) promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Charged Property;

(ii) arrange for the purchase, lease, licence or acquisition of an interest in the Charged Property by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and

(iii) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit;

(o) *Employees*

appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he in his discretion may think fit;

(p) *Receipts*

give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Charged Property;

(q) *Environment*

conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Agent or otherwise and comply with all lawful orders and directives of all applicable Authorities regarding Environmental Law binding on the Chargor;

(r) *Delegation*

delegate any or all of his powers in accordance with this Debenture; and

(s) *General powers*

do all such other acts and things as the Receiver in his discretion may consider to be incidental or conducive to any of the matters or powers set out in this Debenture or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property.

17.3 *Receiver as agent of a Chargor*

The Receiver is at all times and for all purposes the agent of the Chargor over which, or over the assets of which, he is appointed. Subject to the provisions of the Insolvency Act, that Chargor is solely responsible for all the Receiver's and the Receiver's delegates' acts, defaults, neglect and misconduct of any nature whatsoever and for his remuneration and costs, to the exclusion of liability on the part of the Security Agent or Lenders.

17.4 *No obligation*

The Receiver is not obliged to exercise any nor all of the powers set out in this Clause 17.

17.5 *Several power*

Where more than one Receiver is appointed, each Receiver has the power to act severally unless the Security Agent specifies otherwise in the appointment of such Receiver.

17.6 *Powers exercisable by the Security Agent*

- (a) The Security Agent may exercise all powers granted to the Receiver by this Debenture, whether as attorney of any Chargor or otherwise.
- (b) The powers of the Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Agent as provided in Clause 15 (*Statutory power of sale*) or otherwise and so that, inter alia, such powers are and remain exercisable by the Security Agent in respect of that part of the Charged Property in respect of which no appointment of a Receiver by the Security Agent is from time to time subsisting.

17.7 *Application of proceeds*

The provisions of Sections 99 to 109 inclusive of the LPA are varied and extended to the extent that all monies received by the Receiver shall be applied (subject to the provisions of the Insolvency Act, in so far as applicable to this Debenture) in the following order:

- (a) in full payment of his remuneration and the costs of realisation including, without limitation, all costs of, or incidental to, any exercise of any power referred to in this Debenture, including, without limitation, all outgoings paid by the Receiver;
- (b) providing for the matters specified in paragraphs (i) to (iii) inclusive of Section 109 (8) of the LPA (Appointment, powers, remuneration and duties of receiver);
- (c) in or towards satisfaction of any debts or other imposts which are by statute made payable in preference to the Secured Liabilities to the extent to which such debts or imposts are made so payable;
- (d) if so required by the Security Agent in its discretion, in or towards satisfaction of the Secured Liabilities; and
- (e) to the person or persons entitled to any surplus.

18. Protection of third parties

18.1 Any person (including, without limitation, any purchaser, mortgagor or mortgagee) (in this Clause 18 (*Protection of Third Parties*) a “purchaser”) dealing with the Security Agent or the Receiver may assume without inquiry that:

- (a) some part of the Secured Liabilities has become due;
- (b) a demand for such Secured Liabilities has been duly made, if required; and
- (c) such Secured Liabilities have become due within the meaning of Section 101 of the LPA (Powers incident to estate or interest in a mortgage).

18.2 No purchaser dealing with the Receiver or the Security Agent is to be concerned to enquire whether any power exercised or purported to be exercised by the Receiver or the Security Agent has become exercisable, or as to the propriety or regularity of any sale by, or other dealing with, the Receiver or the Security Agent. Any such sale or dealing is deemed to be within the powers conferred by this Debenture and to be valid and effective accordingly. All the protection to purchasers contained in Section 104 (Conveyance on sale) and Section 107 (Mortgagee's receipt, discharges etc.) of the LPA and Section 42(3) of the Insolvency Act (Prohibition upon enquiry into administrative receiver's powers) apply to any purchaser.

19. No liability as mortgagee in possession

19.1 Mortgagee's liability

Neither the Security Agent nor the Receiver is:

- (a) liable to account as mortgagee in possession in respect of the Charged Property; nor
- (b) liable for any loss upon realisation or exercise of any power, authority or right of the Security Agent or the Receiver arising under this Debenture, nor for any act, default, neglect or misconduct of any nature whatsoever.

19.2 ***Possession***

If the Security Agent or the Receiver enters into possession of the Charged Property, such person may at any time go out of possession at their own discretion.

20. **Delegation**

20.1 ***Power of Attorney***

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

20.2 ***Terms***

Any delegation under Clause 21 (*Power of Attorney*) may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may think fit.

20.3 ***Liability***

Neither the Security Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

21. **Power of attorney**

21.1 Each Chargor irrevocably and by way of security appoints the Security Agent, each person deriving title from the Security Agent and the Receiver, jointly and severally to be its attorney (with full power to appoint substitutes and to delegate) for it, in its name, on its behalf and as its act and deed or otherwise to sign or execute any deed or document or do any act or thing which that Chargor is, or may become, obliged to sign, execute or do pursuant to this Debenture or which the Security Agent, the Receiver or any person deriving title from the Security Agent or the Receiver in the absolute discretion of such person may think fit in connection with the exercise of any of the powers of such person or the realisation of any of the Debenture Security.

21.2 Without prejudice to the generality of the foregoing, each Chargor unconditionally undertakes to the Security Agent, and separately to the Receiver and to each person deriving title from the Security Agent or the Receiver, that it shall ratify and confirm anything done or purported to be done by any attorney appointed pursuant to this Clause 21.

22. **Cumulative and continuing security**

22.1 The Debenture Security constitutes a continuing security to the Security Agent regardless of the intermediate payment or discharge of the whole or any part of the Secured Liabilities and will not be prejudiced or affected by any act, omission or circumstance which, but for this Clause 22, might affect or diminish their effectiveness.

22.2 The Debenture Security is in addition to, is not in substitution for, are without prejudice to, and does not merge with, any rights whatsoever which the Security Agent or Lenders may have, whether in respect of the Secured Liabilities or otherwise, including, without limitation, any rights arising under any of the Financing Documents or applicable rule of law.

22.3 The obligations of the Chargors under this Charge will not be affected by any amendment, variation, restatement or supplement of or to, or any novation, transfer or termination (in whole or in part) of, any document relating to the Secured Liabilities or any exercise by the Lenders (in its absolute discretion) of its

rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Chargors or any other person.

- 22.4 Any receipt, release or discharge of the Debenture Security, or of any liability arising under, this Debenture shall not release or discharge any Chargor from any liability which may exist independently of this Debenture to the Lenders.
- 22.5 Where the Debenture Security initially take effect as collateral or further security to any other Security held by the Lenders then, notwithstanding any receipt, release or discharge given in respect of such other Security, this Debenture shall take effect as an independent security for any monies, liabilities or other sums secured by such other Security.

23. Avoidance of payments

- 23.1 No assurance, security or payment which may be avoided under the law or subject to an order of the court made under any law relating to bankruptcy, insolvency, administration or winding-up, including, without limitation, the Insolvency Act, and no release, settlement or discharge given or made by the Lenders on the faith of any such assurance, security or payment, prejudices or affects the right of:
- (a) the Lenders to recover any monies from any Chargor (including, without limitation, any monies which it is compelled to refund under the Insolvency Act and any costs payable by it incurred in connection with such process); or
 - (b) the Security Agent to enforce the Debenture Security to the full extent of the Secured Liabilities, and

where any payment has been so received it will not be considered to have been paid for the purposes of this Debenture or for reduction or discharge of the Secured Liabilities.

- 23.2 The Security Agent, at its discretion, may retain the Debenture Security as security for the Secured Liabilities for a period of one month plus any statutory period within which any such assurance, security or payment can be avoided or invalidated, notwithstanding any release, settlement, discharge or arrangement given or made by a Lender.
- 23.3 If at any time within the period referred to in Clause 23.2 (*Avoidance of Payments*) any person takes any step whatsoever relating to (i) the winding-up or administration of any Chargor or (ii) any arrangement with the creditors of any Chargor, then the Security Agent may retain the whole or any part of the Debenture Security for such further period as the Security Agent may in its discretion think fit. Such Security will be deemed to have been held and to have remained held by the Security Agent as security for the payment of the Secured Liabilities.

24. Prior charges

- 24.1 If there subsists any prior Security against the Charged Property and either any step is taken to exercise any power or remedy conferred by such Security or the Security Agent or the Receiver exercises any power of sale pursuant to this Debenture, then the Security Agent may redeem such prior Security or procure the transfer of such Security to itself and may settle and pass the accounts of the person entitled to such Security. Any accounts so settled and passed are conclusive and binding on each Chargor.
- 24.2 Each Chargor shall reimburse the Security Agent for any costs incurred by the Security Agent in exercise of its rights under this Clause 24 (*Prior charges*).

25. Opening a new account

- 25.1 If the Security Agent receive notice of any subsequent Security affecting the Charged Property, then it may open a new account for any Chargor.
- 25.2 If the Security Agent does not open such new account, then, unless it gives express written notice to the contrary to the relevant Chargor, all payments by or on behalf of the Chargor to the Lenders will be treated as from time of receipt of notice of such subsequent Security by the Lenders as having been credited to a new account of that Chargor and not as having been applied in reduction of the amount of the Secured Liabilities as at the time when the notice was received.

26. Suspense account

A Lender may, in its discretion, credit to any suspense or impersonal account and hold in such account, on such terms as such Lender in its discretion may think fit, all monies received, recovered or realised by such Lender pursuant to this Debenture (including, without limitation, the proceeds of any conversion of currency) pending the application from time to time (as such Lender may effect in its discretion) of such monies and accrued interest, if any, in or towards satisfaction of the Secured Liabilities.

27. Changes to the Parties

- 27.1 No Chargor shall be entitled to assign, transfer, novate or dispose of all or any part of, or any interest in, its rights, benefit or obligations under this Debenture.
- 27.2 The Security Agent may assign, transfer, novate or dispose of all or any part of, or any interest in, its rights and obligations under this Debenture to any person at any time. Each Chargor will enter into such documentation as the Security Agent may reasonably require to give effect to any assignment, transfer, novation or disposal permitted by this Clause.
- 27.3 SoundCloud Limited consents to any person becoming a party to this Debenture as a Chargor from time to time by entering into an Accession Deed with the Security Agent.

28. Currency

- 28.1 All monies received or held by the Security Agent or any Receiver in respect of the Secured Liabilities may be converted from time to time after demand has been made, into such other currency as the Security Agent in its absolute discretion considers necessary or desirable to cover the obligations and liabilities actual or contingent of any Chargor in that other currency at the Exchange Rate for purchasing that other currency with the existing currency.
- 28.2 Neither the Security Agent nor any Receiver shall be liable to any Chargor for any loss resulting from any fluctuation in exchange rates before or after the exercise of any of its or their powers or rights under this Debenture.
- 28.3 No payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of any Chargor in respect of which it was made unless and until the Security Agent shall have received payment in full in the currency in which such obligation or liability was incurred and, to the extent that the amount of any such payment, on actual conversion into such currency, shall fall short of such obligation or liability actual or contingent expressed in that currency, the Security Agent shall have a further separate cause of action against that Chargor and shall be entitled to enforce the security constituted by this Debenture to recover the amount of the shortfall and such amount will bear interest at the Default Rate from the date of payment by the Security Agent until the date of reimbursement.

29. Set-off

Each Lender may set off any matured obligation due from a Chargor to it under the Finance Documents (to the extent beneficially owned by such Lender) against any matured obligation owed by it to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lenders may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

30. Notices

30.1 *Communications in writing*

Any communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, may be made by email or letter.

30.2 *Addresses*

- (a) The email address and physical address (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 Debenture is as identified below, or any substitute email or physical address or department or officer as SoundCloud Limited may notify to the Security Agent (or the Security Agent may notify to SoundCloud Limited, if a change is made by the Security Agent) by not less than five Business Days' notice.
- (b) SoundCloud Limited address: c/o Jag Shaw Baker, Berners House, 47-48 Berners Street, London W1T 3NF, email: ~~markus@soundcloud.com~~ markus@soundcloud.com. Marked for the attention of Markus Harder the VP Finance & IT with a copy to Neil Miller with at neil@soundcloud.com.
- (c) The Security Agent's address: 2 Embarcadero Center, Suite 1670, San Francisco, CA 94111. Marked for the attention of todd.fissori@tennenbaumcapital.com, with a copy to sgasser@premiercounsel.com.

30.3 *Delivery*

- (a) Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective:
 - (i) if by way of email, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited with an internationally recognized express mail delivery service for the next available delivery (e.g., overnight) prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 30.2 (*Addresses*), if addressed to that department or officer.

31. Miscellaneous

- 31.1 Every provision contained in this Debenture shall be severable and distinct from every other provision and if, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability 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.

- 31.2 Each Chargor agrees to be bound by this Debenture notwithstanding that any obligation contained in it may be determined or may be or become invalid or unenforceable against any other Chargor and whether or not the deficiency is known to the Security Agent, or any of the Lenders. The Security Agent shall be at liberty to compound with or otherwise vary or agree to vary the liability of or to grant time or indulgence to or to make other arrangements with each or any Chargor or any other person without prejudicing or affecting the rights and remedies of the Lender against any other Chargor.
- 31.3 Failure by one or more parties ("Non-Signatories") to execute this Debenture on the date of this Debenture will not invalidate the provisions of this Debenture as between the other parties who do execute this Debenture. Any Non-Signatories may execute this Debenture (or a counterpart of this Debenture) on a subsequent date and will thereupon become bound by its provisions.
- 31.4 If any one or more of the Chargors is not bound by any or all of the provisions of this Debenture (whether by reason of lack of capacity, improper execution, failure to execute or for any other reason whatsoever) the remaining Chargors shall nonetheless continue to be bound as if such Chargor had never been a party.

32. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Debenture 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 in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.

33. Counterparts

- (a) This Debenture may be executed in any number of counterparts, by any of the signatories of any of the parties, on separate counterparts, and by facsimile or by PDF, and this has the same effect as if the signatures on the counterparts were on a single copy of this Debenture.
- (b) The execution (whether under hand or as a deed) or sealing of this Debenture by or on behalf of a party constitutes an authority to the solicitors or legal counsel acting for that party in connection with this Debenture, or any agent or employee of such solicitors or legal counsel, to deliver it as a deed on behalf of that party.

34. HM Land Registry

- 34.1 Each Chargor shall apply in the manner specified by the 2003 Rules to the Land Registry (or will use all reasonable endeavours to assist the Security Agent in its application to the Land Registry, and in any event will not object to such registration), at the same time as applying to register this Debenture, for registration against the title to the Property of the following restriction:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [*Insert Security Agent's names*] referred to in the charges register".

- 34.2 Each Chargor shall apply in the manner specified by the 2003 Rules to the Land Registry (or will use all reasonable endeavours to assist the Security Agent in its application to the Land Registry, and in any event will not object to such registration), at the same time as applying to register this Debenture, for registration against the title to the Property of a notice of the obligation of the Lenders to make further advances under the terms of the Finance Documents (which obligation is deemed to be incorporated into this Debenture).

35. Release

- 35.1 Subject to Clause 23.2 (*Avoidance of payments*), upon irrevocable discharge in full of the Secured Liabilities the Security Agent shall, at the request and the cost of the Chargors, release from the Debenture Security and reassign to the Chargors all the Chargors' rights, title, interest and benefit in and to the Charged Property by executing a release in the form set out in Schedule 5, with such amendments as the Security Agent may agree at the Chargors' request.
- 35.2 Where any Chargor sells or otherwise disposes of an asset to a purchaser which is not a member of the Group, and such sale or disposal is permitted by the terms of the Credit Agreement, the Security Agent shall, at the request and cost of the relevant Chargor, release from the Debenture Security all the Chargor's rights, title, interest and benefit in and to the asset the subject of the sale or disposal.

36. Governing law

- (a) This Debenture and any dispute, controversy, proceedings, claim or obligation of whatever nature arising out of or in any way relating to it, its subject matter or formation (whether contractual or non-contractual) is governed by and shall be construed in accordance with English law.

37. Enforcement

37.1 *Jurisdiction*

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture whether contractual or non-contractual (including a dispute regarding the existence, validity or termination of this Debenture) (a "Dispute").
- (b) The Security Agent and each Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly none of them will argue to the contrary.
- (c) This Clause 37.1 (*Jurisdiction*) is for the benefit of the Security Agent only.

37.2 *Freedom of Choice*

The submission to the jurisdiction of the courts referred to in Clause 37.1 (*Jurisdiction*) shall not (and shall not be construed so as to) limit the right of the Security Agent or any Lender to take proceedings against any Chargor in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

37.3 *Service of process*

Without prejudice to any other mode of service allowed under any relevant law, each Chargor (which is not a company incorporated in England Wales):

- (a) irrevocably appoints SoundCloud Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture;
- (b) agrees that failure by a process agent to notify any Chargor of the process will not invalidate the proceedings concerned; and
- (c) if any person appointed as process agent is unable for any reason to act as agent for service of process, the relevant Chargor must immediately (and in any event within 3 Business Days of such

event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.

In witness whereof this Debenture has been entered into on the date written at the beginning of this Debenture and has been executed and delivered as a deed by the Chargor on the date written at the beginning of this Debenture.

Schedules

Schedule 1

The Lenders

Name of the Lender	Lender's Address
Special Value Continuation Partners, LP	{•}Two Embarcadero Center, Suite 1670, San Francisco, CA 94111
Tennenbaum Enhanced Yield Fund I, LLC	{•}Two Embarcadero Center, Suite 1670, San Francisco, CA 94111

Schedule 2

The Secured Assets

Part 1

Property

Intentionally left blank

Part 2

Securities

Chargor	Name of company in which Securities are held	Securities held
SoundCloud Limited	SoundCloud Inc	\$25000 of Common Stock of \$0.001 each
SoundCloud Limited	SoundCloud EOOD	BGN 5000

Part 3

Assigned Contracts

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Part 4

Cash Collateral Accounts


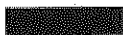

Name/Address of Bank	Account Number	Type of Account	Name of Account Owner if other than Borrower
None			

Part 5

Bank Accounts

Name/Address of Bank	Account Number	Currency and Type of Account	Name of Account Owner if other than Borrower
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	██████████	EUR Current Account	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 Debiture SoundCloud Ltd	██████████	EUR Current Account	N/A

10117 Berlin Germany		Collecting funds – PayPal and Adyen funds	
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	EUR Blocked for Bank Guarantee / Aval	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	EUR Current Account	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	USD Current Account	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	GBP Current Account Collecting funds – PayPal and Adyen funds	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	USD Current Account	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	USD Blocked for Bank Guarantee / Aval	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	EUR Bank Guarantee (linked to account ■■■■■ EUR)	N/A
<u>Deutsche Bank AG</u> Unter den Linden 13/15 10117 Berlin Germany	■■■■■	USD Bank Guarantee (linked to account ■■■■■ USD)	N/A

<u>Deutsche Bank UK</u> Deutsche Bank AG London Winchester House, 1 Great Winchester Street, London EC2N 2DB		GBP Current Account	N/A
<u>Deutsche Bank USA</u> Deutsche Bank Trust Company Americas P.O. Box 318, Church Street Station, New York, NY 10008-0318 USA		USD Current Account Collecting funds – PayPal and Adyen funds	N/A
<u>Deutsche Bank USA</u> Deutsche Bank Trust Company Americas P.O. Box 318, Church Street Station, New York, NY 10008-0318 USA		USD Current Account Collecting funds – PayPal and Adyen funds	N/A

Schedule 3
Notice of Assignment

To •[Insurer/Counterparty]
 •[Address]

Attention: •

• 20••[Date]

Dear Sirs

Notice of assignment

- 1 We refer to the following [insurance policy]/[contract] (the “[Policy]/[Contract]”):

 •[insert details]
- 2 We hereby give you notice that by a debenture dated April __, 2105 granted by us, SoundCloud Limited (the “Chargor”) to Obsidian Agency Services, Inc. as security agent (the “Security Agent”), we have assigned absolutely to the Security Agent all of our rights, title, interest and benefits in and to the [Policy]/[Contract].
- 3 Please note that we are not entitled to agree or cancel or modify the [Policy]/[Contract]* in any way, except with the Security Agent's prior written consent; however you may continue to deal directly with us in relation to the [Policy]/[Contract]* until such time as the Security Agent gives you written notice that the Debenture has become enforceable in accordance with its terms (an “Enforcement Notice”).
- 4 You are hereby authorised and directed:
 - (a) to comply with all requests (for information or otherwise) and instructions received by you from the Security Agent without reference to or further authority from us;
 - (b) [to note on the Policy the interest of the Security Agent pursuant to the assignment referred to above;]** and
 - (c) following receipt of notice an Enforcement Notice, to pay all sums payable to us pursuant to the [Policy]/[Contract]* to such bank account as the Security Agent may instruct you from time to time and to hold the benefit of the [Policy]/[Contract]* to the order of the Security Agent.
- 5 This notice may only be revoked or amended with the prior written consent of the Security Agent.
- 6 Please confirm by completing the acknowledgement on the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you agree to the above and that:
 - (a) that up to the date of your acknowledgement of this notice, you have not received any notice of any prior assignments, charges, or other security or third party interests in or to the [Policy]/[Contract]*, you are not aware of any breach of the terms of the [Policy]/[Contract]*, and you will notify the Security Agent promptly if you should do so in the future;

- (b) following a receipt of an Enforcement Notice:
- (i) the Security Agent shall be entitled immediately or at any time thereafter to exercise all our rights, powers and discretions in respect of the [Policy]/[Contract]*; and
 - (ii) you will not permit any sums to be paid to us or to any person pursuant to the [Policy]/[Contract]* without the prior written consent of the Security Agent; and
- (c) if you make any attempt to amend, terminate or cancel the [Policy]/[Contract], you will liaise with and notify the Security Agent and not us.

7 This notice shall be governed by and construed in accordance with English law.

Yours faithfully

For and on behalf of
SoundCloud Limited

[On copy]

To • [Security Agent]
• [Address]

Attention: •

Dear Sirs,

We acknowledge receipt of the above notice (the "Notice") and confirm that we agree with, and undertake to comply with, its terms, including without limitation the matters set out in Clause 6 of the notice.

For and on behalf of
•

Dated:

NOTES:

* Delete as appropriate

** Include in notices for insurance policies only

Schedule 4
Form of Accession Deed

This Accession Deed made on

20●●

Between:

- (1) [●] (company number: ●) whose registered office is at [●] (the "New Chargor"); and
- (2) [●] Bank plc as agent and trustee for itself and for each of the Lenders (the "Security Agent"),

and is supplemental to a Debenture granted by SoundCloud Limited in favour of the Security Agent on April [●], 2015 (the "Debenture").

Now this Deed witnesses as follows:

1 Definitions and Interpretation

Words and expressions defined in the Debenture shall have the same meaning in this Accession Deed.

2 Confirmation

The New Chargor confirms it has been supplied with a copy of the Debenture and that it is a member of the Group.

3 Accession

The New Chargor:

- (a) covenants with the Security Agent for the benefit of the Security Agent and each of the Lenders (including their assigns, transferees and successors in title) to be bound by all the terms of the Debenture; and
- (b) creates and grants with effect from the date of this Deed, the mortgages, charges, assignments and other Security which are stated to be created or granted pursuant to the Debenture,

as if the New Chargor had been an original party to the Debenture as a Chargor.

4 Security

4.1 Without prejudice to the generality of Clause 3 of this Deed, the New Chargor charges and assigns with full title guarantee in favour of the Security Agent:

- (a) by way of legal mortgage, the Property specified in Part 1 of the Schedule to this Deed, and all Rights relating to such Property;
- (b) by way of first fixed charge:
 - (i) all Property not validly charged in Clause 4.1(a) and all Rights relating to such Property;

Debenture – SoundCloud Ltd.

- (ii) all easements, rights and agreements in respect of all Property; and
- (iii) all proceeds of sale derived from all Property;
- (c) by way of first fixed charge, its Contracts;
- (d) by way of first fixed charge, its Book Debts;
- (e) by way of first fixed charge, the Bank Accounts and Cash Collateral Accounts specified in Part 4 of the Schedule to this Deed;
- (f) reserved;
- (g) by way of first fixed charge, its Plant and Machinery;
- (h) by way of first fixed charge, the Securities specified in Part 2 of the Schedule to this Deed;
- (i) by way of first fixed charge, all its Securities not charged by Clause 4.1(h);
- (j) by way of first fixed charge, all its Derivative Assets of a capital nature;
- (k) by way of first fixed charge, all its Derivative Assets of an income nature;
- (l) by way of first fixed charge all its present and future bank accounts, cash at bank and credit balances (excluding those arising on fluctuating accounts) with any bank or other person and all rights relating to or attaching to them (including the right to interest);
- (m) by way of first fixed charge, all its goodwill and uncalled capital for the time being;
- (n) by way of absolute assignment, all present and future insurances in respect of any Fixed Charge Assets and the proceeds of such insurances;
- (o) by way of absolute assignment, all other present and future insurances and the proceeds of such insurances not charged by Clause 4.1(n);
- (p) by way of absolute assignment, the benefit of contracts specified as Assigned Contracts in Part 3 of the Schedule to this Deed;
- (q) by way of absolute assignment, the benefit of the Hedging Agreements and any letters of credit issued to it;
- (r) by way of absolute assignment, all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Charge Asset, except to the extent such rights, money or property are for the time being effectively charged under the provisions of Clauses 4.1(a) to 4.1(q) above;
- (s) by way of first fixed charge, its rights now or hereafter to recover any VAT on any supplies made to it relating to the Assets any tax refund, rebate or repayment, and any sums so recovered; and
- (t) by way of first floating charge, all its undertaking and assets whatsoever, wherever situate, whether movable, immovable, present or future, including, without limitation, its uncalled capital for the time being and all its undertaking and assets referred to above which are, for any reason, not validly charged or assigned pursuant to Clauses 4.1(a) to 4.1(s) (inclusive) of this Deed.

4.2 The assignments set out in Clause 4.1 are absolute assignments for the purposes of section 136 LPA and are not made by way of charge only.

4.3 The floating charge created by Clause 4.1(t) of this Deed is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.

5 Construction

Save as specifically varied in respect of the New Chargor only, the Debenture shall continue and remain in full force and effect this Accession Deed shall be read and construed as one with the Debenture so that all references to "this Debenture" in the Debenture shall include reference to this Accession Deed.

6 Governing Law

This Accession Deed shall be governed by and construed according to English law.

In witness whereof the New Chargor and the Security Agent have caused this Accession Deed to be duly executed on the date appearing at the head of page 1.

[Add signature blocks after Schedule]

Schedule to Accession Deed

Part 1

Property

Short Description of Property

Title Number (if registered)

[•]

[•]

Part 2

Securities

Name of company in which Securities are held	Securities held
[•] Limited	[•] [ordinary] shares

Part 3

Date of contract	Parties to contract	Details of contract
[•]	[•]	[•]

Part 4

Cash Collateral Accounts

Name/Address of Bank	Account Number	Type of Account	Name of Account Owner if other than Borrower
[•]	[•]	[•]	[•]

Schedule 5

Form Deed of Release

This Deed of release is made on

20●●

Between:

- (3) ●[The Security Agent] (registered in England and Wales under company number ●) the registered office of which is at ● (the "Security Agent"); and
- (4) ●[The Chargors] (registered in England and Wales under company number ●) the registered office of which is at ● (the "Chargors").

It is agreed as follows:

The Security Agent hereby releases all and any security interests created or evidenced in the debenture granted by the Chargors to the Security Agent on April [●], 2015 (the "Debenture") and all and any fixed and floating charges created by the Debenture over any of the property, rights and assets more particularly described in the Debenture (together the "Security Interests") and hereby reassigns to the Chargor all property, assets, interests and rights assigned to the Security Agent pursuant to the Debenture.

[The Security Agent hereby releases and discharges the Chargors from all their obligations, undertakings and liabilities under the Debenture.]. [The Security Agent hereby releases and discharges the Chargors from all their obligations, undertakings and liabilities under the Debenture in respect of the assets, property and rights being released]. *The first option should be included where all assets are being released, the second where there is a partial release of assets.*

The Security Agent hereby confirms that it is entering into this Deed for itself and on behalf of each company or corporation for whom it acts as agent in respect of the matters set out herein.

The Security Agent hereby agrees, subject to its costs for so doing being fully indemnified by the Chargors, to execute such other documents for the release of the Security Interests as the Chargors may require, including, without limitation, notices of reassignment and Land Registry Forms.

This Deed shall be governed by and construed in accordance with English Law.

Unless expressly provided in this Deed, no express term of this Deed nor any term implied under it is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise by any person who is not a party to it and the consent is not required to rescind or vary this Deed at any time of any person who is not a party to it.

In witness whereof this Deed has been executed and delivered as a deed on the date written at the beginning of this Deed.

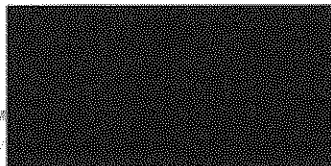
[Add signature blocks]

Signatures

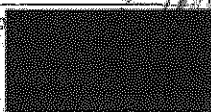
The Chargor

Executed and Delivered as a Deed
for and on behalf of
SoundCloud Limited
by:

)
)
)
)



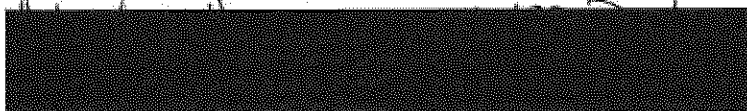
Director



In the presence of:
Signature of witness:
Name:
Address:
Occupation:

Witness

Tamara Schenk



The Security Agent

Executed and Delivered as a Deed
for and on behalf of
Obsidian Agency Services, Inc.

)
)
)

By: _____
Name: _____
Title: _____

In the presence of:
Signature of witness:
Name:
Address:
Occupation: