



Registration of a Charge

Company Name: **SONOVATE LIMITED**

Company Number: **07500445**



Received for filing in Electronic Format on the: **03/02/2022**

XAX1AH5T

Details of Charge

Date of creation: **31/01/2022**

Charge code: **0750 0445 0013**

Persons entitled: **BCI FINANCE LIMITED**

Brief description: **INTELLECTUAL PROPERTY TRADEMARK NO.: UK00002606487;
JURISDICTION: UK; CLASSES: 35, 42; MARK TEXT: SONOVATE FOR
MORE DETAILS PLEASE REFER TO THE CHARGING INSTRUMENT.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

ASHURST LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7500445

Charge code: 0750 0445 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st January 2022 and created by SONOVATE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd February 2022 .

Given at Companies House, Cardiff on 4th February 2022

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

Security Agreement

Sonovate Limited
as Chargor

and

BCI Finance Limited
as Security Agent

31 January 2022

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THIS SECURITY AGREEMENT is dated

31 January

2022

BETWEEN:

- (1) **SONOVATE LIMITED**, a company incorporated in England and Wales (registered number 07500445) whose registered office is at fourth Floor, Golate House, 101 St Mary Street, Cardiff CF10 1DX (the "**Chargor**"); and
- (2) **BCI FINANCE LIMITED** (the "**Security Agent**").

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Effective Date

Notwithstanding anything to the contrary in any Finance Document, the parties to this Security Agreement agree that:

- (a) with effect from (and including) the Effective Date, they shall have the rights and take on the obligations ascribed to them under this Security Agreement; and
- (b) the Chargor shall only grant, or purport to grant, the Security Interests pursuant to Clause 3 (Creation of Security Interests) on the Effective Date,

and, for the avoidance of doubt, no right and obligations shall be assumed by the parties to this Security Agreement and no Security Interests shall be granted, or deemed to be granted, by the Chargor, in each case, prior to the Effective Date or if the Effective Date does not for any reason occur on or prior to the Longstop Date.

1.2 Terms defined in the Facilities Agreement

Terms defined in the facilities agreement made between, amongst others the Chargor and the Security Agent dated on or about the date of this Security Agreement (the "**Facilities Agreement**") but not in this Security Agreement shall have the same meanings in this Security Agreement as in the Facilities Agreement.

1.3 Definitions

In addition, in this Security Agreement:

"Administrator" means any administrator appointed under this Security Agreement to manage the affairs, business and assets of the Chargor;

"Assigned Document" means any document rights under which are from time to time assigned under this Security Agreement;

"Associated Rights" means all rights relating to a Receivable or Contract of Sale including:

- (a) the relevant Client's rights as an unpaid Seller;
- (b) the benefit of insurances;
- (c) all Remittances;
- (d) all Rights arising under any Sonovate Agreement;
- (e) all Security (including arising under any Sonovate Security Agreement), bonds, guarantees and indemnities;

- (f) all Rights arising under any TransferWise Services Agreement and any TransferWise Authorisation Letter;
- (g) all Rights arising under any Railsbank Agreement;
- (h) accounting records;
- (i) any Receivable Records; and
- (j) interest;

"M&G Finance Agreement" means the back-to-back receivables purchase agreement originally dated 12 April 2019 (as amended and restated from time to time) between the Borrower, the Original Purchasers, the Receivables Agent, and the Security Agent, (each as defined in that agreement);

"Blocked Collection Accounts" has the meaning given to it in Clause 10.3 (Collection Accounts) of the M&G Finance Agreement and includes the accounts listed in Schedule 2, part 1 (Blocked Collection Accounts);

"Capital Product" has the meaning given to it in the Facilities Agreement;

"Client" means a person (other than a Lender or an M&G Finance Agreement Lender) who is party to a Sonovate Agreement, and a person (other than a Lender or an M&G Finance Agreement Lender) who shall become party to a Sonovate Agreement during the term of this Security Agreement;

"Client Collection Account" has the meaning given to it in Clause 10.3 (Collection Accounts) of the M&G Finance Agreement and includes the accounts listed in Schedule 2, part 3 (Client Collection Accounts);

"Collection Accounts" means the Blocked Collection Accounts, the Unblocked Collection Accounts and the Client Collection Accounts;

"Commencement Date" has the meaning given to it in the Facilities Agreement;

"Core Product" has the meaning given to it in the Facilities Agreement;

"Debt" means any book or other debt, revenue or claim (other than any Receivable or its Associated Rights). In relation to the Chargor, **"its Debts"** means all Debts in which it has any rights;

"Discharge Date" has the meaning given to it in Clause 20.1 (Definitions relating to release of this Security);

"Effective Date" has the meaning given to that term in the ICA Amendment and Restatement Agreement;

"Event of Default" has the meaning given to it in the Facilities Agreement;

"Finance Documents" has the meaning given to it in the Facilities Agreement and includes this Security Agreement;

"Headlease" means a Lease under which the Chargor holds title to any Mortgaged Property;

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement to which the Chargor is from time to time party hedging any liabilities or risks in relation to any Secured Liabilities;

"ICA Amendment and Restatement Agreement" means the amendment and restatement agreement dated on or about the date of this Security Agreement between, amongst others, Global Loan Agency Services Limited as senior agent, GLAS Trust Corporation Limited as senior security agent, BCI Finance Limited as acceding mezzanine agent, BCI Europe Limited S.A R.L. as acceding subordinated creditor, Sonovate Limited as original obligor and GGC EUR S.À R.L. as retiring original subordinated creditor;

"IA" means the Insolvency Act 1986;

"Insurance" means any policy or contract of insurance. In relation to the Chargor, **"its Insurances"** means all Insurances and Approved Credit Insurance Policies (including any listed in Schedule 2, part 8 (Insurances) in which it has any rights (including as loss payee or additional insured), but excluding, in each case, any public liability or other third party liability policy or contract of insurance;

"Intellectual Property" means:

- (a) all patents, utility models, trade and service marks, trade names, domain names, design rights, copyrights, moral rights, topography rights, rights in databases, trade secrets, know-how and other intellectual property, whether or not registered or registrable; and including
- (b) registrations and applications for registration of any of these and rights to apply for the same,

and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world. In relation to the Chargor, **"its Intellectual Property"** means all Intellectual Property (including where applicable and any listed in Schedule 2, part 6 (Specified Intellectual Property)) in which it has any rights;

"Intercreditor Agreement" has the meaning given to the term "Intercreditor Deed" in the Facilities Agreement;

"Investment" means any share, stock, debenture, bond, partnership interest or other security or investment. In relation to the Chargor, **"its Investments"** means all Investments (including where applicable any listed in Schedule 2, part 7 (Specified Investments)) in which it has any rights and all its rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments;

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right;

"Longstop Date" has the meaning given to the term in the ICA Amendment and Restatement Agreement;

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind;

"LPA" means the Law of Property Act 1925;

"Mortgaged Properties" means the Properties and any other land in which the Chargor has any rights from time to time, **"Mortgaged Property"** means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of each relevant Mortgaged Property;

"Non-Transferred Receivables" means any Receivable (excluding any Associated Rights) which is purportedly transferred to the Chargor pursuant to a Sonovate Agreement and/or by the Chargor to the Purchasers pursuant to the M&G Finance Agreement but which in

either case fails for any reason to transfer effectively to the Chargor or to the Purchasers (as the case may be);

"Notice of Assignment" means a notice of assignment substantially in the form set out in Schedule 3, part 1 (Notice of assignment of Assigned Document) or Schedule 3, part 2 (Notice of assignment of Insurance), as appropriate, or in such other form as may be specified by the Security Agent;

"Notice of Charge" means a notice of charge substantially in the form set out in Schedule 3, part 3 (Notice of charge) or in such other form as may be specified by the Security Agent;

"Notice of Security" means a Notice of Assignment or a Notice of Charge, as applicable;

"Occupational Lease" means any Lease to which a Mortgaged Property may at any time be subject;

"Operating Accounts" means each account held in the name of the Chargor (other than the Blocked Collection Accounts, the Unblocked Collection Accounts, the TransferWise Operating Accounts and the Client Collection Accounts) and includes the accounts listed in Schedule 2, part 5;

"Original TransferWise Services Agreement" means the TransferWise services agreement originally dated on or around 16 February 2018 between TransferWise Limited and the Chargor as amended and amended and restated from time to time;

"Party" means a party to this Security Agreement;

"Properties" means the properties brief details of which are set out Schedule 1 (Properties)

"Property" means any of them and any reference to one or more of the Properties includes all or any part of each relevant Property;

"Railsbank Agreement" means any agreement relating to a Collection Account between Railsbank and a Seller, including (i) the services agreement originally dated on or around 28 April 2020 between Railsbank Technology Ltd and the Original Seller as amended and amended and restated from time to time, pursuant to which Railsbank supply software and access to related services; and (ii) the framework agreement originally dated on or around 30 April 2020 between PayrNet Limited and the Original Seller as amended and amended and restated from time to time.

"Receivables" has the meaning given to it in the Facilities Agreement;

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Security Agreement by the Security Agent over all or any of the Security Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time;

"Secured Liabilities" means all monies from time to time due or owing, and all obligations and other actual or contingent liabilities from time to time incurred, by the Chargor to the Security Agent under the Finance Documents:

- (a) in whatever currency; and
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (Covenant to pay) or the security which would otherwise be constituted by this Security Agreement to be unlawful or prohibited by any applicable law or regulation;

"Senior Security Agent" has the meaning given to the term "Security Agent" in the M&G Finance Agreement;

"Security Assets" means the assets from time to time the subject of this Security, **"Security Asset"** means any of them and any reference to one or more of the Security Assets includes all or any part of it or each of them;

"Security Enforcement Party" means the Security Agent, any Receiver or any Delegate;

"Security Interest" 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;

"Senior Discharge Date" has the meaning given to it in the Intercreditor Agreement.

"Sonovate Agreement" means a factoring or invoice discounting agreements (howsoever so described) or any other receivables finance or purchase agreement entered into between, or which govern any receivables finance or purchase transactions between, the Chargor and a Client.

"Sonovate Security Agreement" means an agreement pursuant to which a Client grants Security Interests in favour of the Chargor;

"Sonovate Portal" means the online electronic transmission system used to finance or purchase Receivables;

"Transaction Security" means the Security Interests created or evidenced or expressed to be created in favour of the Security Agent pursuant to the Security Documents;

"Transaction Security Assets" means the assets from time to time the subject of the Transaction Security, **"Transaction Security Asset"** means any of them and any reference to one or more of the Transaction Security Assets includes all or any part of it or each of them;

"TransferWise Authorisation Letter" means each authorisation letter issued by a Client to TransferWise Limited and/or a Seller, authorising a Seller to act on behalf of the Client in respect of the Client Collection Accounts;

"TransferWise Operating Account" means each account held in the name of the Chargor with TransferWise Limited and includes the accounts listed in Schedule 2, part 4;

"TransferWise Services Agreement" means any agreement between TransferWise Limited and the Chargor, including the Original TransferWise Services Agreement; and

"Unblocked Collection Accounts" has the meaning given to it in Clause 10.3 (Collection Accounts) of the M&G Finance Agreement and includes the accounts listed in Schedule 2, part 2 (Unblocked Collection Accounts).

1.4 **Construction**

- (a) Clause 1.2 (Construction) of the Facilities Agreement shall apply as if set out in full again here, with references to "this Agreement" being construed as references to this Security Agreement and with such other changes as are appropriate to fit this context.
- (b) In addition, in this Security Agreement, unless a contrary indication appears any reference to:

- (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to an asset includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a particular type or category of assets includes any present or future assets of that type or category;
 - (ii) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (iii) any Finance Document or other document is to that Finance Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or programmes or an increase in any other amount or rate);
 - (iv) the masculine, feminine or neuter gender respectively includes the other genders and the singular includes the plural (and vice versa);
 - (v) **"including"** means **"including without limitation"** (with related words being construed accordingly), **"in particular"** means **"in particular but without limitation"** and other general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
 - (vi) a Party or other particular person includes its successors in title, permitted assignees and permitted transferees in accordance with their respective interests;
 - (vii) a **"person"** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them;
 - (viii) a provision of law is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
 - (ix) a **"Recital"** is to a statement made under the heading **"Background"** above and any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Security Agreement (as the case may be);
 - (x) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to a Chargor's rights in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
 - (xi) **"this Security"** means the Security Interests constituted by or pursuant to this Security Agreement; and
 - (xii) this Security Agreement includes the Recitals and Schedules, which form part of this Security Agreement for all purposes.
- (c) The index and Clause and Schedule headings are for ease of reference only.
 - (d) If there is any inconsistency between the terms of this Security Agreement and those of the Facilities Agreement, the terms of the Facilities Agreement shall prevail.

- (e) If there is any inconsistency between the terms of this Security Agreement and those of the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

1.5 **Third party rights**

- (a) A person who is not a Party (other than any Receiver, Delegate or Administrator) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Security Agreement.
- (b) Notwithstanding Clause 1.5(a), no consent of any person who is not a Party is required to rescind or vary this Security Agreement at any time.

1.6 **Disposition of land**

The terms of the other Finance Documents and any related documents are incorporated into this Security Agreement to the extent necessary for any purported disposition of land contained in the Finance Documents to be valid in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.7 **Existing Security Agreements**

- (a) It is acknowledged that the Chargor has entered into:
 - (i) the security agreement dated 18 April 2019 between the Chargor and the Senior Security Agent;
 - (ii) the security agreement dated 23 February 2021 between the Chargor and the Senior Security Agent; and
 - (iii) the security agreement dated 1 December 2021 between the Chargor and the Senior Security Agent,(together the "**Existing Security Agreements**")
- (b) Where the Security Interests constituted by the Existing Security Agreements remain in force, any reference in this Security Agreement to an asset secured under the Existing Security Agreements being assigned or the security over any asset secured under this Security Agreement being second ranking or secured with full title guarantee shall be construed accordingly.
- (c) Notwithstanding any other provision of this Security Agreement, until the Senior Discharge Date, the Chargor shall not be required to comply with its obligations in the following provisions of this Security Agreement:
 - (i) Clause 4 (Perfection of security and further assurance);
 - (ii) Clause 8 (Accounts and Debts); and
 - (iii) Clause 9 (The Investments).

2. **PAYMENT OF THE SECURED LIABILITIES**

2.1 **Covenant to pay**

The Chargor covenants with the Security Agent to pay and discharge, or procure the payment or discharge of, each of the Secured Liabilities at the time and in the manner provided in the relevant Finance Document for their payment or discharge.

2.2 **Interest**

If any amount payable under Clause 2.1 is not paid on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment). This interest shall be calculated and accrue under the terms of the Facilities Agreement and shall be payable on demand.

2.3 **Further advances**

This Security Agreement is made to secure any further advances or other programmes made available by the Security Agent under the Finance Documents. It does not create any obligation on the Security Agent to make any further advances or other programmes available.

3. **CREATION OF SECURITY INTERESTS**

3.1 **General provisions regarding Security Interests**

- (a) Each of the charges and assignments created under this Security Agreement:
 - (i) is granted to the Security Agent on the Effective Date;
 - (ii) secures the payment and discharge of the Secured Liabilities; and
 - (iii) is made with full title guarantee.
- (b) Each fixed charge created under this Security Agreement over rights in any chattels takes effect as an equitable mortgage.
- (c) Each assignment under this Security Agreement is subject to a proviso for re-assignment on redemption in accordance with Clause 20.2 (Release of this Security).
- (d) This Security is subject to the Intercreditor Agreement and the prior ranking security created under the Senior Security Documents (as such term is defined in the Intercreditor Agreement).
- (e) If, to the extent and for so long as any charge or assignment under this Security Agreement fails to take effect over the Chargor's rights in any asset because an Authorisation necessary for it to do so has not been obtained or made, the Chargor shall:
 - (i) use its reasonable endeavours to obtain or make the Authorisation as soon as possible; and
 - (ii) until it is obtained or made, hold the relevant rights on trust for the Security Agent.

3.2 **Land**

- (a) The Chargor charges:
 - (i) by way of second legal mortgage, all estates or interests owned by it at the date of this Security Agreement in the Properties and any other land in England and Wales; and
 - (ii) by way of second fixed charge, all of its other rights in any land not charged by Clause 3.2(a)(i).

- (b) In this Security Agreement, unless a contrary indication appears any reference to any land includes all buildings, plant, machinery and other fixtures and fittings from time to time on that land.
- (c) The Chargor assigns absolutely all of its rights in any Occupational Lease, including rights to rental income and other payments, and any guarantee or other right relating to an Occupational Lease.

3.3 **Accounts**

The Chargor charges by way of second fixed charge all of its rights:

- (a) in any credit balances on the Blocked Collection Accounts and the indebtedness represented by them;
- (b) in any credit balances on the Unblocked Collection Accounts and the indebtedness represented by them;
- (c) in any credit balances on the TransferWise Operating Accounts and the indebtedness represented by them;
- (d) in any credit balances on the Operating Accounts and the indebtedness represented by them;
- (e) in any credit balances on the Client Collection Accounts and the indebtedness represented by them; and
- (f) in any credit balances on any other bank accounts and the indebtedness represented by them.

3.4 **Debts**

- (a) The Chargor charges by way of second fixed charge all of its rights in any Debts.
- (b) In this Security Agreement, unless a contrary indication appears any reference to a Debt includes the benefit of any Security Interest, guarantee or other right in relation to that Debt.

3.5 **Non-Transferred Receivables**

The Chargor charges by way of second fixed charge all of its rights:

- (a) in any Non-Transferred Receivables; and
- (b) in all Associated Rights in respect of any Non-Transferred Receivables.

3.6 **Sonovate Agreements**

The Chargor assigns absolutely all of its rights in:

- (a) any Sonovate Agreement in respect of the Core Product;
- (b) any Sonovate Agreement in respect of the Capital Product; and
- (c) any other Sonovate Agreement.

For the avoidance of doubt the Chargor will remain at all times liable in respect of all of its obligations under each Sonovate Agreement and the Security Agent will not be under any obligation or liability under or in respect of those Sonovate Agreements.

3.7 **Sonovate Security**

The Chargor assigns absolutely all of its rights in:

- (a) any Sonovate Security Agreement entered into in connection with the Core Product;
- (b) any Sonovate Security Agreement entered into in connection with the Capital Product; and
- (c) any other Sonovate Security Agreement.

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each Sonovate Security Agreement and the Security Agent will be under any obligation or liability under or in respect of those Sonovate Security Agreements Documents.

3.8 **Investments**

- (a) The Chargor charges by way of second fixed charge all of its rights in its Investments.
- (b) In this Security Agreement, unless a contrary indication appears any reference to an Investment includes:
 - (i) any associated dividends and interest and any other payments and distributions; and
 - (ii) any right, money or assets accruing or offered at any time in respect of the Investment by way of redemption, exchange, bonus or otherwise.

3.9 **Insurances**

The Chargor assigns absolutely all of its rights in its Insurances.

3.10 **Intellectual Property**

The Chargor charges by way of second fixed charge all of its rights in:

- (a) the Sonovate Portal; and
- (b) any other Intellectual Property.

3.11 **TransferWise Agreements**

The Chargor assigns absolutely all of its rights in:

- (a) any TransferWise Services Agreement; and
- (b) and TransferWise Authorisation Letter.

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each TransferWise Services Agreement and TransferWise Authorisation Letter and the Security Agent will be under any obligation or liability under or in respect of those documents.

3.12 **Railsbank Agreements**

The Chargor assigns absolutely all of its rights in any Railsbank Agreement. For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each Railsbank Agreement and the Security Agent will be under any obligation or liability under or in respect of those documents.

3.13 Assigned Documents

- (a) The Chargor assigns absolutely all of its rights in:
 - (i) any Hedging Agreement (without prejudice and subject to any netting or set-off provisions contained in it); and
 - (ii) any other document from time to time designated as an Assigned Document, by the Chargor and the Security Agent.
- (b) For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each Assigned Document and the Security Agent will be under any obligation or liability under or in respect of those Assigned Documents.

3.14 Sonovate Agreements - Fixed Charges

To the extent not effectively assigned pursuant to Clause 3.6, the Chargor charges by way of second fixed charge all of its rights in:

- (a) any Sonovate Agreement in respect of the Core Product;
- (b) any Sonovate Agreement in respect of the Capital Product; and
- (c) any other Sonovate Agreement.

3.15 Sonovate Security Agreements – Fixed Charges

To the extent not effectively assigned pursuant to Clause 3.7, the Chargor charges by way of second fixed charge all of its rights in:

- (a) any Sonovate Security Agreement entered into in connection with the Core Product;
- (b) any Sonovate Security Agreement entered into in connection with the Capital Product; and
- (c) any other Sonovate Security Agreement.

3.16 Miscellaneous fixed charges

The Chargor charges by way of second fixed charge, in each case to the extent not otherwise validly and effectively charged or assigned in Clause 3.2 to Clause 3.10:

- (a) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock-in-trade or work-in-progress);
- (b) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
- (c) all licences, consents and other Authorisations held in connection with its business or the use of any Security Assets and all of its rights in connection with them; and
- (d) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets.

3.17 Floating charge

- (a) The Chargor charges by way of second floating charge the whole of its undertaking and other assets.

- (b) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by the Chargor in this Security Agreement.
- (c) The Security Agent may at any time by written notice to the Chargor convert the floating charge created by the Chargor in this Security Agreement into a fixed charge with immediate effect as regards any Security Asset specified in the notice if:
 - (i) an Event of Default has occurred and is continuing; or
 - (ii) the Security Agent considers that it may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy.
- (d) The floating charge created by the Chargor in this Security Agreement shall automatically be converted into a fixed charge with immediate effect as regards all assets subject to it if:
 - (i) the Chargor breaches Clause 5 (Negative pledge and disposals) or attempts to do so;
 - (ii) any person levies or attempts to levy any distress, execution, sequestration or other process against any of those assets; or
 - (iii) any steps are taken to appoint (or have appointed) an administrator of the Chargor or wind it up or if an administrator is appointed.
- (e) Nothing in this Clause 3.17:
 - (i) shall affect the crystallisation of the floating charge created by the Chargor under applicable law and regulation; or
 - (ii) shall permit the floating charge created by the Chargor to be crystallised solely as a result of the obtaining of, or of anything done with a view to obtaining, a moratorium under s1A IA.

4. **PERFECTION OF SECURITY AND FURTHER ASSURANCE**

4.1 **Notice of Security**

- (a) The Chargor shall deliver a Notice of Security (with a copy to the Security Agent), duly completed:
 - (i) forthwith, to each tenant and each other party to any Occupational Lease;
 - (ii) forthwith, to any financial institution with which it opens or maintains any Collection Account (other than a Client Collection Account) or other bank or electronic money account (unless a tri-partite bank account control agreement has been executed by the relevant account bank, the Security Agent and the Chargor);
 - (iii) upon request, to any financial institution with which it opens any Client Collection Account (unless a tri-partite bank account control agreement has been executed by the relevant account bank, the Security Agent and the Chargor);
 - (iv) forthwith, to any counterparty in respect of any TransferWise Services Agreement;
 - (v) forthwith, to any counterparty in respect of any Railsbank Agreement;

- (vi) forthwith, to any insurer in respect of any Insurance;
- (vii) forthwith, to any counterparty under any Hedging Agreement; and
- (viii) promptly following the occurrence of an Event of Default which is continuing, to any person against which it has rights in respect of any Debt;
- (ix) promptly following the occurrence of an Event of Default which is continuing, to any person against which it has rights in respect of any Non-Transferred Receivable and its Associated Rights (including any Client and/or Debtor);
- (x) promptly following the occurrence of an Event of Default which is continuing, to any person against which it has rights in respect of any Sonovate Agreement (including any Client and Debtor);
- (xi) promptly following the occurrence of an Event of Default which is continuing, to any person against which it has rights in respect of any Sonovate Security Agreement (including any Client); and
- (xii) upon request, to any party to any other document,

in each case in respect of which the Chargor has granted a Security Interest in this Security Agreement.

(b) In Clause 4.1(a):

(i) **"forthwith"** means:

- (A) in respect of any Security Asset (other than any Insurance) promptly following the Senior Discharge Date, or, if later, upon the relevant document, account or Debt being entered into or otherwise coming into existence; and
- (B) in respect of any Insurance, within 15 Business Days of the Senior Discharge Date, or, if later, upon the relevant Insurance being entered into or otherwise coming into existence; and

(ii) **"upon request"** means, following the Senior Discharge Date, promptly upon (but in any event within one Business Day of) request by the Security Agent.

(c) The Chargor shall, unless otherwise agreed in writing by the Security Agent:

- (i) use all reasonable endeavours to procure that each addressee of a Notice of Security (other than any such notice delivered in respect of a Collection Account, a TransferWise Services Agreement or a Railsbank Agreement) promptly acknowledges that Notice of Security in the form attached to that Notice of Security (or in such other form as the Security Agent may approve); and
- (ii) procure that each addressee of a Notice of Security in respect of a Collection Account, a TransferWise Services Agreement or a Railsbank Agreement promptly acknowledges that Notice of Security in the form attached to that Notice of Security (or in such other form as the Security Agent may approve).

4.2 Further assurance

- (a) The Chargor shall promptly and at its own expense take such action as the Security Agent or any Receiver may reasonably require:

- (i) to improve, preserve, perfect or protect the Security Interests created (or intended to be created) by this Security Agreement or the priority of it; or
 - (ii) to facilitate the realisation or enforcement of any Security Asset or the exercise any of the rights of any Security Enforcement Party pursuant to the Finance Documents in relation to the same.
- (b) The action required under Clause 4.2(a) may include the execution of any Security Interest, any assignment or transfer over or of any asset, any notice of this Security or any other document.

5. NEGATIVE PLEDGE AND DISPOSALS

5.1 Negative pledge

The Chargor undertakes that it will not create or permit to subsist any Security Interest over any Security Asset except as expressly permitted by the Facilities Agreement.

5.2 No disposals

The Chargor undertakes that it will not dispose of (or agree to dispose of) any Security Asset except as expressly permitted by the Facilities Agreement.

6. OTHER COVENANTS OF GENERAL APPLICATION

6.1 Information, access and remedy

- (a) The Chargor shall promptly following the Senior Discharge Date (and, where such document was delivered pursuant to any of the Existing Security Agreements, only following receipt of such document from the Senior Security Agent) deliver to the Security Agent:
 - (i) any title deeds and documents relating to the Security Assets which the Security Agent may request;
 - (ii) any copy document or other information which the Security Agent may request relating to its business or any Security Asset; and
 - (iii) any evidence which the Security Agent may request of its compliance with the terms of this Security Agreement.
- (b) Following the Senior Discharge Date, the Chargor shall use reasonable endeavours to procure from the Senior Security Agent:
 - (i) any title deeds and documents relating to the Security Assets; and
 - (ii) any share certificate or other document of title to or representing any Investment,

which the Chargor delivered to the Senior Security Agent pursuant to any of the Existing Security Agreements.
- (c) The Chargor shall permit the Security Agent and/or its representatives, agents or contractors free access at all reasonable times and on reasonable notice to the Security Assets and any books, accounts and records relating to them:
 - (i) to examine the state and condition of those assets;

- (ii) to inspect and take copies and extracts from those books, accounts and records; and
- (iii) to comply with or object to any direction or notice or other matter served on it.
- (d) The Security Agent may take any action (including the carrying out of repairs, the provision of information or the payment of money) which it considers necessary or desirable to remedy any failure by the Chargor to comply with any of its obligations under the Finance Documents.
- (e) The Security Agent shall have no obligation to exercise any of its rights under Clause 6.1(d) or otherwise in relation to any Security Asset.

6.2 **Compliance with obligations**

The Chargor shall:

- (a) observe, perform and otherwise comply with all covenants and other obligations (whether or not contained in any Lease, agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment;
- (b) comply with all (and not permit any breach of any) bye-laws and other laws and regulations (whether relating to planning, building or any other matter) affecting any of the Security Assets; and
- (c) pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets, except to the extent that the Chargor contends (acting reasonably and in good faith) that such payments are not due or have been incorrectly charged.

6.3 **Enforcement of rights**

The Chargor shall at its own cost use its best endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets which the Security Agent may from time to time require.

6.4 **Management of Security Assets**

The Chargor shall manage its Security Assets in a proper and efficient manner. In particular, it shall:

- (a) keep its Security Assets in good and substantial repair and working order;
- (b) obtain, maintain and comply with the terms of any Authorisation required in connection with any Security Asset;
- (c) following the Senior Discharge Date, not without the prior written consent of the Security Agent make, permit or allow any alterations or additions of a material nature to any of its Security Assets or carry out any works of demolition on them;
- (d) not do, permit or allow to be done anything which might in any way:
 - (i) materially depreciate, jeopardise or otherwise prejudice the value of any of the Chargor's Security Assets or
 - (ii) prejudice the security held by the Security Agent or; and

- (e) promptly inform the Security Agent of anything which occurs which might have the effect referred to in Clause 6.4(d).

7. LAND

7.1 Registration at Land Registry

- (a) The Chargor shall following the Senior Discharge Date:
 - (i) do all things requested by the Security Agent to facilitate the registration of this Security against any Land Registry title comprised in the Mortgaged Properties from time to time. In particular, the Chargor shall:
 - (A) apply to the Chief Land Registrar for a restriction to be entered on each such title in the following terms: "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Security Agreement dated [●] in favour of [●] referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer"; and
 - (B) if the Security Agent so requests, certify that the security over the Mortgaged Properties created by this Security Agreement does not contravene any of the provisions of its constitutional documents.
- (b) Following the Senior Discharge Date, the Chargor shall not permit any other person to be registered at the Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties).

7.2 Deposit of Mortgaged Property title documents

- (a) The Chargor shall, following the Senior Discharge Date (and, where such document was delivered pursuant to any of the Existing Security Agreements, only following receipt of such document from the Senior Security Agent), effect or procure the deposit with (or to the order of) the Security Agent of all title deeds and documents (including all local land charges, land charges, Land Registry search certificates and planning and other statutory consents) relating to the Mortgaged Properties.
- (b) On completion of the registration of this Security Agreement against any Land Registry title comprised in the Mortgaged Properties, the Chargor shall supply the Security Agent with a copy of the title information document for that title.

7.3 Future acquisitions

- (a) The Chargor shall promptly notify the Security Agent of any proposal, contract, conveyance, transfer or other disposition for or effecting the acquisition by it or any nominee on its behalf of any rights in any land.
- (b) If the Chargor acquires any rights in any land, it shall at its own cost promptly on request by the Security Agent execute and deliver to the Security Agent a Security Interest in favour of the Security Agent over those rights in any form which the Security Agent may reasonably require.

7.4 Development

The Chargor shall not:

- (a) carry out, or permit to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations on any of the Mortgaged Properties;
- (b) sever, unfix or remove any of the fixtures or other plant and machinery (excluding stock-in-trade or work-in-progress) from any of the Mortgaged Properties (except in order to effect necessary repairs or the replacement of the relevant asset with a new or improved model or substitute); or
- (c) make (or permit anybody else to make) any application for planning permission in respect of any of the Mortgaged Properties,

except in accordance with Clause 7.6 (Notices) or, following the Senior Discharge Date, the prior written consent of the Security Agent.

7.5 **Leases**

The Chargor shall not, following the Senior Discharge Date, without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed):

- (a) surrender any Headlease or forfeit, determine or agree to the determination, surrender or termination of any Occupational Lease; or
- (b) grant or agree to grant any Occupational Lease or agree to any amendment of, or to any waiver of rights under, any Headlease or Occupational Lease.

7.6 **Notices**

- (a) Following the Senior Discharge Date, if the Chargor receives any application, requirement, order or notice served or given by any public, local or other authority or any landlord with respect to any Mortgaged Property, then it shall:
 - (i) within 14 days after such receipt deliver a copy to the Security Agent and inform it of the steps taken or proposed to be taken to comply with the relevant application, requirement, order or notice;
 - (ii) take all necessary steps to comply with the application, requirement, order or notice; and
 - (iii) make or join in making any representations which the Security Agent requests in respect of the application, requirement, order or notice.
- (b) Following the Senior Discharge Date, any compensation received as a result of an application, requirement, order or notice referred to in Clause 7.6(a), pursuant to s25 Law of Property Act 1969 and/or the Landlord and Tenant Act 1954 or otherwise, shall be held on trust for, and promptly paid to, the Security Agent. The Security Agent shall apply the compensation as if it constituted proceeds of an enforcement of this Security Agreement.

7.7 **Investigation of title**

The Chargor shall grant the Security Agent or its lawyers on request all facilities within its power to enable the Security Agent or its lawyers to:

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

8. **ACCOUNTS AND DEBTS**

8.1 **Realisation of Debts**

- (a) The Chargor shall get in and realise its Debts in the ordinary course of its business. For the avoidance of doubt, this does not permit the realisation of Debts by means of block discounting, factoring or the like.
- (b) All monies received by or on behalf of the Chargor in respect of any Debts realised in connection with the enforcement of any of its rights under a Sonovate Security Agreement:
 - (i) shall be paid into a Blocked Collection Account; and
 - (ii) until such payment be held on trust for the Security Agent.
- (c) The Chargor shall not release, set-off, compound or otherwise deal over, of or with its Debts otherwise than in accordance with Clause 8.1(a).

8.2 **Withdrawals from accounts**

- (a) The Chargor shall, prior to this Security becoming enforceable, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Collection Account.
- (b) After this Security has become enforceable and following the Senior Discharge Date, the Chargor may not make any withdrawal from a Collection Account except with the prior written consent of the Security Agent.

9. **THE INVESTMENTS**

9.1 **Delivery of documents and information**

- (a) The Chargor shall, promptly following the Senior Discharge Date (and, where such document was delivered pursuant to any of the Existing Security Agreements, only following receipt of such document from the Senior Security Agent) and from time to time thereafter, deliver to the Security Agent (or its nominee) in respect of each of its Investments:
 - (i) any share certificate or other document of title to or representing it;
 - (ii) an instrument of transfer or assignment of it in a form specified by the Security Agent, duly executed by each person in whose name it is registered or held (with the name of the transferee or assignee, the consideration and the date left blank); and
 - (iii) any other documents (including duly executed waivers of pre-emption and other rights) which the Security Agent may request to enable it (or its nominee) to:
 - (A) obtain legal title to (or otherwise be registered as the owner of) the Investment; or
 - (B) be in a position to exercise any rights under this Security Agreement in respect of it.
- (b) The Security Agent may at any time following the Senior Discharge Date have any of the Chargor's Investments registered in its name or in the name of a nominee specified by it acting on its behalf.

- (c) The Chargor shall send a copy of any notice or other document received by it relating to any of its Investments promptly to the Security Agent.

9.2 **Income on Investments**

- (a) All dividends, interest and other income received by the Chargor in relation to its Investments prior to this Security becoming enforceable may be retained by the Chargor and any such income received by the Security Agent (or its nominee) will be paid to the Chargor to be applied in accordance with this Clause 9.2(a).
- (b) Following the Senior Discharge Date, all income received or payable to the Chargor (or received by the Security Agent or its nominee) in relation to the Chargor's Investments after this Security has become enforceable, shall be paid to (or, as applicable, retained by) the Security Agent and until that payment is made shall be held on trust for the Security Agent.

9.3 **Voting and other rights**

- (a) Subject to Clause 9.2 and the remainder of this Clause 9.3:
 - (i) the Chargor may exercise all voting and other rights attached to its Investments; and
 - (ii) if any of those rights are exercisable by the Security Agent or its nominee, the Chargor may direct in writing how they are to be exercised.
- (b) Following the Senior Discharge Date, the Chargor shall not exercise, or direct the exercise of, any rights attached to its Investments in any manner which in the Security Agent's opinion is prejudicial to the value of the Transaction Security or its realisation.
- (c) Following the Senior Discharge Date, the Chargor shall not without the prior written consent of the Security Agent permit or agree to any variation of the rights attaching to its Investments.
- (d) The Chargor shall not make any nomination, or permit to continue in effect any nomination it may have made, to permit another person to enjoy or exercise any of its rights in relation to any of its Investments.
- (e) Following the Senior Discharge Date, if at any time following the occurrence of an Event of Default which is continuing the Security Agent gives notice to the Chargor that this Clause 9.3(e) applies, then from the date of that notice and to the extent specified in it:
 - (i) the Security Agent (or its nominee) may at the Security Agent's discretion (and in the name of the Chargor or otherwise) exercise, or refrain from exercising, any voting or other rights attached to the Investments; and
 - (ii) the Chargor shall not exercise any of those rights.

9.4 **Calls and other obligations**

- (a) The Chargor shall duly and promptly pay (or ensure that there are paid) all calls, instalments or other monies which may from time to time become due in respect of any of its Investments, without deduction or set-off.
- (b) The Chargor shall comply with all reasonable requests for information relating to any of its Investments made in accordance with any law or regulation or its constitutional

documents or by any listing or other authority, sending a copy of the information to the Security Agent.

10. **ASSIGNED DOCUMENTS**

Following the Senior Discharge Date, the Chargor shall not waive any rights under, amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated any Assigned Document without the prior written consent of the Security Agent.

11. **INTELLECTUAL PROPERTY**

The Chargor shall do all acts and things which may be necessary to preserve and maintain the subsistence and validity of its Intellectual Property and any related registrations.

12. **ENFORCEMENT – GENERAL PROVISIONS**

12.1 **Enforcement**

- (a) On or at any time after the occurrence of an Event of Default which is continuing, this Security shall become immediately enforceable and the Security Agent may enforce this Security, and its rights under this Security Agreement, in the manner and on the terms it thinks fit.
- (b) In particular, it may without further notice exercise in relation to the Security Assets:
 - (i) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law, in each case as extended or otherwise amended by this Security Agreement;
 - (ii) to the extent that Clause 13 (Right of appropriation) applies, the power to appropriate the relevant Security Assets in accordance with Clause 13.2 (Exercise of right of appropriation); and
 - (iii) (whether or not it has appointed a Receiver) any or all of the rights which are conferred by this Security Agreement (whether expressly or by implication) on a Receiver.

12.2 **LPA provisions**

- (a) The Secured Liabilities shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Security Agreement.
- (b) The Security Agent and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.
- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

12.3 **Protection of third parties**

- (a) No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall:
 - (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Liabilities remain outstanding; or

- (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Security Enforcement Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Security Enforcement Party as if the Secured Liabilities had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had arisen on the date of this Security Agreement.

12.4 **Delegation**

- (a) The Security Agent and (to the extent his or her appointment so permits) a Receiver (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Security Agreement. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 12.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither the Security Agent nor any Receiver shall be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

12.5 **No liability**

- (a) No Security Enforcement Party or Administrator shall:
 - (i) owe any duty to the Chargor to exercise any of its rights under this Security Agreement; or
 - (ii) be liable or responsible to the Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Security Agreement.
- (b) Neither a Security Enforcement Party nor any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Security Assets for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession.

13. **RIGHT OF APPROPRIATION**

13.1 **Application of right of appropriation**

This Clause 13 applies to the extent the Security Assets constitute "financial collateral" and this Security Agreement constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

13.2 **Exercise of right of appropriation**

- (a) If and to the extent that this Clause 13 applies, the Security Agent may appropriate the Security Assets in or towards discharge of the Secured Liabilities in such order as the Security Agent may (subject to any specific provisions of the Finance Documents in this regard) determine.
- (b) If the Security Agent exercises its right of appropriation then it shall for these purposes value:

- (i) any relevant Collection Account or other bank account at the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation; and
- (ii) any other relevant Security Asset by reference to an independent valuation or other procedure determined by the Security Agent, acting reasonably, at the time of the appropriation.

14. **RECEIVERS**

14.1 **Appointment of Receiver**

- (a) Subject to the remainder of this Clause 14.1, the Security Agent may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the Chargor so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 14.1:
 - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under s1A IA; or
 - (ii) of an administrative receiver if that appointment would contravene s72A IA.
- (c) If at any time two or more persons hold office as Receivers, each of those Receivers shall (subject to the terms of his or her appointment) be entitled to exercise individually all of the rights conferred on Receivers under this Security Agreement to the exclusion of the other or others.

14.2 **Remuneration**

The Security Agent may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

14.3 **Removal and replacement**

The Security Agent may:

- (a) subject to obtaining a court order if required by law, remove any Receiver by written notice; and
- (b) replace (by appointment pursuant to Clause 14.1) any Receiver whose appointment has terminated.

14.4 **Agent of the Chargor**

- (a) Any Receiver appointed under this Security Agreement whether acting solely or jointly shall be deemed to be the agent of the Chargor and to be in the same position as a receiver appointed under the LPA.
- (b) The Chargor shall be solely responsible for the acts, omissions, defaults, losses and misconduct of any Receiver (unless caused by the Receiver's gross negligence or wilful misconduct) and for his or her remuneration. The Security Agent shall not be in any way liable or responsible either to the Chargor or to any other person for any Receiver.

15. **POWERS OF SECURITY ENFORCEMENT PARTIES**

15.1 **General**

- (a) A Receiver has:
 - (i) all of the rights set out below in this Clause 15;
 - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
 - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,

in each case as such rights are varied and extended by this Security Agreement.
- (b) The Security Agent has after this Security has become enforceable the rights referred to in Clause 15.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 15.1(a) to the extent provided in its, his or her appointment.
- (d) Any reference in this Clause 15 to any Security Assets includes, in the case of a Receiver or Delegate, only those Security Assets over or in respect of which it, he or she has been appointed.
- (e) A Security Enforcement Party may exercise its, his or her rights under this Clause 15 in such manner and on such terms as it, he or she thinks fit.

15.2 **Collection, leasing and disposal of Security Assets**

- (a) The right to enter into, take possession of, give up possession of, get in and collect any Security Asset.
- (b) The right to grant, vary, surrender or accept the surrender of Leases, easements or other rights over or in respect of Security Assets on such terms as the Security Enforcement Party may think fit, without the need to comply with ss99 and 100 LPA.
- (c) The right to sell or otherwise dispose of any Security Asset on any terms and for any consideration as the Security Enforcement Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (d) The right to sever any plant, machinery or other fixtures from the premises to which they are attached and the right to dispose of them separately in accordance with Clause 15.2(c).
- (e) The right, in connection with or to facilitate any disposal, to release or discharge, whether or not for any consideration, any Debts comprised in the Security Assets.
- (f) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper or desirable to realise any Security Asset.

15.3 **Upkeep of Security Assets**

- (a) The right to repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Security Assets.

- (b) The right to develop any Security Asset and for that purpose to apply for any Authorisations, enter into any documents and carry out any works.
- (c) The right to insure any Security Assets.

15.4 **Carrying on business**

- (a) The right to carry on any business of the Chargor.
- (b) The right to appoint or dismiss officers, employees, agents, contractors, advisors and others.
- (c) The right to purchase, lease or otherwise acquire any assets.
- (d) The right to borrow or otherwise raise money either unsecured or on the security of the Security Assets (whether ranking in priority to, pari passu with or behind this Security).
- (e) The right to lend money or advance credit to any customer of the Chargor.

15.5 **Contracts and proceedings**

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Security Asset.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Security Assets.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Security Asset.

15.6 **Other rights**

- (a) The right to form a subsidiary of the Chargor and the right to lease, license or transfer any Security Asset to it.
- (b) The right to do any other act or thing which the Security Enforcement Party may consider:
 - (i) desirable or necessary to protect, preserve or realise any Security Asset; or
 - (ii) incidental or conducive to any rights conferred on the Security Enforcement Party under or by virtue of this Security Agreement or by law.
- (c) The right to exercise and do in relation to any Security Asset all the rights and things which the Security Enforcement Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Security Asset.
- (d) The right to use the name of the Chargor to exercise any of the rights referred to in this Clause 15.

16. **APPOINTMENT OF ADMINISTRATOR**

16.1 **Appointment of Administrator**

- (a) The Security Agent may without notice appoint any one or more persons to be an administrator of the Chargor pursuant to Schedule B1, Paragraph 14 IA at any time after this Security has become enforceable.

- (b) Clause 16.1(a) shall not apply to the Chargor if Schedule B1, Paragraph 14 IA does not permit an administrator of the Chargor to be appointed.
- (c) Any appointment under Clause 16.1(a) shall be made in the prescribed form by the Security Agent.

16.2 Replacement of an Administrator

The Security Agent may apply to the court for the termination of the appointment of any Administrator and/or the appointment of a replacement for any Administrator whose appointment ends for any reason.

17. DEALING WITH PROCEEDS

17.1 Application of proceeds of enforcement, etc

- (a) Subject to the terms of the Intercreditor Agreement, any monies received by the Security Agent or any Receiver under this Security Agreement after this Security has become enforceable shall be applied in the following order of priority:
 - (i) in or towards payment of, or provision for, all amounts due to or Losses incurred by any Security Enforcement Party under or in connection with this Security Agreement and all remuneration due to any Receiver under or in connection with this Security Agreement;
 - (ii) in or towards the satisfaction of the remaining Secured Liabilities; and
 - (iii) if the Chargor is not under any further actual or contingent liability under the Finance Documents, in payment of the surplus (if any) to the person or persons entitled to it.
- (b) Notwithstanding Clause 17.1(a), until the Discharge Date the Security Agent or any Receiver may:
 - (i) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
 - (ii) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Liabilities.
- (c) Clause 17.1(a) is without prejudice to the right of the Security Agent to recover any shortfall from the Chargor.

17.2 Security accounts

Following the Senior Discharge Date and until the Discharge Date (and whether or not an Event of Default has occurred) the Security Agent may, in its discretion, apply any part of the monies standing to the credit of any Collection Account and any bank account referred to in Clause 3.3(d) (Accounts) in accordance with Clause 17.1.

17.3 Insurance proceeds

- (a) All monies received by the Chargor by virtue of any Insurance on the Security Assets, whether or not effected under this Security Agreement:
 - (i) shall be part of the Security Assets; and

- (ii) subject to the terms of the Facilities Agreement and the Insurance shall be applied in or towards making good the loss or damage in respect of which they became payable prior to the occurrence of an Event of Default which is continuing; and
- (iii) following the occurrence of an Event of Default which is continuing (subject to the terms of the Facilities Agreement, any rights of third parties arising under any applicable law and regulation or under any Occupational Lease) be paid to the Security Agent (and until so paid shall be held on trust for the Security Agent).

This Clause 17.3(a) shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Security Agreement.

- (b) Any monies so paid to the Security Agent (or otherwise received by any Security Enforcement Party by virtue of any insurance on the Security Assets) shall be applied at the discretion of the Security Agent either in reduction of the Secured Liabilities or in or towards making good the loss or damage in respect of which they became payable. The Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable unless such monies would be sufficient to unconditionally and irrevocably discharge the Secured Liabilities in full.

18. **GENERAL SECURITY PROVISIONS**

18.1 **Continuing security**

This Security is, and shall remain in force as, a continuing security for the Secured Liabilities, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Security Agent.

18.2 **Additional security**

This Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of the Security Agent.

18.3 **Waiver of defences**

The obligations of the Chargor under this Security Agreement will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 18.3, would reduce, release or prejudice any of its obligations under this Security Agreement, including (whether or not known to it or the Security Agent):

- (a) any time, waiver or consent granted to, or composition with, the Chargor or any other person;
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over the assets of, the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any document or any failure to take, or failure to realise the full value of, any Security Interest;
- (d) any supplement, extension, restatement, other amendment or novation or replacement of any Finance Document or any other security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension

of or any increase in any facility or the addition of any new facility under any Finance Document or other Security Interest or other document;

- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- (f) any unenforceability, illegality or invalidity of any of the Secured Liabilities or any other obligation of any person under any Finance Document or any other document or Security Interest; or
- (g) any Insolvency Proceedings in relation to any person.

18.4 **Non-competition**

Until the Discharge Date, the Chargor shall not exercise any rights it may have by reason of a claim being made against it under this Security Agreement or its performing any of its obligations under it:

- (a) to claim any indemnity or contribution from any person;
- (b) to take (by way of subrogation or otherwise) the benefit of any right of any the Security Agent;
- (c) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of any Secured Liability;
- (d) to claim or prove as a creditor of any person in competition with the Security Agent; or
- (e) to receive, claim or have the benefit of any payment, distribution or Security Interest from or on account of the Chargor or exercise any right of set-off against the Chargor.

The Chargor shall hold any payment or other benefit received by it contrary to this Clause 18.4 on trust for the Security Agent and promptly pay or transfer the same to the Security Agent for application in accordance with Clause 17.1 (Application of proceeds of enforcement, etc).

18.5 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Security Agent to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Security Agreement. This waiver applies irrespective of any applicable law and regulation or any provision of any Finance Document to the contrary.

18.6 **Redemption of prior Security Interests**

- (a) The Security Agent may at any time after the occurrence of an Event of Default which is continuing:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over any Security Assets; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the Chargor.
- (b) All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 18.6(a) shall be

paid by the Chargor to the Security Agent on demand, in each case together with interest calculated in the manner referred to in clause 18.4 (Default Interest) of the Facilities Agreement.

18.7 **Subsequent Security Interests**

- (a) At any time following:
 - (i) the receipt by the Security Agent of notice (either actual or constructive) of any subsequent Security Interest affecting any Security Assets;
 - (ii) any Insolvency Proceedings occurring in relation to the Chargor; or
 - (iii) any disposal of any Security Assets in breach of Clause 5.2 (No disposals),

the Security Agent may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If the Security Agent does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of any Insolvency Proceedings or the disposal.
- (b) From that time all payments received by the Security Agent for the account of the Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of any Insolvency Proceedings or the disposal.

19. **POWER OF ATTORNEY**

The Chargor irrevocably and by way of security appoints each Security Enforcement Party severally to be its attorney, in its name or otherwise, on its behalf and as its act and deed to execute, deliver and perfect any document and do any other act or thing which may be required or which the attorney may consider desirable:

- (a) to carry out any obligation imposed on the Chargor by this Security Agreement; or
- (b) in the exercise of any rights conferred on any Security Enforcement Party by this Security Agreement or by applicable law and regulation.

The Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

20. **RELEASE OF SECURITY**

20.1 **Definitions relating to release of this Security**

- (a) In this Security Agreement, "**Discharge Date**" means the date on which the Security Agent determines that:
 - (i) all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full; and
 - (ii) no further Secured Liabilities are capable of arising or being outstanding.

For this purpose, a Secured Liability will not be considered to have been irrevocably paid or discharged if the Security Agent, acting reasonably, considers that any payment made in respect of it is capable of being avoided.

- (b) In this Clause 20:

- (i) **"avoided"** means avoided, restored or adjusted in whole or part under any law relating to insolvency (and **"avoidance"** shall be construed accordingly); and
- (ii) **"settlement"** means a release, settlement, discharge, re-assignment or arrangement.

20.2 **Release of this Security**

- (a) Clause 5 (Negative pledge and disposals) to Clause 11 (Intellectual Property) shall cease to apply on the Discharge Date.
- (b) If the Chargor so requests on or following the Discharge Date, the Security Agent shall as soon as reasonably practicable release and discharge this Security, re-assign the assets assigned to the Security Agent under this Security Agreement and return any deeds and documents of title delivered to the Security Agent under this Security Agreement, in each case without recourse, representation or warranty and subject to the rights of any person having prior rights over those assets.
- (c) Any settlement made by the Security Agent on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided.
- (d) If any avoidance occurs as referred to in Clause 20.2(c) (including by reason of a concession or compromise referred to in Clause 20.2(e)), then the settlement given by the Security Agent shall have no effect and shall not prejudice the right of the Security Agent to enforce this Security in respect of the Secured Liabilities. As between the Chargor and the Security Agent, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by the Security Agent as security for the Secured Liabilities.
- (e) The Security Agent may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

21. **COSTS**

21.1 **Enforcement, preservation and release costs**

The Chargor shall, within three Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation or release of any rights under any Finance Document and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

21.2 **Stamp taxes**

The Chargor shall pay and, within three Business Days of demand, indemnify the Security Agent against any Loss the Security Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

22. **INDEMNITY**

Indemnity to the Security Enforcement Parties

The Chargor shall promptly indemnify each Security Enforcement Party against any Loss (together with any applicable VAT) incurred by any of them as a result of any failure by the Chargor to make payments when due under Clause 21 (Costs).

23. **CHANGES TO THE PARTIES**

23.1 **Security Agent**

The Security Agent may assign any or all of its rights and transfer any or all of its obligations under this Security Agreement in accordance with clause 27 (Assignments and transfers) of the Facilities Agreement.

23.2 **Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Security Agreement without the consent of the Security Agent.

24. **COMMUNICATIONS**

24.1 **Communications in writing**

Any communication to be made or delivered under or in connection with this Security Agreement (including any notices, waivers, consents or other documents) shall be made or delivered in English and in writing and, unless otherwise stated, may be delivered by fax or letter.

24.2 **Addresses**

The address and email 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 made or delivered under or in connection with this Security Agreement are:

(a) in the case of the Chargor:

- (i) For the attention of: Martin Fest
- (ii) Address: Sonovate, 80 Cannon Street, London, EC42 6HL
- (iii) Email: martin.fest@sonovate.com; and

(b) in the case of the Security Agent:

- (i) For the attention of: Sam Kemp
- (ii) Address: BCI Finance, Scale Space, First Floor, 58 Wood Lane, London, W12 7RZ
- (iii) Email: sam.kemp@bci-finance.com, loanadmin@bci-finance.com; or

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

24.3 **Delivery**

- (a) Any communication made or delivered by one Party to another under or in connection with this Security Agreement will only be effective:

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

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 if addressed to that department or officer.

- (b) Any communication to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer specified as part of its address details provided under Clause 24.2.
- (c) Any communication which becomes effective, in accordance with Clause 24.3(a) to Clause 24.3(b), after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

25. **COUNTERPARTS**

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

26. **GOVERNING LAW**

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

27. **ENFORCEMENT**

27.1 **Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Agreement (including a dispute relating to the existence, validity or termination of this Security Agreement or any non-contractual obligations arising out of or in connection with this Security Agreement) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

27.2 **Benefit**

Clause 27.1 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof the parties have shown their acceptance of the terms of this Security Agreement by executing it, in the case of the Chargor as a deed, at the end of the Schedules.

SCHEDULE 1

Properties

Part 1 - Registered land

(Freehold (including commonhold) or leasehold property (if any) in England and Wales of which the Chargor is registered as the proprietor at Land Registry)

None at the date of this Deed

Part 2 - Unregistered land

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at Land Registry of which the Chargor is the owner)

None at the date of this Deed

SCHEDULE 2**Specified Assets****Part 1 - Blocked Collection Accounts**

































Name of account holder	Name of entity at which account is held	Currency	Account Number	Sort Code
Sonovate Limited	Barclays Bank UK PLC	GBP	████████	██████
Sonovate Limited	Barclays Bank UK PLC	EUR	████████	██████
Sonovate Limited	Barclays Bank UK PLC	USD	████████	██████

































Part 2 - Unblocked Collection Accounts

Name of account holder	Name of entity at which account is held	Currency	Account Number	Sort Code
Sonovate Limited	PayrNet Limited	GBP	████████	██████
Sonovate Limited	PayrNet Limited	EUR	████████ ████████████████████	██████ ████████

Part 3 - Client Collection Accounts

Account Name	Name of entity at which account is held	Currency	Account Number / IBAN	Sort Code / Routing Number / Wire Number
Adoptt Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Adoptt Limited - EUR	Payrnet Limited	EUR	██████████ ████████████████████	██████████ ██████████████
Annapurna HR Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Annapurna HR Limited - EUR	Payrnet Limited	EUR	██████████ ████████████████████	██████████ ██████████████
Candour Talent Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Cloud Kubed LLP - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Cloud Kubed LLP - EUR	Payrnet Limited	EUR	██████████ ████████████████████	██████████ ██████████████
Coople (UK) Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Coople (UK) Limited - EUR	Payrnet Limited	EUR	██████████ ████████████████████	██████████ ██████████████
Core Consultants Group Ltd - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Create Recruitment Specialists Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Cullen & McLean Sourcing Limited - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
Cullen & McLean Sourcing Limited - EUR	Payrnet Limited	EUR	██████████ ████████████████████	██████████ ██████████████
CVBay Ltd - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████
DRS. DIRECT LIMITED - GBP	Payrnet Limited	GBP	██████████ ████████████████████	██████████ ████████████████

Edge Recruitment Group Limited - GBP	Payrnet Limited	GBP		
Edge Recruitment Group Limited - GBP	Payrnet Limited	GBP		
Headstar Limited - GBP	Payrnet Limited	GBP		
High Finance (UK) Limited - GBP	Payrnet Limited	GBP		
Human Capital Ventures Limited - GBP	Payrnet Limited	GBP		
iCobus Limited - GBP	Payrnet Limited	GBP		
IFIT Solutions Ltd - GBP	Payrnet Limited	GBP		
IFIT Solutions Ltd - EUR	Payrnet Limited	EUR		
Industrious Recruitment Limited - GBP	Payrnet Limited	GBP		
Insight IT Recruitment Ltd - GBP	Payrnet Limited	GBP		
Instinct Resourcing Limited - GBP	Payrnet Limited	GBP		
Jobandtalent Services Limited - GBP	Payrnet Limited	GBP		
Jobandtalent Works Ltd - GBP	Payrnet Limited	GBP		
JS3 Recruitment Ltd - GBP	Payrnet Limited	GBP		
Labourmarket Limited - GBP	Payrnet Limited	GBP		
Labourmarket Limited - EUR	Payrnet Limited	EUR		

MAGNUS SEARCH LTD - GBP	Payrnet Limited	GBP		
MAGNUS SEARCH LTD - EUR	Payrnet Limited	EUR		
OAKWELL HAMPTON LTD - GBP	Payrnet Limited	GBP		
OAKWELL HAMPTON LTD - EUR	Payrnet Limited	EUR		
One Recruitment (Ashford) Ltd - GBP	Payrnet Limited	GBP		
One Recruitment (Canterbury) Limited - GBP	Payrnet Limited	GBP		
One Recruitment (Glasgow) Ltd - GBP	Payrnet Limited	GBP		
Oppo Recruitment Limited - GBP	Payrnet Limited	GBP		
Ovyo Ltd - GBP	Payrnet Limited	GBP		
Ovyo Ltd - EUR	Payrnet Limited	EUR		
Pickr Alpha Ltd - GBP	Payrnet Limited	GBP		
Pickr Alpha Ltd - EUR	Payrnet Limited	EUR		
Pionen Limited - GBP	Payrnet Limited	GBP		
Pionen Limited - EUR	Payrnet Limited	EUR		
Propellerfish Limited - GBP	Payrnet Limited	GBP		
Quickline Recruitment Limited - GBP	Payrnet Limited	GBP		

Quickline Recruitment Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
RATIO DIGITAL MARKETING LIMITED - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
RequirementONE Group Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
RequirementONE Group Ltd - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Rock Mission Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
SAMUEL KNIGHT INTERNATIONAL LIMITED - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
SAMUEL KNIGHT INTERNATIONAL LIMITED - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Sen Central Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Sen Central Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Sensus Consultancy Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Sensus Consultancy Ltd - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Sutro Group Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Sutro Group Ltd - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Tara Professional Recruitment (London) Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Tara Professional Recruitment (London) Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]

Tara Professional Recruitment Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Tara Professional Recruitment Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
TEMPFAIR SERVICES LIMITED - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Tessiant Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
The Architech Club Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
The Architech Club Ltd - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
The Brand Conspiracy & Associates Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
The Brand Conspiracy & Associates Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
THE WORKS STAFFING SOLUTIONS LTD - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
THE WORKS STAFFING SOLUTIONS LTD - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
TRG Wind Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
TRG Wind Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Trustify Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Ttaylor Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Venturi Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]

Venturi Limited - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Virtual Operations Limited - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
WOODROW MERCER HEALTHCARE LIMITED - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
WOODROW MERCER RECRUITMENT LIMITED - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
WOODROW MERCER RECRUITMENT LIMITED - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
Worksome Ltd - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
Worksome Ltd - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]
XPO APP LTD - GBP	Payrnet Limited	GBP	[REDACTED]	[REDACTED]
XPO APP LTD - EUR	Payrnet Limited	EUR	[REDACTED]	[REDACTED]

Part 4 - TransferWise Operating Accounts

Name of account holder	Currency	Account Number / IBAN	Sort Code / Routing Number / Wire Number
Sonovate Limited	GBP	[REDACTED]	[REDACTED]
Sonovate Limited	EUR	[REDACTED]	N/A
Sonovate Limited	USD	[REDACTED]	[REDACTED]

Part 5 - Operating Accounts

Name of account holder	Name of entity at which account is held	Currency	Account Number	Sort Code
Sonovate Limited	Barclays Bank UK PLC	GBP	[REDACTED]	[REDACTED]
Sonovate Limited	Barclays Bank UK PLC	EUR	[REDACTED]	[REDACTED]
Sonovate Limited	Barclays Bank UK PLC	USD	[REDACTED]	[REDACTED]

Part 6 - Specified Intellectual Property

Trade marks				
Proprietor/ADP number	TM number	Jurisdiction / apparent status	Classes	Mark text
Sonovate Limited	UK00002606487	UK	35, 42	SONOVATE
Domain Names				
sonovate.com				
sonovate.co.uk				
sonovate.eu				
sonovate.net				
sonovate.co				
sonovate.de				
sonovate.es				
sonovate.eu.com				
sonovate.fr				
mycloudrecruitment.co.uk				
recuity.com				

Part 7 - Specified Investments

None at the date of this Deed

Part 8 - Insurance Policies

Chargor	Insurer	Policy number
Sonovate Limited	Allianz	27/TW/13288865/04
Sonovate Limited	Markel	FI1423420
Sonovate Limited	Atradius	422034
Sonovate Limited	Atradius	144531

SCHEDULE 3**Form of Notices of Security****Part 1 - Notice of assignment of Assigned Document**

[On the Chargor's notepaper]

To: **[Name and address of other party]**

[Date]

Dear Sirs

[Name and date of Assigned Document]

We refer to [name of agreement/lease] dated [●] 20[●] between (1) [●] and (2) [●] (as amended or novated from time to time, the "**Assigned Document**").

We give you notice that by a security agreement dated [●] 2022 (the "**Security Agreement**") and entered into by us in favour of BCI FINANCE LIMITED (as Security Agent, as defined in the Security Agreement), we have assigned to the Security Agent all of our rights in, to, under, in respect of or derived from the Assigned Document, including the right to receive any [For an Occupational Lease only: rental and other] payments due under the Assigned Document [For the Transferwise Services Agreement and the Railsbank Agreements: and all rights under any present or future electronic money accounts held by our customers with you but controlled by us in which we may have an interest].

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Assigned Document;
- (b) upon notification in writing to you by the Security Agent that an Event of Default (as defined in the Security Agreement) has occurred and is continuing, we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Assigned Document to such bank account as the Security Agent may from time to time specify in writing;
- (c) upon notification in writing to you by the Security Agent that an Event of Default (as defined in the Security Agreement) has occurred and is continuing, all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Assigned Document are exercisable by the Security Agent;
- (d) we have agreed not to waive any rights under, amend, novate, repudiate, [for an Assigned Document other than an Occupational Lease: rescind or otherwise terminate or permit to be terminated the Assigned Document][for an Occupational Lease: rescind, forfeit, determine or agree to the forfeiture, determination or surrender of the Assigned Document] without the prior written consent of the Security Agent;
- (e) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Assigned Document to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of the Chargor]

By: [Name of signatory]

[On copy letter only:]

To: **BCI FINANCE LIMITED** (as Security Agent (as defined in the Security Agreement (as defined in the Notice)))

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by [**Name of the Chargor**] (the "**Chargor**") regarding an agreement dated [●] 20[●] between the Chargor and us (as amended or novated from time to time, the "**Assigned Document**").

We confirm that:

- (a) we consent to the assignment of all of the Chargor's rights in, to, under, in respect of or derived from the Assigned Documents, including the right to receive any payments due under the Assigned Documents and all rights under any present or future electronic money accounts held by the Chargor's customers with us but controlled by the Chargor in which the Chargor may have an interest (the "**Assigned Rights**") and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Assigned Rights;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Assigned Document or if any event occurs which would permit us to terminate, cancel or surrender the Assigned Document we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor's rights, in, to, under, in respect of or derived from the Assigned Document nor an amendment, novation, [for an Occupational Lease only: determination, acceptance of surrender, forfeiture,] rescission or other termination by the Chargor of the Assigned Document shall be effective without your prior written consent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation, appropriation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[**Name of other party**]

By: [**Name of signatory**]

Dated:

Part 2 - Notice of assignment of Insurance

[*On the Chargor's notepaper*]

To: [*Name and address of insurer*]

[*Date*]

Dear Sirs

Policy number [●]

We give you notice that by a security agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of BCI FINANCE LIMITED (as Security Agent, as defined in the Security Agreement), we have assigned all our rights in, to, under, in respect of or derived from the insurance policy, brief details of which are set out below (the "**Policy**"), and all monies which may be payable to or received by us under it.

Please note the following:

- (a) [Use language in square brackets for any insurance policy where the Security Agent is not sole loss payee or co-insured] [upon notification in writing to you by the Security Agent that an Event of Default has occurred and is continuing], we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims, to such bank account as the Security Agent may from time to time specify in writing;
- (b) [Use language in square brackets for any insurance policy where the Security Agent is not sole loss payee or co-insured] [upon notification in writing to you by the Security Agent that an Event of Default has occurred and is continuing], all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Policy are exercisable by the Security Agent; and
- (c) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Policy to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of the Chargor]
By: [Name of signatory]

Details of Policy

Name of insured: [●]

Nature of policy: [●]

Policy number: [●]

Expiry date: [●]

[On copy letter only:]

To: **BCI FINANCE LIMITED** (as Security Agent (as defined in the Security Agreement (as defined in the Notice)))

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by [**Name of the Chargor**] (the "**Chargor**") regarding the Policy (as defined in that notice).

We confirm that:

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Policy;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor's rights in, to, under, in respect of or derived from the Policy, nor an amendment, novation, rescission or other termination by the Chargor of the Policy, shall be effective without the prior written consent of the Security Agent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[**Name of insurer**]

By: [**Name of signatory**]

Dated:

Part 3 - Notice of charge**[On the Chargor's notepaper]**To: **[Name and address of other bank]****[Date]**

Dear Sirs

Account number: [●]

1. We refer to the following accounts listed in the table below [and any other present or future accounts (including without limitation borderless accounts) held with you but controlled by us from time to time] **[Include language in square brackets for the TransferWise Operating Accounts and Client Collection Accounts]** (each an "Account" and together the "Accounts"):

[Use Option 1 for bank accounts. Use Option 2 for accounts held with a non-bank (if applicable depending on the context)]

[Option 1]

Address where Account is located	Account Number	Sort Code	Currency of Account

[Option 2]

Account Name	Name of Account Holder	Currency	Account Number / IBAN	Sort Code / Routing Number / Wire Number

2. We give you notice that by a security agreement dated [●] 2022 and entered into by us in favour of BCI FINANCE LIMITED (as Security Agent, as defined in the Security Agreement) (the "**Security Agreement**") we have charged all our rights in, to, under, in respect of or derived from any credit balances on each Account (the "**Balances**") and the indebtedness represented by the Accounts (the "**Indebtedness**") to the Security Agent.
3. We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account which the Security Agent may, at any time and from time to time, request;
- (b) upon notification in writing to you by the Security Agent that an Event of Default has occurred and is continuing, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same); and
- (c) upon notification in writing to you by the Security Agent that an Event of Default has occurred and is continuing, to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account, the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it).

4. We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of the Chargor]
By: [Name of signatory]

ACKNOWLEDGEMENT ON COPY LETTER

To: **BCI FINANCE LIMITED** (as Security Agent (as defined in the Security Agreement (as defined in the Notice)))

We acknowledge receipt of a notice dated [●] 2022 ("**Notice**") addressed to us by Sonovate Limited (the "**Chargor**") regarding the following accounts (each an "**Account**" and together the "**Accounts**"):

[Copy and paste list of accounts from notice]

We confirm that:

- (a) we acknowledge and consent to the charge over the rights in, to, under, in respect of or derived from any credit balances on the Accounts (the "**Balances**") and the indebtedness represented by the Accounts (the "**Indebtedness**");
- (b) we agree to comply with the terms of the Notice [provided that we shall be entitled to deduct from the Accounts (i) any amounts credited to the Accounts pursuant to a direct debit arrangement which we are obliged to repay in accordance with that direct debit arrangement; and (ii) any amounts credited to the Accounts which are required to be reversed as a result of dishonoured cheques];
- (c) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Accounts and/or the Balances (as defined in that Notice)) [other than in respect of any standard and customary bank charges and fees charged by us directly in respect of the Accounts];
- (d) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor in, to, under, in respect of or derived from the Accounts or the Balances; and
- (e) we undertake that, on our becoming aware at any time that any person other than the Security Agent has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Accounts or the Balances, we will promptly give written notice of that to the Security Agent; and
- (f) we shall have no liability for having acted on instructions from the Security Agent which on their face appear to be genuine and which comply with the bank mandate held by us or relevant electronic banking system procedures in the case of an electronic instruction (in each case granting authority solely in favour of the Security Agent personnel to operate the Accounts).

.....
for and on behalf of

[**Name of bank**]

By: [**Name of signatory**]

Dated:

The Chargor

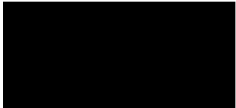
Executed as a deed by **SONOVATE**)
LIMITED acting by two directors:)
)
)

Director



Damon Chapple

Director

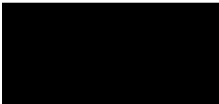


Richard Prime

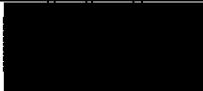
The Security Agent

Executed as a deed by)
BCI FINANCE LIMITED acting by)
Sam Kemp :)
)

Signature of authorised signatory



Signature of witness



Name of witness

steph cockram

Address of witness



Occupation of witness

