



Registration of a Charge

Company name: **iwoca Ltd**

Company number: **07798925**



X67JBIZT

Received for Electronic Filing: **30/05/2017**

Details of Charge

Date of creation: **26/05/2017**

Charge code: **0779 8925 0006**

Persons entitled: **SANNE FIDUCIARY SERVICES LIMITED**

Brief description: **N/A**

Contains fixed charge(s).

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: **SIMON GWYNNE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7798925

Charge code: 0779 8925 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th May 2017 and created by iwoca Ltd was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th May 2017 .

Given at Companies House, Cardiff on 31st May 2017

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**

DATED

26 May 2017

IWOCA LTD
(as Chargor)

- and -

SANNE FIDUCIARY SERVICES LIMITED
(as Security Agent)

Save for material redacted pursuant to s859G of the
Companies Act 2006, I certify that this is a true and
complete copy of the composite original seen by me

Name: SIMON GWYNNETitle: SolicitorDate: 30/5/17

SECURITY AGREEMENT - SHARES AND INTERCOMPANY CLAIMS

- relating to -

A TERM CREDIT FACILITY

This Deed is entered into with the benefit of and subject to the terms of the
Intercreditor Agreement (as defined herein)



Matter ref 162155.000001
F3A/ASIFZARA/5481309

Hogan Lovells International LLP
Atlantic House, 1 Holborn Viaduct, London EC1A 2FG

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THIS DEED is dated

26 May 2017

BETWEEN:

- (1) **iwoca Ltd**, a company registered in England & Wales with company number 07798925 and whose registered office is at 26 Red Lion Square, London, WC1R 4AG (the "Chargor"); and
- (2) **Sanne Fiduciary Services Limited**, (the "Security Agent" which expression includes its successors and assignees as security agent and security trustee for the Secured Parties).

BACKGROUND:

- (A) The Chargor is entering into this Deed in connection with, and as a condition precedent to a drawing under, the Facility Agreement.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

It Is Agreed as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed terms defined in the Facility Agreement have the same meaning unless given a different meaning in this Deed and:

"**Charged Property**" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Transaction Security.

"**Company**" means iwoca Ozone Limited (a company registered in England and Wales as a limited liability company with registered number 09887355).

"**Delegate**" means any delegate or sub delegate appointed under Clause 15 (*Delegation*).

"**Enforcement Event**" means an Event of Default which occurs and is continuing.

"**Existing Security**" means the Security created under, or pursuant to, the Existing Security Documents.

"**Existing Security Documents**" means:

- (a) the security agreement – shares and intercompany claims dated 17 February 2016, between the Chargor and Shawbrook Bank Limited as security agent; and
- (b) the security agreement – shares and intercompany claims dated 22 July 2016, between the Chargor and Cortland Trustees Limited as security agent;
- (c) the security agreement – shares and intercompany claims dated 26 May 2017, between the Chargor and Cortland Trustees Limited as security agent; and
- (d) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist).

"**Facility Agreement**" means the mezzanine term loan facility agreement dated 26 May 2017 between, amongst others, the Chargor as guarantor, Iwoca Ozone

Limited as borrower, Sanne Fiduciary Services Limited as agent, Sanne Fiduciary Services Limited as security agent and Moneda Top-Holding S.à.r.l as the original lender.

"Intercompany Claim" has the meaning given to it in Clause 3.3 of this Deed.

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Agreement and made between, amongst others, the Parent, the Borrower, the Debtors (as defined therein), the Senior Security Agent, the Senior Agent, Shawbrook Bank Limited and Honeycomb Investment Trust plc as Senior Lenders (as defined therein), the Agent, the Security Agent and the Lenders.

"LPA" means the Law of Property Act 1925.

"Party" means a party to this Deed.

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property.

"Related Rights" means, in relation to any Share, all dividends, interest and other moneys paid or payable on or in respect of that Share and all other rights, benefits and proceeds in respect of or derived from that Share (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

"Secured Liabilities" means all present and future moneys, debts, liabilities and obligations due, owing or incurred by any Transaction Party (including the Chargor) to the Secured Parties under or in connection with any Finance Document (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise).

"Secured Party" means a Finance Party, a Receiver or any Delegate.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

"Senior Agent" means the "Senior Agent" as defined in the Intercreditor Agreement.

"Senior Discharge Date" means the date on which the Senior Agent confirms to the Chargor that the Senior Secured Liabilities have been paid in full.

"Senior Secured Liabilities" means the "Secured Liabilities" as such term is defined under the Second Senior Supplemental Parent Security Agreement.

"Senior Security Agent" means the "Senior Security Agent" as defined in the Intercreditor Agreement.

"Shares" means all of the shares in the share capital of the Company held by, to the order of or on behalf of, the Chargor at any time (including those specified in Schedule 1 (*Shares*) or, following enforcement of the Transaction Security, held by the Security Agent or any nominee on its behalf) and all Related Rights.

"Transaction Security" means the Security created or expressed to be created in favour of Security Agent pursuant to this Deed.

1.2 Construction

- (a) Any reference in this Deed to a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument.
- (b) The other provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as if set out in full in this Deed with all necessary changes.
- (c) Unless a contrary indication appears, a reference in this Deed to "**Charged Property**" includes any part of that Charged Property and the proceeds of that Charged Property.
- (d) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period.
- (e) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed and is deemed to be repeated on the date of each Utilisation Request, each Utilisation Date and the first day of each Interest Period by reference to the facts and circumstances then existing.
- (f) This Deed is subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between this Deed and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or Delegate may, subject to this Clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. COVENANT TO PAY

The Chargor shall pay each of the Secured Liabilities when due or, if they do not specify a time, on demand.

3. CREATION OF SECURITY

3.1 Security generally

All the Transaction Security:

- (a) is created in favour of the Security Agent;

- (b) is created over the present and future assets of the Chargor which are subject to the Security created by this Deed;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) subject to the Existing Security, is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.2 Shares

- (a) The Chargor charges by way of a fixed charge all of its rights and interests in the Shares (including any specified in Schedule 1 (*Shares*)).
- (b) A reference in this Deed to any charge of any Share includes:
 - (i) any dividend or interest paid or payable in relation to it; and
 - (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

3.3 Intercompany Claims

The Chargor charges by way of a fixed charge:

- (a) all of its book and other debts owing to it by the Company (including, but not limited to, pursuant to the Subordinated Loan Agreement);
 - (b) all other moneys due and owing to it by the Company; and
 - (c) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under Clause 3.3(a) and Clause 3.3(b),
- (collectively, the "**Intercompany Claims**").

4. CONTINUING SECURITY

4.1 Continuing Security

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

4.2 Additional security

The Transaction Security:

- (a) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party; and
- (b) may, subject to Clause 10 (*Enforcement*) be enforced against the Chargor without having recourse to any other rights of any Finance Party.

5. FURTHER ASSURANCE

- (a) Subject to the Intercreditor Agreement, the Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages,

charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

- (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
 - (ii) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.
- (b) Subject to the Intercreditor Agreement, the Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to this Deed.

6. RESTRICTIONS ON DEALING

6.1 Security

The Chargor shall not create or permit to subsist any Security over any Charged Property except as permitted by the Facility Agreement.

6.2 Disposals

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer or otherwise dispose of any Charged Property except as permitted by the Facility Agreement.

7. SHARES

7.1 Shares

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (a) the Shares are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right (other than pursuant to the Existing Security Documents);
- (b) the constitutional documents of the Company do not and could not restrict or inhibit the transfer of those Shares on creation or the enforcement of the Transaction Security;
- (c) it is the sole legal and beneficial owner of the Shares;

- (d) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of the Company (including any option or right of pre-emption or conversion); and
- (e) the Shares are the entire issued share capital of the Company.

7.2 Certificated Shares

- (a) Promptly following the Senior Discharge Date and in any event, within 3 Business Days of the Senior Discharge Date, the Chargor shall deposit with the Security Agent or as the Security Agent may direct (including any certificated Shares acquired after the date of this Deed):
 - (i) any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Shares; and
 - (ii) signed and undated stock transfer forms in relation to the Shares.
- (b) The Security Agent, or its nominee, may at any point after the Transaction Security becomes enforceable and the Senior Discharge Date has occurred, complete any stock transfer forms of any Shares delivered to it under Clause 7.2(a)(ii) in favour of itself or any nominee for the Security Agent and may present the same for registration.

7.3 Changes to rights

The Chargor may not (except to the extent permitted by the Facility Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Shares being altered or further Shares being issued.

7.4 Calls

- (a) The Chargor shall pay all calls or other payments due and payable in respect of its Shares.
- (b) If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any Shares on behalf of the Chargor. The Chargor shall immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 7.4 (*Calls*).

7.5 Other obligations in respect of Shares

- (a) The Chargor shall promptly copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under the Companies Act 2016 (including, without limitation, under sections Section 790D, 790E or 793 of the Companies Act 2006) or any similar provision contained in any articles of association or other constitutional document relating to any of the Shares. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.
- (b) The Chargor shall comply with all other conditions and obligations assumed by it in respect of any Shares.
- (c) The Security Agent is not obliged to:

- (i) perform any obligation of the Chargor;
- (ii) make any payment;
- (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
- (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Shares.

7.6 Voting rights before enforcement

- (a) Subject to Clause 7.7 (*Voting rights after enforcement*), the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Shares but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party.
- (b) If the relevant Shares have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Shares in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Agent (or that nominee) will execute any form of proxy or other document which the Chargor may reasonably require for this purpose.
- (c) Subject to Clause 7.7 (*Voting rights after enforcement*), all dividends or other income or distributions paid or payable in relation to any Shares shall be paid to the Chargor. To achieve this:
 - (i) the Security Agent or its nominee will promptly execute any dividend mandate necessary to ensure that payment is made direct to the Chargor; or
 - (ii) if payment is made directly to the Security Agent (or its nominee) before this Security becomes enforceable, the Security Agent (or that nominee) will promptly pay that amount to the Chargor.
- (d) Subject to Clause 7.7 (*Voting rights after enforcement*), the Security Agent shall use its reasonable endeavours to promptly forward to the Chargor all material notices, correspondence and/or other communication it receives in relation to the Shares.

7.7 Voting rights after enforcement

- (a) Following the occurrence of an Enforcement Event, the Security Agent or its nominee may exercise or refrain from exercising:
 - (i) any voting rights; and
 - (ii) any other powers or rights which may be exercised by the legal or beneficial owner of any Shares, any person who is the holder of any Shares or otherwise,

in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.

- (b) To the extent that the Shares remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Shares at any time after this Security has become enforceable.
- (c) The Chargor shall indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of Shares on the direction of the Chargor.

8. INTERCOMPANY CLAIMS

- (a) Subject to the terms of the Intercreditor Agreement and the Facility Agreement, the Chargor shall get in and realise its book and other debts and other moneys owed to it in respect of any Intercompany Claim.
- (b) Subject to the terms of the Intercreditor Agreement, the Chargor shall, following the occurrence of an Enforcement Event and except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation of the Intercompany Claims into the account designated from time to time by the Security Agent for this purpose.

9. REPRESENTATIONS

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (a) this Deed:
 - (i) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have;
 - (ii) is not subject to any prior or *pari passu* ranking Security other than the Existing Security; and
 - (iii) is not liable to be avoided or set aside on its liquidation, administration or otherwise;
- (b) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed;
- (c) it has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006; and
- (d) no warning notices has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Shares.

10. ENFORCEMENT

10.1 When enforceable

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs.

10.2 Power of sale

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

10.3 Section 103 of the LPA

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed.

10.4 Section 93 of the LPA

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed.

10.5 No liability as mortgagee in possession

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

10.6 Privileges

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA, except that Section 103 of the LPA (restricting the power of sale) does not apply.

10.7 No duty to enquire

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (d) as to the application of any money borrowed or raised.

10.8 Protection to purchasers

All the protection to purchasers contained in Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

10.9 Financial collateral arrangements

- (a) To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**") apply to any Charged Property the Security Agent shall have the right to appropriate any Charged Property which constitutes "**financial collateral**" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities.
- (b) The value of any Charged Property appropriated in accordance with this Clause 10.9 (*Financial collateral arrangements*) shall be:
 - (i) in the case of cash, the amount of the cash appropriated; and
 - (ii) in the case of the Shares, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select (acting reasonably).
- (c) The Chargor agrees that the method of valuation provided for in this Clause 10 (*Enforcement*) is commercially reasonable for the purposes of the Regulations.

11. RECEIVER

11.1 Appointment of receiver

- (a) The Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if:
 - (i) an Enforcement Event occurs; or
 - (ii) requested to do so by the Chargor.
- (b) Any appointment under Clause 11.1(a) may be by deed, under seal or in writing under hand.

11.2 Removal

The Security Agent may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated.

11.3 Remuneration

The Security Agent may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply.

11.4 Agent of Chargor

- (a) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Finance Party will incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons.

11.5 Security Agent's rights

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

12. POWERS OF RECEIVER

12.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 12 (*Powers of Receiver*) in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver or an administrative receiver under the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

12.2 Possession

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

12.3 Carry on business

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

12.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

12.5 Borrow money

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

12.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

12.7 Compromise

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

12.8 Legal actions

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

12.9 Receipts

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

12.10 Subsidiaries

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

12.11 Delegation

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

12.12 Lending

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

12.13 Protection of assets

A Receiver may effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property as he thinks fit.

12.14 Other powers

A Receiver may:

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

13. POWER OF ATTORNEY

13.1 Appointment

The Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution), on its behalf and in

its name or otherwise at such time on and from the occurrence of an Enforcement Event and in such manner as the attorney may think fit:

- (a) to do anything which the Chargor is obliged to do under any Finance Document; and
- (b) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986.

13.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this Clause 13 (*Power of attorney*).

14. TACKING

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

15. DELEGATION

15.1 Delegate and sub-delegates

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

15.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit.

15.3 Liability

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

15.4 Security Agent Provisions

- (a) The Security Agent executes this Deed as security trustee in the exercise of the powers and authority conferred and vested in it under the Facility Agreement and any other Finance Document for and on behalf of the Finance Parties for whom it acts. It will exercise its powers and authority under this Deed in the manner provided for in the Facility Agreement and, in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Agreement and the other Finance Documents.
- (b) The Security Agent shall not owe any fiduciary duties to any party to this Deed or any of their directors, employees, agents, or affiliates.
- (c) Notwithstanding any other provision of this Deed, in acting under and in accordance with this Deed the Security Agent is entitled to seek instructions from the Secured Parties in accordance with the provisions of the Facility Agreement.

16. PRESERVATION OF SECURITY

16.1 Reinstatement

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

16.2 Waiver of defences

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

- (a) any time, waiver or consent granted to, or composition with, any other person;
- (b) the release of any other person under the terms of any composition or arrangement with any creditor of any other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

16.3 Immediate recourse

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

16.4 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

16.5 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by any other person;
- (b) to claim any contribution from any other guarantor of the Chargor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under any other Finance Document;
- (e) to exercise any right of set-off against any other person; and/or
- (f) to claim or prove as a creditor of any other person in competition with any Finance Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application towards the Secured Liabilities in accordance with the Facility Agreement.

17. ENFORCEMENT EXPENSES

17.1 Enforcement expenses

The Chargor shall, within five Business Days of demand, pay to the Security Agent the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Agent, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or 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.

17.2 Value added tax

Clause 17.7 (VAT) of the Facility Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes.

18. CHANGES TO THE PARTIES

18.1 Assignments and transfer by the Chargor

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

18.2 Assignment and transfer by the Finance Parties

Any Finance Party may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement or, in the case of the Security Agent, to such other person who may be appointed as Security Agent from time to time in accordance with the terms of the Finance Documents.

19. PAYMENTS

19.1 Payments

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct.

19.2 Continuation of accounts

- (a) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of the Chargor, any Finance Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (b) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred.
- (c) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities

19.3 Order of distributions

All amounts received or recovered by the Security Agent or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order:

- (a) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it;
- (b) second, in or towards payment of the Secured Liabilities in accordance with clause 35.6 (*Partial payments*) of the Facility Agreement; and
- (c) third, in payment of any surplus to the Chargor or other person entitled to it.

19.4 No set-off by Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

20. RELEASE OF SECURITY

20.1 Release

At the end of the Security Period the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed and redeliver to the Chargor or as it shall otherwise direct any documents of title or evidence of ownership as have been delivered to the Security Agent in connection with this Deed.

20.2 Retention

If the Security Agent considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

21. NOTICES

Any communication to be made under or in connection with this Deed shall be made and delivered in accordance with the Facility Agreement.

22. PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be effected or impaired.

23. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

24. COUNTERPARTS

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

25. GOVERNING LAW

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

26. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 26 (*Enforcement*) is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

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

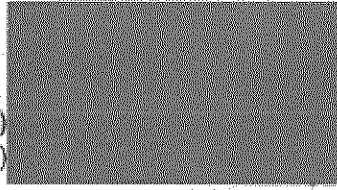
SCHEDULE 1

Shares

Name of company in which shares are held	Class of shares held	Number of shares held
Iwoca Ozone Limited	Ordinary shares (of £1) each	1

The Chargor

Executed as a Deed by **Iwoca Ltd**
acting by

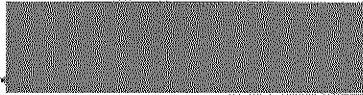


Name: *CHRISTOPH REICHERT*

in the presence of:

Title: Director

Signature of witness: ...



Name:

MARCO ORSINI JONES

Address:

*PAUL HASTINGS (EUROPE) LLP
10 BISHOPS SQUARE, 8TH FLOOR
LONDON E1 6EG*

The Security Agent

Executed as a Deed by **Sanne Fiduciary Services Limited** acting by

.....

Name:

Title: Authorised Signatory

in the presence of:

Signature of witness:

Name:

Address:

Executed as a Deed by **Sanne Fiduciary Services Limited** acting by

.....

Name:

Title: Authorised Signatory

in the presence of:

Signature of witness:

Name:

Address:

DATED

EXECUTION VERSION
26 May 2017

IWOCA LTD
(as Chargor)

- and -

SANNE FIDUCIARY SERVICES LIMITED
(as Security Agent)

SECURITY AGREEMENT - SHARES AND INTERCOMPANY CLAIMS

- relating to -

A TERM CREDIT FACILITY

This Deed is entered into with the benefit of and subject to the terms of the
Intercreditor Agreement (as defined herein)



Matter ref 162155.000001
F3A/ASIFZARA/5481309

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

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THIS DEED is dated

26 May

2017

BETWEEN:

- (1) **iwoca Ltd**, a company registered in England & Wales with company number 07798925 and whose registered office is at 26 Red Lion Square, London, WC1R 4AG (the "Chargor"); and
- (2) **Sanne Fiduciary Services Limited**, (the "Security Agent" which expression includes its successors and assignees as security agent and security trustee for the Secured Parties).

BACKGROUND:

- (A) The Chargor is entering into this Deed in connection with, and as a condition precedent to a drawing under, the Facility Agreement.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

It Is AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed terms defined in the Facility Agreement have the same meaning unless given a different meaning in this Deed and:

"**Charged Property**" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Transaction Security.

"**Company**" means iwoca Ozone Limited (a company registered in England and Wales as a limited liability company with registered number 09887355).

"**Delegate**" means any delegate or sub delegate appointed under Clause 15 (*Delegation*).

"**Enforcement Event**" means an Event of Default which occurs and is continuing.

"**Existing Security**" means the Security created under, or pursuant to, the Existing Security Documents.

"**Existing Security Documents**" means:

- (a) the security agreement – shares and intercompany claims dated 17 February 2016, between the Chargor and Shawbrook Bank Limited as security agent; and
- (b) the security agreement – shares and intercompany claims dated 22 July 2016, between the Chargor and Cortland Trustees Limited as security agent;
- (c) the security agreement – shares and intercompany claims dated 26 May 2017, between the Chargor and Cortland Trustees Limited as security agent; and
- (d) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist).

"**Facility Agreement**" means the mezzanine term loan facility agreement dated 26 May 2017 between, amongst others, the Chargor as guarantor, Iwoca Ozone

Limited as borrower, Sanne Fiduciary Services Limited as agent, Sanne Fiduciary Services Limited as security agent and Moneda Top-Holding S.à.r.l as the original lender.

"Intercompany Claim" has the meaning given to it in Clause 3.3 of this Deed.

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Agreement and made between, amongst others, the Parent, the Borrower, the Debtors (as defined therein), the Senior Security Agent, the Senior Agent, Shawbrook Bank Limited and Honeycomb Investment Trust plc as Senior Lenders (as defined therein), the Agent, the Security Agent and the Lenders.

"LPA" means the Law of Property Act 1925.

"Party" means a party to this Deed.

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property.

"Related Rights" means, in relation to any Share, all dividends, interest and other moneys paid or payable on or in respect of that Share and all other rights, benefits and proceeds in respect of or derived from that Share (whether by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

"Secured Liabilities" means all present and future moneys, debts, liabilities and obligations due, owing or incurred by any Transaction Party (including the Chargor) to the Secured Parties under or in connection with any Finance Document (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise).

"Secured Party" means a Finance Party, a Receiver or any Delegate.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

"Senior Agent" means the "Senior Agent" as defined in the Intercreditor Agreement.

"Senior Discharge Date" means the date on which the Senior Agent confirms to the Chargor that the Senior Secured Liabilities have been paid in full.

"Senior Secured Liabilities" means the "Secured Liabilities" as such term is defined under the Second Senior Supplemental Parent Security Agreement.

"Senior Security Agent" means the "Senior Security Agent" as defined in the Intercreditor Agreement.

"Shares" means all of the shares in the share capital of the Company held by, to the order of or on behalf of, the Chargor at any time (including those specified in Schedule 1 (*Shares*) or, following enforcement of the Transaction Security, held by the Security Agent or any nominee on its behalf) and all Related Rights.

"Transaction Security" means the Security created or expressed to be created in favour of Security Agent pursuant to this Deed.

1.2 Construction

- (a) Any reference in this Deed to a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument.
- (b) The other provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as if set out in full in this Deed with all necessary changes.
- (c) Unless a contrary indication appears, a reference in this Deed to "**Charged Property**" includes any part of that Charged Property and the proceeds of that Charged Property.
- (d) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period.
- (e) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed and is deemed to be repeated on the date of each Utilisation Request, each Utilisation Date and the first day of each Interest Period by reference to the facts and circumstances then existing.
- (f) This Deed is subject to the terms of the Intercreditor Agreement. In the event of any inconsistency between this Deed and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or Delegate may, subject to this Clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. COVENANT TO PAY

The Chargor shall pay each of the Secured Liabilities when due or, if they do not specify a time, on demand.

3. CREATION OF SECURITY

3.1 Security generally

All the Transaction Security:

- (a) is created in favour of the Security Agent;

- (b) is created over the present and future assets of the Chargor which are subject to the Security created by this Deed;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) subject to the Existing Security, is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.2 Shares

- (a) The Chargor charges by way of a fixed charge all of its rights and interests in the Shares (including any specified in Schedule 1 (*Shares*)).
- (b) A reference in this Deed to any charge of any Share includes:
 - (i) any dividend or interest paid or payable in relation to it; and
 - (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

3.3 Intercompany Claims

The Chargor charges by way of a fixed charge:

- (a) all of its book and other debts owing to it by the Company (including, but not limited to, pursuant to the Subordinated Loan Agreement);
 - (b) all other moneys due and owing to it by the Company; and
 - (c) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under Clause 3.3(a) and Clause 3.3(b),
- (collectively, the "Intercompany Claims").

4. CONTINUING SECURITY

4.1 Continuing Security

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

4.2 Additional security

The Transaction Security:

- (a) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party; and
- (b) may, subject to Clause 10 (*Enforcement*) be enforced against the Chargor without having recourse to any other rights of any Finance Party.

5. FURTHER ASSURANCE

- (a) Subject to the Intercreditor Agreement, the Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages,

charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):

- (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
 - (ii) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.
- (b) Subject to the Intercreditor Agreement, the Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to this Deed.

6. RESTRICTIONS ON DEALING

6.1 Security

The Chargor shall not create or permit to subsist any Security over any Charged Property except as permitted by the Facility Agreement.

6.2 Disposals

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer or otherwise dispose of any Charged Property except as permitted by the Facility Agreement.

7. SHARES

7.1 Shares

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (a) the Shares are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right (other than pursuant to the Existing Security Documents);
- (b) the constitutional documents of the Company do not and could not restrict or inhibit the transfer of those Shares on creation or the enforcement of the Transaction Security;
- (c) it is the sole legal and beneficial owner of the Shares;

- (d) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of the Company (including any option or right of pre-emption or conversion); and
- (e) the Shares are the entire issued share capital of the Company.

7.2 Certificated Shares

- (a) Promptly following the Senior Discharge Date and in any event, within 3 Business Days of the Senior Discharge Date, the Chargor shall deposit with the Security Agent or as the Security Agent may direct (including any certificated Shares acquired after the date of this Deed):
 - (i) any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Shares; and
 - (ii) signed and undated stock transfer forms in relation to the Shares.
- (b) The Security Agent, or its nominee, may at any point after the Transaction Security becomes enforceable and the Senior Discharge Date has occurred, complete any stock transfer forms of any Shares delivered to it under Clause 7.2(a)(ii) in favour of itself or any nominee for the Security Agent and may present the same for registration.

7.3 Changes to rights

- The Chargor may not (except to the extent permitted by the Facility Agreement) take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Shares being altered or further Shares being issued.

7.4 Calls

- (a) The Chargor shall pay all calls or other payments due and payable in respect of its Shares.
- (b) If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any Shares on behalf of the Chargor. The Chargor shall immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 7.4 (*Calls*).

7.5 Other obligations in respect of Shares

- (a) The Chargor shall promptly copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under the Companies Act 2016 (including, without limitation, under sections Section 790D, 790E or 793 of the Companies Act 2006) or any similar provision contained in any articles of association or other constitutional document relating to any of the Shares. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.
- (b) The Chargor shall comply with all other conditions and obligations assumed by it in respect of any Shares.
- (c) The Security Agent is not obliged to:

- (i) perform any obligation of the Chargor;
- (ii) make any payment;
- (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
- (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Shares.

7.6 Voting rights before enforcement

- (a) Subject to Clause 7.7 (*Voting rights after enforcement*), the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Shares but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party.
- (b) If the relevant Shares have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Shares in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Agent (or that nominee) will execute any form of proxy or other document which the Chargor may reasonably require for this purpose.
- (c) Subject to Clause 7.7 (*Voting rights after enforcement*), all dividends or other income or distributions paid or payable in relation to any Shares shall be paid to the Chargor. To achieve this:
 - (i) the Security Agent or its nominee will promptly execute any dividend mandate necessary to ensure that payment is made direct to the Chargor; or
 - (ii) if payment is made directly to the Security Agent (or its nominee) before this Security becomes enforceable, the Security Agent (or that nominee) will promptly pay that amount to the Chargor.
- (d) Subject to Clause 7.7 (*Voting rights after enforcement*), the Security Agent shall use its reasonable endeavours to promptly forward to the Chargor all material notices, correspondence and/or other communication it receives in relation to the Shares.

7.7 Voting rights after enforcement

- (a) Following the occurrence of an Enforcement Event, the Security Agent or its nominee may exercise or refrain from exercising:
 - (i) any voting rights; and
 - (ii) any other powers or rights which may be exercised by the legal or beneficial owner of any Shares, any person who is the holder of any Shares or otherwise,

in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.

- (b) To the extent that the Shares remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Shares at any time after this Security has become enforceable.
- (c) The Chargor shall indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of Shares on the direction of the Chargor.

8. INTERCOMPANY CLAIMS

- (a) Subject to the terms of the Intercreditor Agreement and the Facility Agreement, the Chargor shall get in and realise its book and other debts and other moneys owed to it in respect of any Intercompany Claim.
- (b) Subject to the terms of the Intercreditor Agreement, the Chargor shall, following the occurrence of an Enforcement Event and except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation of the Intercompany Claims into the account designated from time to time by the Security Agent for this purpose.

9. REPRESENTATIONS

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (a) this Deed:
 - (i) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have;
 - (ii) is not subject to any prior or *pari passu* ranking Security other than the Existing Security; and
 - (iii) is not liable to be avoided or set aside on its liquidation, administration or otherwise;
- (b) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed;
- (c) it has complied with all notices relating to all or any of the Shares received by it pursuant to sections 790D and 790E of the Companies Act 2006; and
- (d) no warning notices has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Shares.

10. ENFORCEMENT

10.1 When enforceable

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs.

10.2 Power of sale

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

10.3 Section 103 of the LPA

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed.

10.4 Section 93 of the LPA

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed.

10.5 No liability as mortgagee in possession

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

10.6 Privileges

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA, except that Section 103 of the LPA (restricting the power of sale) does not apply.

10.7 No duty to enquire

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (d) as to the application of any money borrowed or raised.

10.8 Protection to purchasers

All the protection to purchasers contained in Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

10.9 Financial collateral arrangements

- (a) To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**") apply to any Charged Property the Security Agent shall have the right to appropriate any Charged Property which constitutes "**financial collateral**" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities.
- (b) The value of any Charged Property appropriated in accordance with this Clause 10.9 (*Financial collateral arrangements*) shall be:
 - (i) in the case of cash, the amount of the cash appropriated; and
 - (ii) in the case of the Shares, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select (acting reasonably).
- (c) The Chargor agrees that the method of valuation provided for in this Clause 10 (*Enforcement*) is commercially reasonable for the purposes of the Regulations.

11. RECEIVER

11.1 Appointment of receiver

- (a) The Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if:
 - (i) an Enforcement Event occurs; or
 - (ii) requested to do so by the Chargor.
- (b) Any appointment under Clause 11.1(a) may be by deed, under seal or in writing under hand.

11.2 Removal

The Security Agent may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated.

11.3 Remuneration

The Security Agent may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply.

11.4 Agent of Chargor

- (a) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Finance Party will incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons.

11.5 Security Agent's rights

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

12. POWERS OF RECEIVER

12.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 12 (*Powers of Receiver*) in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver or an administrative receiver under the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

12.2 Possession

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

12.3 Carry on business

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

12.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

12.5 Borrow money

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

12.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

12.7 Compromise

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

12.8 Legal actions

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

12.9 Receipts

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

12.10 Subsidiaries

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

12.11 Delegation

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

12.12 Lending

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

12.13 Protection of assets

A Receiver may effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property as he thinks fit.

12.14 Other powers

A Receiver may:

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

13. POWER OF ATTORNEY

13.1 Appointment

The Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution), on its behalf and in

its name or otherwise at such time on and from the occurrence of an Enforcement Event and in such manner as the attorney may think fit:

- (a) to do anything which the Chargor is obliged to do under any Finance Document; and
- (b) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986.

13.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this Clause 13 (*Power of attorney*).

14. TACKING

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

15. DELEGATION

15.1 Delegate and sub-delegates

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

15.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit.

15.3 Liability

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

15.4 Security Agent Provisions

- (a) The Security Agent executes this Deed as security trustee in the exercise of the powers and authority conferred and vested in it under the Facility Agreement and any other Finance Document for and on behalf of the Finance Parties for whom it acts. It will exercise its powers and authority under this Deed in the manner provided for in the Facility Agreement and, in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Agreement and the other Finance Documents.
- (b) The Security Agent shall not owe any fiduciary duties to any party to this Deed or any of their directors, employees, agents, or affiliates.
- (c) Notwithstanding any other provision of this Deed, in acting under and in accordance with this Deed the Security Agent is entitled to seek instructions from the Secured Parties in accordance with the provisions of the Facility Agreement.

16. PRESERVATION OF SECURITY

16.1 Reinstatement

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

16.2 Waiver of defences

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

- (a) any time, waiver or consent granted to, or composition with, any other person;
- (b) the release of any other person under the terms of any composition or arrangement with any creditor of any other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

16.3 Immediate recourse

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

16.4 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

16.5 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by any other person;
- (b) to claim any contribution from any other guarantor of the Chargor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under any other Finance Document;
- (e) to exercise any right of set-off against any other person; and/or
- (f) to claim or prove as a creditor of any other person in competition with any Finance Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application towards the Secured Liabilities in accordance with the Facility Agreement.

17. ENFORCEMENT EXPENSES

17.1 Enforcement expenses

The Chargor shall, within five Business Days of demand, pay to the Security Agent the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Agent, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or 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.

17.2 Value added tax

Clause 17.7 (VAT) of the Facility Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes.

18. CHANGES TO THE PARTIES

18.1 Assignments and transfer by the Chargor

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

18.2 Assignment and transfer by the Finance Parties

Any Finance Party may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement or, in the case of the Security Agent, to such other person who may be appointed as Security Agent from time to time in accordance with the terms of the Finance Documents.

19. PAYMENTS

19.1 Payments

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct.

19.2 Continuation of accounts

- (a) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of the Chargor, any Finance Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (b) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred.
- (c) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities

19.3 Order of distributions

All amounts received or recovered by the Security Agent or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order:

- (a) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it;
- (b) second, in or towards payment of the Secured Liabilities in accordance with clause 35.6 (*Partial payments*) of the Facility Agreement; and
- (c) third, in payment of any surplus to the Chargor or other person entitled to it.

19.4 No set-off by Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

20. RELEASE OF SECURITY

20.1 Release

At the end of the Security Period the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed and redeliver to the Chargor or as it shall otherwise direct any documents of title or evidence of ownership as have been delivered to the Security Agent in connection with this Deed.

20.2 Retention

If the Security Agent considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

21. NOTICES

Any communication to be made under or in connection with this Deed shall be made and delivered in accordance with the Facility Agreement.

22. PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be effected or impaired.

23. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

24. COUNTERPARTS

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

25. GOVERNING LAW

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

26. **ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 26 (*Enforcement*) is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

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

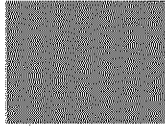
SCHEDULE 1

Shares

Name of company in which shares are held	Class of shares held	Number of shares held
Iwooca Ozone Limited	Ordinary shares (of £1) each	1

The Security Agent

Executed as a Deed by **Sanne Fiduciary Services Limited** acting by



Beejadhursingh Surnam
Authorised Signatory

Name:

Title: Authorised Signatory

in the presence of:

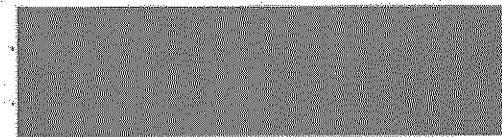
Signature of witness:



Name:

Amrik Rana

Address:



Executed as a Deed by **Sanne Fiduciary Services Limited** acting by



Neville Scott
Authorised Signatory

Name:

Title: Authorised Signatory

in the presence of:

Signature of witness:



Name:

Amrik Rana

Address:

