



Registration of a Charge

Company name: **RAPID RHYTHM LIMITED**

Company number: **07803914**



X70P6L17

Received for Electronic Filing: **27/02/2018**

Details of Charge

Date of creation: **08/02/2018**

Charge code: **0780 3914 0001**

Persons entitled: **ALLEVA LIMITED**

Brief description: **THE CHARGOR, WITH NIL TITLE GUARANTEE CHARGES AS CONTINUING SECURITY FOR THE PAYMENT OF THE SECURED OBLIGATIONS, IN FAVOUR OF THE SECURITY AGENT: 3.1 1 BY WAY OF A FIRST FIXED LEGAL MORTGAGE ALL REAL PROPERTY, 3 1 2 BY WAY OF A FIRST FIXED EQUITABLE CHARGE ALL ITS PRESENT AND FUTURE ESTATES, RIGHTS OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY (EXCEPT TO THE EXTENT CHARGED BY CLAUSE 3 1.1) AND THE PROCEEDS OF ANY SALE OF THEM; 3 1 3 BY WAY OF A FIRST FIXED CHARGE• (I) ALL ITS PRESENT AND FUTURE FIXED PLANT AND MACHINERY; (II) ALL LOAN NOTES, SHARES, DEBENTURES, BONDS, NOTES OR OTHER CAPITAL IN ANY SUBSIDIARY OR OTHER CORPORATE BODY, (III) ALL ITS PRESENT AND FUTURE UNCALLED CAPITAL, (IV) ITS RIGHTS UNDER ALL CONTRACTS AND LICENCES AND IN ANY INTELLECTUAL PROPERTY,**

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

Contains negative pledge.

Authentication of Form

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **MICHAEL NORRIS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7803914

Charge code: 0780 3914 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th February 2018 and created by RAPID RHYTHM LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th February 2018 .

Given at Companies House, Cardiff on 5th March 2018

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



Companies House



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

Dated 8th February 2018

RAPID RHYTHM LIMITED (1)

and

ALLEVA LIMITED (2)

DEBENTURE

THIS DEBENTURE is made the 8th day of February, 2018

BETWEEN:

(1) **RAPID RHYTHM LIMITED** a company registered in England and Wales (company number 07803914) whose registered office is at Greenheys Building, Medtech Centre, Manchester Science Park, Pencroft Way, Manchester, England, M15 6JJ (the "**Chargor**"), and

(2) **ALLEVA LIMITED** a company registered in England and Wales (company number 09270045) whose registered office is at 103-105 Brighton Road, Coulsdon, Surrey, CR5 2NG (the "**Security Agent**")

1. Definitions and Interpretation

1.1. In this Debenture the following definitions apply

"Assets" means all assets including business, undertaking, property (including Intellectual Property) and Rights held by or on behalf of the Chargor,

"Business Day" means a day (other than a Saturday or Sunday) on which clearing banks are open for normal business in England,

"Charged Assets" means all or any part of the Chargors Assets charged or expressed to be charged under this Debenture;

"Conditions" means the conditions subject to which the Loan Notes are issued as set out in schedules 2 to 5 (inclusive) of the Loan Note Instrument

"Current Balances" means all credit balances due or owing to the Chargor on any current account;

"Debenture" means this document and all other matters contained herein,

"Deposit Balances" means all credit balances due or owing to the Chargor on any account except any current accounts,

"Indebtedness" means (without double counting)

- (a) any money borrowed or raised and includes capitalised interest;
- (b) any liability under any bond, note, debenture, loan notes, redeemable preference share capital or other Instrument or security;
- (c) any liability for acceptance or documentary credits or discounted Instruments;
- (d) any liability for the acquisition cost of assets or services payable on deferred payment terms where the period of deferment is more than 90 days,

- (e) any liability under debt purchase, factoring and similar agreements and capital amounts owing under finance leases, hire purchase or conditional sale agreements or arrangements,
- (f) the net liability under any derivative transaction protecting against or benefiting from fluctuations in any rate or price,
- (g) any other arrangements having the commercial effect of borrowing, and
- (h) any liability under any guarantee or indemnity in respect of any obligation falling within (a) to (g).

"Intellectual Property" means patents, trademarks, service marks, know-how, copyright, registered or registrable designs or applications for any of these, trade or business names, rights under licences or consents or any similar rights,

"Loan Notes" means the £8,000 secured convertible loan notes of the Chargor in the agreed form,

"Loan Note Instrument" means the instrument of the same date as this Debenture under which the Loan Notes were created by the Chargor and under the terms of which the Noteholders hold the Loan Notes (as amended, restated, supplemented, novated or replaced from time to time),

"Noteholders" shall have the meaning given in the Loan Note Instrument,

"Real Property" means the Chargor's estates, Rights and interest in the property described in the Schedule (if any);

"Receivables" means the book debts and all other receivables due, owing or payable to the Chargor,

"Receiver" means an administrator, receiver and manager or receiver appointed over all or part of the Charged Assets,

"Rights" means rights, benefits, remedies or powers under contracts or of any other kind including the proceeds of any claims;

"Security" means any mortgage, charge, encumbrance, assignment for the purpose of security, pledge, lien, rights of set-off, hypothecation or trust arrangement and anything else which grants any security or security interest or is intended to have effect as a security arrangement This includes any agreement to create any of these but excludes security created by this Debenture;

"Security Document" means this Debenture and any other document providing security for the Loan Notes, and

"Secured Obligations" means

- (a) all present or -Future liabilities or sums due, owing or payable by the Chargor to the Security Agent and/or the Noteholders under the Loan Note Instrument or this Debenture, and
- (b) any interest, costs or expenses which the Security Agent charges or incurs (either in enforcing its Rights under the Loan Note Instrument or this Debenture or in any other way) or for which it becomes liable in connection with the Loan Note Instrument or this Debenture.

This definition includes contingent as well as actual liabilities

1.2. In this Debenture, except where specified

- 1.2.1. references to clauses, sub-clauses, paragraphs and Schedules are to clauses, sub-clauses and paragraphs of, and the Schedules to, this Debenture,
- 1.2.2. references to other documents include any amendments made to those documents,
- 1.2.3. references to "this Debenture" include its Schedules,
- 1.2.4. references to statutory provisions refer to those provisions as amended, extended or re-enacted and include any statutory replacement,
- 1.2.5. the term "subsidiary" has the same meaning as in the Companies Act 2006,
- 1.2.6. "includes" and "including" means including but without limiting,
- 1.2.7. all headings and titles are inserted for convenience only. They do not affect the Interpretation of this Debenture,
- 1.2.8. references to costs or expenses include any value added tax on them;
- 1.2.9. use of the singular includes the plural and vice versa.

2. Covenant to pay

- 2.1 The Chargor covenants with the Security Agent that it will, on demand, pay and discharge the Secured Obligations when due.

3 Mortgages, Fixed Charges and Floating Charge

- 3.1 The Chargor, with Nil title guarantee charges as continuing security for the payment of the Secured Obligations, in favour of the Security Agent:

- 3.1.1 by way of a first fixed legal mortgage all Real Property,

- 3.1.2 by way of a first fixed equitable charge all its present and future estates, Rights or interests in any freehold or leasehold property (except to the extent charged by clause 3.1.1) and the proceeds of any sale of them;
- 3.1.3 by way of a first fixed charge•
- (i) all its present and future fixed plant and machinery;
 - (ii) all loan notes, shares, debentures, bonds, notes or other capital in any subsidiary or other corporate body,
 - (iii) all its present and future uncalled capital,
 - (iv) its Rights under all contracts and licences and in any Intellectual Property,
- 3.1.4 by way of floating charge its Current Balances, its Receivables and all its other Assets whatsoever and wheresoever present and future other than the Property and assets from time to time effectively charged to the Security Agent by way of legal mortgage or fixed charge by this Debenture
- 3.2 The Security created under this Debenture is in addition to and independent of every guarantee or other Security which the Security Agent holds at any time in respect of the Secured Obligations.
- 3.3 The floating charge created under clause 3.1.4 will convert into a fixed charge
- 3.3.1 if the Chargor creates or allows to exist any Security over any Assets (except in the ordinary and normal course of trading) or any person attempts to seize or begin any legal process (including attachment or distress) over any Asset, automatically immediately before that event occurs;
 - 3.3.2 by notice from the Security Agent to the Chargor over all or any specified Assets if the Security Agent reasonably believes the relevant Asset is likely to be seized or subject to legal process
- 3.4 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Debenture

4 Negative pledge

- 4.1 The Chargor will not without the prior written consent of the Security Agent
- 4.1.1 create or allow to exist any Security over any Assets: or
 - 4.1.2 sell, discount, factor, transfer, lease, licence, lend or dispose in any way of any of its Assets (except that it may deal in the ordinary and usual course of business with any Assets which are not subject to a fixed charge or mortgage), or
 - 4.1.3 incur any indebtedness or increase any existing Indebtedness other than in the normal course of business

5 Further assurance

- 5.1 The Chargor, at the request of the Security Agent and at the Chargor's cost, will execute in favour of the Security Agent or as it may direct, any further or other legal assignments, transfers, mortgages, charges or other documents which it requires

(and in the form It requires) in order to create, perfect er protect the security intended to be created by this Debenture

- 5.2 The Chargor will at the written request of the Security Agent, promptly deposit with the Security Agent all deeds, certificates and other documents Of any) relating or evidencing title to any of the Charged Assets.

6 Receivables and account balances

- 6.1 The Chargor will promptly collect in and realise all Receivables in the ordinary course of business but subject to the other restrictions set out in this Debenture.

- 6.2 The Chargor will, immediately after the Security Agent so requires after this Debenture has become enforceable'

6.2.1 promptly pay the amounts received as the Receivables are realised into an account specified by the Security Agent;

6.2.2 not withdraw any Deposit Balance without the prior written consent of the Security Agent

- 6.3 The Chargor will if the Security Agent requires, assign its rights, title and interest in the Receivables and the Deposit Balances to the Security Agent in the form it requires and take any steps the Security Agent requires to perfect the assignment

Undertakings

- 7.1 The Chargor undertakes to the Security Agent that it will promptly notify the Security Agent if there is likely to be any breach of the Chargor's obligations under the Loan Note Instrument or this Debenture.

8 Enforceability

- 8.1 This Debenture will become enforceable immediately after any of the events set out in paragraph 9 of schedule 2 of the Loan Note Instrument has occurred

- 8.2 Sections 93 and 103 of the Law of Property Act 1925 will not apply to this Debenture The powers under Section 101 of that Act will be deemed to arise as soon as this Debenture has been executed

9 Appointment of Receiver

- 9.1 At any turn after this Debenture has become enforceable or at the request of the Chargor the Security Agent may appoint a Receiver of all or part of the Charged Assets or an administrator of the Chargor in each case in accordance with and to the extent permitted by applicable laws The Security Agent may in addition exercise all the Rights conferred on a Receiver under this Debenture

- 9.2 If a Receiver is appointed over part of the Charged Assets he has the rights set out below over that part of the Charged Assets only

- 9.3 The Security Agent may appoint one or more persons to act as Receiver either jointly or severally and may remove a Receiver (subject to any court order which may be required)

- 9.4 Every Receiver shall have

9.4.1 all the powers conferred on the holder of a qualifying charge (as defined in the insolvency Act 1986) by the Insolvency Act 1986, and

9.4.2 all the powers conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act

9.5 Every Receiver acts as the agent of the Chargor The Chargor is solely responsible for the acts, omission, losses and liabilities of the Receiver.

10 Payments

10.1 All sums received by any Receiver appointed under this Debenture will (except as required by law) be applied:

10.1.1 towards the remuneration of the Receiver and the costs, charges and expenses of the receivership;

10.1.2 towards the satisfaction of the Secured Obligations;

10.1.3 once the Secured Obligations are fully satisfied, in payment to the Chargor or anyone else entitled to those sums

10.2 Every Receiver is entitled to remuneration for his services at a rate determined by the Security Agent without being limited to the maximum rate specified in section 109(6) of the Law of Property Act 1925 The Chargor is solely responsible for the payment of this remuneration

11 Power of attorney

11.1 The Chargor irrevocably appoints by way of security:

11.1.1 the Security Agent

11.1.2 any person to whom the Security Agent has delegated the exercise of the power of attorney conferred by this clause,

11.1.3 any Receiver appointed under this Debenture;

jointly and severally (with power to delegate or substitute another person) to be its attorney or attorneys

11.2 Each attorney appointed under this clause may act on behalf of the Chargor and may, as the attorney thinks fit, execute any document or do anything which

11.2.1 the Chargor is obliged to do under this Debenture but which it has not done; or

11.2.2 will enable the Security Agent or any Receiver to exercise any of the Rights conferred on them under any Security Document or by law

11.3 The Chargor will ratify anything done by any attorney under this clause

12 Protection of thlrd parties

12.1 No purchaser or anyone else dealing with the Security Agent, any Receiver or any delegate appointed under this Debenture is required to verify any of the Rights of the Security Agent, the Receiver or delegate or whether any conditions or regulations have been complied with.

13 Suspense accounts and set-off

13.1 Until the Secured Obligations have been satisfied in full, the Security Agent may without notice to the Chargor pay any sums which they receive in respect of the

Secured Obligations into a suspense account or open a new account in the Chargor's name. The Security Agent is not required immediately to apply these sums in discharge of the Secured Obligations

14 Currency

Until the Secured Obligations have been satisfied in full, the Security Agent may (at any time it thinks appropriate) convert any sums reserved, recovered or realised in any currency under this Debenture into any other currency at the then existing rates of exchange which the Security Agent thinks fit

15 Notices

15.1 Any notice may be given to the Chargor or the Security Agent by personal delivery or by sending by it first class post to the addresses shown on page 2. Notices may also be sent by facsimile to the Chargor and to the Security Agent on the fax numbers notified to each party.

15.2 Every notice will be deemed to have been served

15.2.1 if given personally, at the time of delivery;

15.2.2 if sent by first class mail, (two Business Days after the time of posting, and

15.2.3 if sent by facsimile on the next Business Day following the day of dispatch

16 Continuing security

This Debenture is a continuing Security will not be discharged by any intermediate payment or settlement until all the Secured Obligations have been discharged in full.

17 The Security Agent's and Receiver's liability

17.1 The Security Agent or any Receiver or delegate may take or give up possession of any of the Charged Assets without being liable to account as mortgagee in possession

17.2 The Chargor will not require the Security Agent or any Receiver or delegate to account to it for anything except the sums actually received by them

17.3 Neither the Security Agent, any Receiver or delegate (or their officers, employees or agents) will be liable to the Chargor for any costs, losses or liabilities which arise in connection with the exercise of any of their Rights under this Debenture except to the extent caused by their own fraud, negligence or willful misconduct

18 Assignment

18.1 The Chargor's Rights under this Debenture are personal to it and may not be assigned or transferred

18.2 The Security Agent may disclose to any person connected to it, or to its professional advisers, any information about the Chargor and any person connected or associated with it

19 Default interest

If the Chargor fails to satisfy any of the Secured Obligations when due, It will pay the Security Agent interest from the due date until the date actually paid (whether before or after any Judgment) at the default rate of 15% per annum.

20 Indemnity

The Security Agent, any Receiver or delegate and their officers, employees or agents will be indemnified out of the Charged Assets against all costs, losses and liabilities incurred by them in respect of the Charged Assets or the exercise of their Rights under the Loan Note Instrument or the Debenture

21 General

- 21.1 The Rights provided in this Debenture are additional to any other Rights a party may have and those other Rights are not affected by this Debenture.
- 21.2 If the Security Agent, any Receiver or delegate does not exercise a Right when it is able to do so this will not act as a waiver or prevent it from doing so in future. When it does exercise a Right it may do so again, in the same way or differently
- 21.3 If any term of this Debenture is in any way unenforceable under the law of any jurisdiction, this will not affect the enforceability of the remaining terms in that jurisdiction or the enforceability of any term in any other jurisdiction. If any term will only be enforceable if modified, it will apply as modified
- 21.4 A certificate by the Security Agent of the amounts due to It will be conclusive except in the case of manifest error.
- 21.5 A waiver or amendment of a provision of this Debenture will only be effective if it is in writing and signed by the relevant parties

22 Counterparts

This Debenture may be entered into in any number of counterparts. Each of the executed counterparts, when duly executed and delivered, shall be deemed to be an original of this Debenture, but all the counterparts together, shall constitute one and the same instrument.

23 Law

This Debenture shall be governed by and construed in accordance with English law. Each party irrevocably submits to the exclusive jurisdiction of the English courts in relation to any claim or matter arising under or in connection with this Debenture.

IN WITNESS WHEREOF this Debenture has been executed and delivered as a deed on the date specified above.

Executed as a deed by **RAPID RHYTHM LIMITED**
acting by a director in the presence of

)
)

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

Witness signature

Witness' name

Witness' address

Witness' occupation

Executed as a deed by **ALLEVA LIMITED**
acting by a director in the presence of

)
)

Witness signature

Witness' name

Witness' address

Witness' occupation