



Registration of a Charge

Company name: **ALTERIUM LIMITED**

Company number: **08621989**



X648DI7K

Received for Electronic Filing: **12/04/2017**

Details of Charge

Date of creation: **30/03/2017**

Charge code: **0862 1989 0014**

Persons entitled: **HWSIL FINANCE CO LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **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: **WRIGHT HASSALL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8621989

Charge code: 0862 1989 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th March 2017 and created by ALTERIUM LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th April 2017 .

Given at Companies House, Cardiff on 13th April 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**

30 March 2017

Execution version

ALTERIUM LIMITED

and

HWSIL FINANCE CO LIMITED

HOLDCO DEBENTURE

This debenture is subject to the terms of: (i) an Intercreditor Agreement dated on or around the date of this debenture between (*inter alia*) Alterium Limited, HWSIL Finance Co Limited and certain investors in Alterium Limited; and (ii) any "Acceptable Intercreditor Agreement" that is entered into from time to time between (*inter alia*) Alterium Limited, HWSIL Finance Co Limited and a "Permitted Lender" to an affiliate of Alterium Limited.

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THIS DEED is dated 30 March 2017

PARTIES

- (1) **ALTERIUM LIMITED**, a limited liability company incorporated and registered in England and Wales with company number 08621989 whose registered office is at Holbrook House, 51 John Street, Ipswich, Suffolk, IP3 0AH (**HoldCo**).
- (2) **HWSIL FINANCE CO LIMITED**, a limited liability company incorporated and registered in England and Wales with company number 10144063 whose registered office is at Mermaid House, 2 Puddle Dock, London, EC4V 3DB in its capacity as security trustee for the Finance Parties (the **Security Trustee**).

BACKGROUND

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with a term loan facility on a secured basis.
- (B) HoldCo has agreed, pursuant to the Cross-corporate Guarantee, to provide credit support to the Security Trustee for the liabilities of the Borrower from time to time outstanding to the Finance Parties.
- (C) Under this deed, HoldCo provides security to the Security Trustee for its liabilities under the Finance Documents.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Facility Agreement shall, unless otherwise defined in this deed, have the same meaning in this deed. In addition, the following definitions apply in this deed.

Administrator: an administrator appointed to manage the affairs, business and property of HoldCo pursuant to clause 13.8.

Book Debts: all present and future book and other debts, and monetary claims due or owing to HoldCo, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by HoldCo in relation to any of them.

Borrower: Fleximize Capital Limited, a limited liability company incorporated and registered in England and Wales with company number 09485920 whose registered office is at Holbrook House, 51 John Street, Ipswich, Suffolk, IP3 0AH.

Delegate: any person appointed by the Security Trustee or any Receiver pursuant to clause 18 and any person appointed as attorney of the Security Trustee, Receiver or Delegate.

Designated Account: the Sterling account in the name of HoldCo with Barclays Bank plc with sort code 20-69-40 and account number 43251756, as that account may be

renumbered or redesignated from time to time together with any other account of HoldCo nominated by the Security Trustee as a designated account for the purposes of this deed.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by HoldCo, including any part of it and all spare parts, replacements, modifications and additions.

Facility Agreement: the term facility agreement dated on or around the date of this deed between the Lender and HoldCo for the provision of the term loan facility secured by this deed.

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

Financial Collateral Regulations: the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).

Insurance Policy: each contract and policy of insurance effected or maintained by HoldCo from time to time in respect of its assets or business (including, without limitation, any contract or policy of insurance relating to the Properties or the Equipment).

Intellectual Property: HoldCo's present and future patents, trade marks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.

Investments: the one ordinary share of £1.00 in the share capital of Fleximize Limited, the one ordinary share of £1.00 in the share capital of the Fleximize Services Limited, the one ordinary share of £1.00 in the share capital of the Borrower, together with all other present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by HoldCo, including any:

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

Lender: HWSIL Finance Co Limited acting in its capacity as lender under the Facility Agreement.

LPA 1925: the Law of Property Act 1925.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by HoldCo, or in which HoldCo holds an interest (including the properties specified in Schedule 1), and **Property** means any of them.

Receiver: a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by the Security Trustee under clause 16.

Relevant Agreement: each agreement specified in Schedule 2.

Secured Assets: all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, this deed (and references to the Secured Assets shall include references to any part of them).

Secured Liabilities: all present and future monies, obligations and liabilities of HoldCo to any Finance Party, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Finance Documents (including those arising under clause 29.3.2), together with all interest (including default interest) accruing in respect of those monies, obligations or liabilities.

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

Security Period: the period starting on the date of this deed and ending on the date on which the Security Trustee is satisfied (acting reasonably) that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

In this deed:

- 1.2.1 clause and Schedule headings shall not affect the interpretation of this deed;
- 1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

- 1.2.5 a reference to the Security Trustee or any other Finance Party shall include the Security Trustee's or that Finance Party's successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to **writing** or **written** includes email but not fax;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or a Schedule to, this deed;
- 1.2.12 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amend and amended shall be construed accordingly);
- 1.2.14 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.16 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- 1.2.17 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.18 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Intercreditor agreements

Notwithstanding anything in this deed to the contrary, the Security granted to the Security Trustee pursuant to this deed and the exercise by the Security Trustee of any right or remedy hereunder are subject to the terms of the Intercreditor Agreement and any Acceptable Intercreditor Agreement.

1.4 Clawback

If the Security Trustee considers that an amount paid by HoldCo in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of HoldCo or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.5 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes:

- 1.5.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time;
- 1.5.2 the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property;
- 1.5.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of HoldCo in respect of that Property, and any monies paid or payable in respect of those covenants; and
- 1.5.4 all rights under any licence, agreement for sale or agreement for lease in respect of that Property.

1.6 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement and of any side letters between any parties in relation to the Facility Agreement are incorporated into this deed.

1.7 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.8 Schedules

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2. COVENANT TO PAY

HoldCo shall, on demand, pay to the Security Trustee and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, HoldCo with full title guarantee charges to the Security Trustee, by way of first legal mortgage, each Property specified in Schedule 1.

3.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, HoldCo with full title guarantee charges to the Security Trustee by way of first fixed charge:

- 3.2.1 all Properties acquired by HoldCo in the future;
- 3.2.2 all present and future interests of HoldCo not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- 3.2.3 all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- 3.2.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with HoldCo's business or the use of any Secured Asset, and all rights in connection with them;
- 3.2.5 all its present and future goodwill;
- 3.2.6 all its uncalled capital;
- 3.2.7 all the Equipment;
- 3.2.8 all the Intellectual Property;
- 3.2.9 all the Book Debts;
- 3.2.10 all the Investments;
- 3.2.11 all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account), together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);

- 3.2.12 all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- 3.2.13 all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets, to the extent not effectively assigned under clause 3.3.

3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, HoldCo with full title guarantee assigns to the Security Trustee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- 3.3.1 all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and
- 3.3.2 the benefit of each Relevant Agreement and of all other agreements, instruments and rights relating to the Secured Assets.

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, HoldCo with full title guarantee charges to the Security Trustee, by way of first floating charge, all the undertaking, property, assets and rights of HoldCo at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- 3.6.1 HoldCo:
 - (a) creates, or attempts to create, without the prior written consent of the Security Trustee, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this deed or the Facility Agreement); or
 - (b) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than in the circumstances set out in clause 15.16 of the Facility Agreement);

- 3.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- 3.6.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of HoldCo.

3.7 Crystallisation of floating charge by notice

The Security Trustee may, in its sole discretion, at any time and by written notice to HoldCo, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by the Security Trustee in that notice if:

- 3.7.1 an Event of Default occurs and is continuing; or
- 3.7.2 the Security Trustee considers (acting reasonably) those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by HoldCo after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless the Security Trustee confirms otherwise to HoldCo in writing) be charged to the Security Trustee by way of first fixed charge.

4. LIABILITY OF HOLDCO

4.1 Liability not discharged

HoldCo's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- 4.1.2 the Security Trustee or the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- 4.1.3 any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of HoldCo.

4.2 Immediate recourse

HoldCo waives any right it may have to require the Security Trustee to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against HoldCo.

5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and warranties

HoldCo makes the representations and warranties set out in this clause 5 to the Security Trustee.

5.2 Ownership of Secured Assets and no Security

HoldCo is the sole legal and beneficial owner of, and has good, valid and marketable title to, all the Secured Assets and no Security exists over the Secured Assets except for the Permitted Security.

5.3 No litigation

No litigation, arbitration or administrative proceedings are taking place, pending or, to FL's knowledge, threatened against it, any of its directors or any of its assets, which, if adversely determined, are reasonably likely to have a Material Adverse Effect.

5.4 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Property.

5.5 Avoidance of security

No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of HoldCo or otherwise.

5.6 No prohibitions or breaches

There is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this deed by HoldCo does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other agreement or instrument binding on HoldCo or its assets.

5.7 Enforceable security

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of HoldCo, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.8 Investments

5.8.1 The Investments are fully paid and are not subject to any option to purchase or similar rights.

5.8.2 No constitutional document of an issuer of an Investment, nor any other agreement:

(a) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this deed; or

(b) contains any rights of pre-emption in relation to the Investments.

5.8.3 HoldCo has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

5.8.4 No warning notice 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 Investments.

5.9 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.8 are made by HoldCo on the date of this deed and are deemed to be repeated on the date of each Drawdown Request, on each Drawdown Date, on each Interest Payment Date and on each date on which a Notification Statement is provided with reference to the facts and circumstances existing at the time of repetition.

6. GENERAL COVENANTS

6.1 Negative pledge and disposal restrictions

HoldCo shall not at any time, except with the prior written consent of the Security Trustee:

6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Permitted Security;

6.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (other than in the circumstances set out in clause 15.16 of the Facility Agreement); or

6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

6.2 Preservation of Secured Assets

HoldCo shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed.

6.3 Compliance with laws and regulations

6.3.1 HoldCo shall not, without the Security Trustee's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.

- 6.3.2 HoldCo shall comply in all respects with all relevant laws to which it may be subject, if failure to do so would materially impair its ability to perform its obligations under the Transaction Documents.

6.4 Enforcement of rights

HoldCo shall use reasonable endeavors to:

- 6.4.1 procure the prompt observance and performance of the covenants and other obligations imposed on HoldCo's counterparties (including each counterparty in respect of a Relevant Agreement and each insurer in respect of an Insurance Policy); and
- 6.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Security Trustee may reasonably require from time to time.

6.5 Notice of misrepresentations and breaches

HoldCo shall, promptly on becoming aware of any of the same, notify the Security Trustee in writing of:

- 6.5.1 any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated; and
- 6.5.2 any breach of any covenant set out in this deed.

6.6 Insurance

- 6.6.1 HoldCo shall insure, and keep insured, the Secured Assets with a reputable insurance company or underwriters against all risks usually insured against by persons carrying on a business such as that carried on by the Group and such other risks as the Security Trustee may from time to time reasonably require (to include public liability and third party liability insurance).
- 6.6.2 FL shall ensure that any such insurance shall be on such terms as are reasonably acceptable to the Security Trustee.
- 6.6.3 FL shall, if requested by the Security Trustee, produce to the Security Trustee each policy, certificate or cover note relating to any insurance required by clause 6.6.1.

6.7 Proceeds from Insurance Policies

- 6.7.1 All monies payable under any Insurance Policy (other than those payable in respect of any claim under any public liability and third party liability insurances) at any time prior to the security constituted by this deed becoming enforceable shall be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received.

- 6.7.2 After the security constituted by this deed has become enforceable and if the Security Trustee so directs, all such monies shall be applied in or towards discharge or reduction of the Secured Liabilities.

6.8 Title documents

HoldCo shall promptly on request deposit with the Security Trustee and the Security Trustee shall, for the duration of this deed be entitled to hold:

- 6.8.1 all deeds and documents of title relating to the Secured Assets that are in the possession or control of HoldCo (and if these are not within the possession or control of HoldCo, HoldCo undertakes to obtain possession of all these deeds and documents of title);
- 6.8.2 all Insurance Policies and any other insurance policies relating to any of the Secured Assets that HoldCo is entitled to possess;
- 6.8.3 all deeds and documents of title (if any) relating to the Book Debts as the Security Trustee may specify from time to time; and
- 6.8.4 copies of all the Relevant Agreements, certified to be true copies by either a director of HoldCo or by HoldCo's solicitors.

6.9 Notices to be given by HoldCo

HoldCo shall:

- 6.9.1 immediately on the execution of this deed and as so requested by the Security Trustee from time to time:
- (a) give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3 of the assignment of HoldCo's rights and interest in and under that Relevant Agreement; and
 - (b) shall use reasonable endeavours to procure that each such counterparty provides to the Security Trustee within five Business Days of the notice date an acknowledgement of that notice in the form set out in Part 2 of Schedule 3;
- 6.9.2 immediately on the execution of this deed, immediately on the entry into of any Insurance Policy entered into after the date of this deed and as so requested by the Security Trustee from time to time:
- (a) give notice to the relevant insurers in the form set out in Part 1 of Schedule 4 of the assignment of HoldCo's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.3.1; and

- (b) shall use reasonable endeavours to procure that the relevant insurer provides to the Security Trustee promptly an acknowledgement of that notice substantially in the form set out in Part 2 of Schedule 4; and

6.9.3 immediately on the execution of this deed and as so requested by the Security Trustee from time to time:

- (a) give notice to each bank, financial institution or other person (other than the Security Trustee) with whom HoldCo holds an account (including each Designated Account) in the form set out in Part 1 of Schedule 5; and
- (b) use reasonable endeavours to procure that each such bank, financial institution or other person provides to the Security Trustee promptly an acknowledgement of that notice substantially in the form set out in Part 2 of Schedule 5.

6.10 Information

HoldCo shall:

- 6.10.1 give the Security Trustee such information concerning the location, condition, use and operation of the Secured Assets as the Security Trustee may require;
- 6.10.2 permit any persons designated by the Security Trustee and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- 6.10.3 promptly notify the Security Trustee in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, HoldCo's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at its own expense.

6.11 Payment of outgoings

HoldCo shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Security Trustee.

6.12 Appointment of accountants

- 6.12.1 At any time after an Event of Default or Early Amortisation Event has occurred and, in each case, is continuing, or where the Security Trustee reasonably suspects that an Event of Default or Early Amortisation Event may have occurred and, in each case, be continuing, HoldCo shall:

- (a) at its own cost, if at any time so required by the Security Trustee, appoint an accountant or firm of accountants nominated by the Security Trustee to investigate the financial affairs of HoldCo and those of its subsidiaries and report to the Security Trustee; and
- (b) co-operate fully with any accountants so appointed and immediately provide those accountants with all information requested.

6.12.2 HoldCo authorises the Security Trustee to make an appointment as it shall think fit at any time, without further authority from HoldCo. In every case, HoldCo shall pay, or reimburse the Security Trustee for, the fees and expenses of those accountants.

7. PROPERTY COVENANTS

7.1 Maintenance

HoldCo shall keep all premises and fixtures and fittings on each Property in good and substantial repair and condition (fair wear and tear excepted).

7.2 Registration restrictions

If the title to any Property is not registered at the Land Registry, HoldCo shall procure that no person (other than itself) shall be registered under the Land Registration Acts 1925 to 2002 as proprietor of all or any part of any Property without the prior written consent of the Security Trustee. HoldCo shall be liable for the costs and expenses of the Security Trustee in lodging cautions against the registration of the title to the whole or any part of any Property from time to time.

7.3 Environment

HoldCo shall:

- 7.3.1 comply in all material respects with all the requirements of applicable Environmental Law both in the conduct of its general business and in the management, possession or occupation of each Property; and
- 7.3.2 obtain and comply with all authorisations, permits and other types of licences necessary under Environmental Law.

7.4 No restrictive obligations

HoldCo shall not, without the prior written consent of the Security Trustee, enter into any onerous or restrictive obligations affecting the whole or any part of any Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Property which would materially prejudice the ability of the Security Trustee to enforce the security created by this deed over that Property.

7.5 Proprietary rights

HoldCo shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Property without the prior written consent of the Security Trustee.

7.6 Inspection

HoldCo shall permit the Security Trustee, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior notice.

7.7 Property information

HoldCo shall inform the Security Trustee promptly of any acquisition by HoldCo of, or contract made by HoldCo to acquire, any freehold, leasehold or other interest in any property.

7.8 Registration at the Land Registry

HoldCo consents to an application being made by the Security Trustee to the Land Registrar for the following restriction in Form P to be registered against its title to each Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of HWSIL Finance Co Limited referred to in the charges register or its conveyancer".

8. INVESTMENTS COVENANTS

8.1 Deposit of title documents

8.1.1 HoldCo shall:

- (a) on the execution of this deed, deliver to the Security Trustee, or as the Security Trustee may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by HoldCo at that time; and
- (b) on the purchase or acquisition by it of Investments after the date of this deed, deposit with the Security Trustee, or as the Security Trustee may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.

8.1.2 At the same time as depositing documents with the Security Trustee, or as the Security Trustee may direct, in accordance with clause 8.1.1, HoldCo shall also deposit with the Security Trustee, or as the Security Trustee may direct:

- (a) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of HoldCo, but with the name of the transferee, the consideration and the date left blank; and
- (b) any other documents (in each case duly completed and executed by or on behalf of HoldCo) that the Security Trustee may request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Security Trustee may, at any time and without notice to HoldCo, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

8.2 Nominations

8.2.1 HoldCo shall terminate with immediate effect all nominations it may have made (including any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:

- (a) does not exercise any rights in respect of any Investments without the prior written approval of the Security Trustee; and
- (b) immediately on receipt by it, forward to the Security Trustee all communications or other information received by it in respect of any Investments for which it has been so nominated.

8.2.2 HoldCo shall not, during the Security Period, exercise any rights (including any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

8.3 Pre-emption rights and restrictions on transfer

HoldCo shall:

- 8.3.1 obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association (or otherwise) of an issuer of any Investments, for the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser on enforcement of the security constituted by this deed; and
- 8.3.2 procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Security Trustee may require in order to permit the transfer of the Investments to the Security Trustee or its nominee, or to a purchaser on enforcement of the security constituted by this deed.

8.4 Dividends and voting rights before enforcement

- 8.4.1 Before the security constituted by this deed becomes enforceable, HoldCo may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Security Trustee or any of its nominees, the Security Trustee will hold all those dividends, interest and other monies received by it for HoldCo and will pay them to HoldCo promptly on request.
- 8.4.2 Before the security constituted by this deed becomes enforceable, HoldCo may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Security Trustee or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:
- (a) it shall not do so in any way that would breach any provision of the Facility Agreement or this deed or for any purpose inconsistent with the Facility Agreement or this deed; and
 - (b) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Security Trustee's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Security Trustee's security under this deed.
- 8.4.3 HoldCo shall indemnify the Security Trustee against any loss or liability incurred by the Security Trustee (or its nominee) as a consequence of the Security Trustee (or its nominee) acting in respect of the Investments at the direction of HoldCo.
- 8.4.4 The Security Trustee shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that the Security Trustee considers prejudicial to, or impairing the value of, the security created by this deed.

8.5 Dividends and voting rights after enforcement

After the security constituted by this deed has become enforceable:

- 8.5.1 all dividends and other distributions paid in respect of the Investments and received by HoldCo shall be held by HoldCo on trust for the Security Trustee and immediately paid into a Designated Account or, if received by the Security Trustee, shall be retained by the Security Trustee; and
- 8.5.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Security Trustee and HoldCo shall, and shall procure that its nominees shall, comply with any directions the Security

Trustee may give, in its absolute discretion, concerning the exercise of those rights and powers.

8.6 Calls on Investments

Notwithstanding the security created by this deed, HoldCo shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. HoldCo acknowledges that the Security Trustee shall not be under any liability in respect of any such calls, instalments or other payments.

8.7 No alteration of constitutional documents or rights attaching to Investments

HoldCo shall not, without the prior written consent of the Security Trustee, amend, or agree to the amendment of:

8.7.1 the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or

8.7.2 the rights or liabilities attaching to, or conferred by, all or any of the Investments.

8.8 Preservation of Investments

HoldCo shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of the Investments that is not a public company shall not:

8.8.1 consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in any way;

8.8.2 issue any new shares or stock; or

8.8.3 refuse to register any transfer of any of the Investments that may be lodged with it for registration by, or on behalf of, the Security Trustee or HoldCo in accordance with this deed.

8.9 Investments information

HoldCo shall, promptly following receipt, send to the Security Trustee copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

8.10 Compliance with requests for information

HoldCo shall promptly copy to the Lender and comply with all requests for information which are made under the Companies Act 2006 (including under sections 790D, 790E and 793 of the Companies Act 2006) relating to all or any part of the Secured Assets. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of HoldCo.

9. EQUIPMENT COVENANTS

9.1 Maintenance of Equipment

HoldCo shall:

9.1.1 maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) materially in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules; and

9.1.2 at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value.

9.2 Payment of Equipment taxes

HoldCo shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Security Trustee.

9.3 Notice of charge

9.3.1 HoldCo shall, if so requested by the Security Trustee, after the security constituted by this deed has become enforceable, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [*describe item*] and all additions to it and ancillary equipment are subject to a fixed charge dated [*date*] in favour of HWSIL Finance Co Limited."

9.3.2 HoldCo shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 9.3.1.

10. BOOK DEBTS COVENANTS

10.1 Realising Book Debts

10.1.1 HoldCo shall (as an agent for the Security Trustee following an Event of Default which is continuing) collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, following an Event of Default which is continuing hold those proceeds to the order of the Security Trustee.

10.1.2 HoldCo shall, if called on to do so by the Security Trustee, execute a legal assignment of the Book Debts to the Security Trustee on such terms as the

Security Trustee may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

10.2 Preservation of Book Debts

HoldCo shall not (except as provided by clause 10.1 or with the prior written consent of the Security Trustee) release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

11. RELEVANT AGREEMENT COVENANTS

11.1 Relevant Agreements

11.1.1 HoldCo shall, unless the Security Trustee agrees otherwise in writing, comply with the terms of any Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets.

11.1.2 HoldCo shall not, unless the Security Trustee agrees otherwise in writing:

- (a) amend or vary or agree to any change in, or waive any requirement of;
- (b) settle, compromise, terminate, rescind or discharge (except by performance); or
- (c) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,

any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets.

11.2 Proceeds from Relevant Agreements

All monies payable to HoldCo under any Relevant Agreement at any time after the security constituted by this deed has become enforceable shall:

11.2.1 be paid immediately to the Security Trustee;

11.2.2 if they are not paid directly to the Security Trustee by the relevant counterparty, be held, pending such payment, by HoldCo as trustee of the same for the benefit of the Security Trustee; and

11.2.3 in the absolute discretion of the Security Trustee, either:

- (a) be retained by the Security Trustee and applied by the Security Trustee in accordance with clause 13.6; or
- (b) be applied in or towards discharge or reduction of the Secured Liabilities.

12. INTELLECTUAL PROPERTY COVENANTS

12.1 Preservation of rights

HoldCo shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

12.2 Registration of Intellectual Property

Where such registration is reasonably expected to be beneficial to HoldCo, HoldCo shall use reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Security Trustee informed of all matters relating to each such registration.

12.3 Maintenance of Intellectual Property

HoldCo shall not permit any Intellectual Property to be abandoned, cancelled or to lapse.

13. POWERS OF THE SECURITY TRUSTEE

13.1 Power to remedy

13.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by HoldCo of any of its obligations contained in this deed.

13.1.2 HoldCo irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

13.1.3 Any monies expended by the Security Trustee in remedying a breach by HoldCo of its obligations contained in this deed shall be reimbursed by HoldCo to the Security Trustee on a full indemnity basis and shall carry interest at the default rate of interest specified in the Facility Agreement.

13.2 Exercise of rights

13.2.1 The rights of the Security Trustee under clause 13.1 are without prejudice to any other rights of the Security Trustee under this deed.

13.2.2 The exercise of any rights of the Security Trustee under this deed shall not make the Security Trustee liable to account as a mortgagee in possession.

13.3 Power to dispose of chattels

13.3.1 At any time after the security constituted by this deed has become enforceable, the Security Trustee or any Receiver may, as agent for HoldCo, dispose of any chattels or produce found on any Property.

- 13.3.2 Without prejudice to any obligation to account for the proceeds of any disposal made under clause 13.3.1, HoldCo shall indemnify the Security Trustee and any Receiver against any liability arising from any disposal made under clause 13.3.1.

13.4 Security Trustee has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Security Trustee in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

13.5 Conversion of currency

- 13.5.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 13.5) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.
- 13.5.2 Any such conversion shall be effected at the then prevailing spot selling rate of exchange of Barclays Bank plc for such other currency against the existing currency.
- 13.5.3 Each reference in this clause 13.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

13.6 New accounts

- 13.6.1 If the Security Trustee receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Security Trustee may open a new account for HoldCo in the Security Trustee's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of HoldCo in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- 13.6.2 If the Security Trustee does not open a new account immediately on receipt of the notice, or deemed notice, under clause 13.6.1, then, unless the Security Trustee gives express written notice to the contrary to HoldCo, all payments made by HoldCo to the Security Trustee shall be treated as having been credited to a new account of HoldCo and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Security Trustee.

13.7 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with HoldCo) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of HoldCo for the Secured Liabilities.

13.8 Appointment of an Administrator

13.8.1 The Security Trustee may, without notice to HoldCo, appoint any one or more persons to be an Administrator of HoldCo pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.

13.8.2 Any appointment under this clause 13.8 shall:

- (a) be in writing signed by a duly authorised signatory of the Security Trustee; and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.

13.8.3 The Security Trustee may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 13.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

13.9 Further advances

The Security Trustee covenants with HoldCo that it shall perform its obligations to make advances under the Facility Agreement (including any obligation to make available further advances).

14. WHEN SECURITY BECOMES ENFORCEABLE

14.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall become immediately enforceable upon the occurrence of an Event of Default that is continuing.

14.2 Discretion

After the security constituted by this deed has become enforceable, the Security Trustee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

15. ENFORCEMENT OF SECURITY

15.1 Enforcement powers

- 15.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this deed.
- 15.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall be immediately exercisable at any time after the security constituted by this deed has become enforceable under clause 14.1.
- 15.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

15.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Trustee and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of HoldCo, to:

- 15.2.1 grant a lease or agreement to lease;
- 15.2.2 accept surrenders of leases; or
- 15.2.3 grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it;

whether or not at a premium and containing such covenants on the part of HoldCo, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Security Trustee or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

15.3 Access on enforcement

- 15.3.1 At any time after the Security Trustee has demanded payment of the Secured Liabilities or if HoldCo defaults in the performance of its obligations under this deed or the Facility Agreement, HoldCo will allow the Security Trustee or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Security Trustee or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to HoldCo for, or by any reason of, that entry.
- 15.3.2 At all times, HoldCo must use its best endeavours to allow the Security Trustee or its Receiver access to any premises for the purpose of clause 15.3.1 (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same.

15.4 Prior Security

15.4.1 At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Security Trustee may:

- (a) redeem that or any other prior Security;
- (b) procure the transfer of that Security to it; and
- (c) settle and pass any account of the holder of any prior Security.

15.4.2 The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on HoldCo. All monies paid by the Security Trustee to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Security Trustee, be due from HoldCo to the Security Trustee on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

15.5 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Trustee, any Receiver or Delegate shall be concerned to enquire:

- 15.5.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- 15.5.2 whether any power the Security Trustee, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- 15.5.3 how any money paid to the Security Trustee, any Receiver or any Delegate is to be applied.

15.6 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

15.7 No liability as mortgagee in possession

Neither the Security Trustee, any Receiver, any Delegate nor any Administrator shall be liable, by reason of entering into possession of a Security Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

15.8 Conclusive discharge to purchasers

The receipt of the Security Trustee, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

15.9 Right of appropriation

15.9.1 To the extent that:

- (a) the Secured Assets constitute Financial Collateral; and
- (b) this deed and the obligations of HoldCo under it constitute a Security Financial Collateral Arrangement;

the Security Trustee shall have the right, at any time after the security constituted by this deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Security Trustee may, in its absolute discretion, determine.

15.9.2 The value of any Secured Assets appropriated in accordance with this clause shall be:

- (a) in the case of cash, the amount standing to the credit of each of HoldCo's accounts with any bank, financial institution or other person, together with all interest accrued but unposted, at the time the right of appropriation is exercised; and
- (b) in the case of Investments, the price of those Investments at the time the right of appropriation is exercised as listed on any recognised market index or determined by any other method that the Security Trustee may select (including independent valuation).

15.9.3 HoldCo agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

16. RECEIVER

16.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of HoldCo, the Security Trustee may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.

16.2 Removal

The Security Trustee may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

16.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

16.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

16.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Security Trustee despite any prior appointment in respect of all or any part of the Secured Assets.

16.6 Agent of HoldCo

Any Receiver appointed by the Security Trustee under this deed shall be the agent of HoldCo and HoldCo shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until HoldCo goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Trustee.

17. POWERS OF RECEIVER

17.1 General

17.1.1 Any Receiver appointed by the Security Trustee under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 17.2 to clause 17.23.

17.1.2 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.

17.1.3 Any exercise by a Receiver of any of the powers given by clause 17 may be on behalf of HoldCo, the directors of HoldCo (in the case of the power contained in clause 17.16) or himself.

17.2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

17.3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms, and subject to any conditions, that he thinks fit.

17.4 Employ personnel and advisers

A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by HoldCo.

17.5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as it thinks fit.

17.6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Security Trustee may prescribe or agree with him.

17.7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed, and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights.

17.8 Manage or reconstruct HoldCo's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of HoldCo.

17.9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he is appointed in any manner (including by public auction or private sale) and generally on any terms and conditions as he thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

17.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of HoldCo.

17.11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in any manner, and generally on any terms and conditions, that he thinks fit.

17.12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

17.13 Make settlements

A Receiver may make any arrangement, settlement or compromise between HoldCo and any other person that he may think expedient.

17.14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit.

17.15 Improve the Equipment

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

17.16 Make calls on HoldCo members

A Receiver may make calls conditionally or unconditionally on the members of HoldCo in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of HoldCo on its directors in respect of calls authorised to be made by them.

17.17 Insure

A Receiver may, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by HoldCo under this deed.

17.18 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

17.19 Borrow

A Receiver may, for any of the purposes authorised by this clause 17, raise money by borrowing from the Security Trustee (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Security Trustee consents, terms under which that security ranks in priority to this deed).

17.20 Redeem prior Security

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on HoldCo, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

17.21 Delegation

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

17.22 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets.

17.23 Incidental powers

A Receiver may do any other acts and things that he:

17.23.1 may consider desirable or necessary for realising any of the Secured Assets;

17.23.2 may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law; or

17.23.3 lawfully may or can do as agent for HoldCo.

18. DELEGATION

18.1 Delegation

The Security Trustee or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 21.1).

18.2 Terms

The Security Trustee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

18.3 Liability

Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to HoldCo for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

19. APPLICATION OF PROCEEDS

19.1 Order of application of proceeds

All monies received by the Security Trustee, a Receiver or a Delegate pursuant to this deed, after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

19.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of any Finance Party (and any Receiver, Delegate, attorney or agent appointed by any Finance Party) under or in connection with this deed, and of all remuneration due to any Receiver under or in connection with this deed;

19.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Security Trustee determines; and

19.1.3 in payment of the surplus (if any) to HoldCo or other person entitled to it.

19.2 Appropriation

Neither the Security Trustee, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

19.3 Suspense account

All monies received by the Security Trustee, a Receiver or a Delegate under this deed:

19.3.1 may, at the discretion of the Security Trustee, Receiver or Delegate, be credited to any suspense or securities realised account;

19.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and HoldCo; and

19.3.3 may be held in that account for so long as the Security Trustee, Receiver or Delegate thinks fit.

20. FURTHER ASSURANCE

20.1 Further assurance

HoldCo shall, at its own expense, take whatever action the Security Trustee or any Receiver may reasonably require for:

20.1.1 perfecting or protecting the security intended to be created by this deed;

20.1.2 facilitating the realisation of any Secured Asset; or

20.1.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee or any Receiver in respect of any Secured Asset,

including, (if the Security Trustee or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any registration.

21. POWER OF ATTORNEY

21.1 Appointment of attorneys

By way of security, HoldCo irrevocably appoints the Security Trustee, every Receiver and every Delegate separately after the security constituted by this deed has become enforceable to be the attorney of HoldCo and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

21.1.1 HoldCo is required to execute and do under this deed; or

21.1.2 any attorney deems proper in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Security Trustee, any Receiver or any Delegate.

21.2 Ratification of acts of attorneys

HoldCo ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 21.1.

22. RELEASE

Subject to clause 29.3, on the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of HoldCo, take whatever action is necessary to:

22.1.1 release the Secured Assets from the security constituted by this deed; and

22.1.2 reassign the Secured Assets to HoldCo.

23. PERFORMANCE, ASSIGNMENT AND TRANSFER

23.1 Performance by Security Trustee

For such time as HWSIL Finance Co Limited is the Security Trustee, in exercising its rights and discharging its obligations under this deed the Security Trustee acts through Hadrian's Wall Capital Limited (a limited liability company incorporated and registered in England and Wales with company number 07203454 whose registered office is at Quadrant House, 6th Floor, Thomas More Square, London, E1W 1YW) and its employees and agents, in each case acting as agent on behalf of the Security Trustee, and HoldCo agrees to deal with any such person for such purposes, and that any exercise by any such person of any right, and any discharge by any such person of any obligation, of the Security Trustee under this deed shall be a valid exercise or discharge (as the case may be).

23.2 Assignment by Security Trustee

23.2.1 At any time, without the consent of HoldCo, the Security Trustee may assign or transfer any or all of its rights and obligations under this deed to any person to whom the Lender may assign or transfer its rights and obligations under the Facility Agreement.

23.2.2 The Security Trustee may disclose to any actual or proposed assignee or transferee any information in its possession that relates to HoldCo, the Secured Assets and this deed that the Security Trustee considers appropriate.

23.3 Assignment by HoldCo

HoldCo may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

24. SET-OFF

24.1 Security Trustee's right of set-off

At any time after an Event of Default has occurred and is continuing, the Security Trustee may set off any liability of HoldCo to the Security Trustee against any liability of the Security Trustee to HoldCo, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Security Trustee may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Trustee of its rights under this clause 24 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

24.2 No obligation to set off

The Security Trustee is not obliged to exercise its rights under clause 24.1. If, however, it does exercise those rights it must promptly notify HoldCo of the set-off that has been made.

24.3 Exclusion of HoldCo's right of set-off

All payments made by HoldCo to the Security Trustee under this deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

25. AMENDMENTS, WAIVERS AND CONSENTS

25.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

25.2 Waivers and consents

25.2.1 A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

25.2.2 A failure to exercise, or a delay in exercising, any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Security Trustee shall be effective unless it is in writing.

25.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

26. SEVERANCE

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

27. COUNTERPARTS

- 27.1.1 This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- 27.1.2 Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If this method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- 27.1.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

28. THIRD PARTY RIGHTS

- 28.1.1 Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- 28.1.2 The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

29. FURTHER PROVISIONS

29.1 Independent security

The security constituted by this deed shall be in addition to, and independent of, any other security or guarantee that the Security Trustee may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee over the whole or any part of the Secured Assets shall merge in the security created by this deed.

29.2 Continuing security

The security constituted by this deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Trustee discharges this deed in writing.

29.3 Discharge conditional

Any release, discharge or settlement between HoldCo and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to

any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

29.3.1 the Security Trustee or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and

29.3.2 the Security Trustee may recover the value or amount of such security or payment from HoldCo subsequently as if the release, discharge or settlement had not occurred.

29.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it from HoldCo under any Finance Document shall be, in the absence of any manifest error, conclusive evidence of the amount due.

29.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed.

29.6 Small company moratorium

Notwithstanding anything to the contrary in this deed, neither the obtaining of a moratorium by HoldCo under schedule A1 to the Insolvency Act 1986 nor the doing of anything by HoldCo with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:

29.6.1 an event under this deed which causes any floating charge created by this deed to crystallise;

29.6.2 an event under this deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by HoldCo; or

29.6.3 a ground under this deed for the appointment of a Receiver.

30. NOTICES

Each notice or other communication required to be given to a party under or in connection with this deed shall be:

30.1.1 in writing;

30.1.2 delivered by hand or by pre-paid first-class post or other next working day delivery service (and, in the case of any such communication given to the Security Trustee, also sent by email) or sent solely by email; and

30.1.3 sent to:

(a) the Security Trustee at:

Hadrian's Wall Capital Limited, 48 Gresham Street, London, EC2V 7AY

Email: notices@hadrianswallcapital.com

Attention: Chief Risk Officer

(b) HoldCo at:

Holbrook House, 51 John Street, Ipswich, Suffolk, IP3 0AH

Email: Peter.Tuvey@fleximize.com and

Dan.OSullivan@fleximize.com

Attention: Peter Tuvey and Dan O'Sullivan

or to any other postal or email address(es) as may be notified in writing by one party to the other from time to time.

30.2 Receipt by HoldCo

Any notice or other communication that the Security Trustee gives to HoldCo shall be deemed to have been received:

30.2.1 if delivered by hand, at the time it is left at the relevant address (or, in the case of any notice or other communication to the Security Trustee, if later, the time that a copy of that notice or other communication is sent by email and received in legible form to the email address set out above);

30.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting (or, in the case of any notice or other communication to the Security Trustee, if later, the time that a copy of that notice or other communication is sent by email and received in legible form to the email address set out above); and

30.2.3 if sent by email only, when received in legible form at either address set out above.

A notice or other communication given as described in clause 30.2.1 or clause 30.2.3 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

30.3 Receipt by Security Trustee

30.3.1 Any notice or other communication given to the Security Trustee by hand or by pre-paid first-class post or other next working day delivery service shall be deemed to have been received only on actual receipt thereof and on receipt of a

copy thereof at the email address above (or any other email address as is notified in writing to HoldCo).

- 30.3.2 Any notice of other communication given to the Security Trustee solely by email shall be deemed to have been received only on receipt thereof at the email address above (or any other email address as is notified in writing to HoldCo).

30.4 Service of proceedings

This clause 30 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

30.5 No notice by fax

A notice or other communication given under or in connection with this deed is not valid if sent by fax.

31. GOVERNING LAW AND JURISDICTION

31.1 Governing law

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

31.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Trustee to take proceedings against HoldCo in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

31.3 Other service

HoldCo irrevocably consents to any process in any legal action or proceedings under clause 31.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

SCHEDULE 1 PROPERTY

Part 1 Registered Property

None

Part 2 Unregistered Property

None

SCHEDULE 2 RELEVANT AGREEMENTS

None

SCHEDULE 3 NOTICE AND ACKNOWLEDGEMENT OF RELEVANT AGREEMENT

Part 1 Form of notice

[On the letterhead of Alterium Limited]

[Name and address of counterparty]

Dear Sirs,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. We refer to the [insert details of Relevant Agreement] dated [insert date] (the **Contract**).
2. This letter constitutes notice to you that under the Debenture we have assigned by way of security to HWSIL Finance Co Limited (the **Security Trustee**) all our rights, title, interest and benefit in and to the Contract.
3. We confirm that:
 - (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
 - (b) none of the Security Trustee, any delegate appointed by the Security Trustee or any receiver will at any time be under any obligation or liability to you under or in respect of the Contract.
4. Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.
5. Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you may continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Security Trustee (which shall only follow the occurrence of an event of default for the purposes of the Debenture that is continuing). Thereafter, all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Trustee or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Security Trustee.
6. Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Security Trustee.
7. The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.
8. Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Security Trustee at Hadrian's Wall

Capital Limited, 48 Gresham Street, London, EC2V 7AY marked for the attention of the Chief Risk Officer, with a copy to us.

9. This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

Signed.....

Director on behalf of

Alterium Limited

Part 2 Form of acknowledgement

[On the letterhead of the counterparty]

To: HWSIL Finance Co Limited
Hadrian's Wall Capital Limited
48 Gresham Street
London
EC2V 7AY

Attention: Chief Risk Officer

Copy to: Alterium Limited
Holbrook House
51 John Street
Ipswich
Suffolk
IP3 0AH

Attention: Peter Tuvey and Dan O'Sullivan

Dear Sirs,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. We confirm receipt from Alterium Limited (**HoldCo**) of a notice (the **Notice**) dated [insert date] of an assignment, by way of security, of all HoldCo's rights under [describe Relevant Agreement] (the **Contract**).
2. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.
3. We confirm that:
 - (a) we accept the confirmations and instructions contained in the Notice and agree to comply with the Notice;
 - (b) there has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract;
 - (c) we will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Security Trustee at least 30 days' prior written notice;

- (d) we have not, as at the date of this acknowledgement, received notice that HoldCo has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party;
- (e) the Security Trustee will not in any circumstances have any liability in relation to the Contract; and
- (f) the Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

4. This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....
[details of counterparty]

**SCHEDULE 4 NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT OF INSURANCE
POLICY**

Part 1 Form of notice of assignment

[On the letterhead of Alterium Limited]

[Name of insurance company]

[Address]

[Date]

Dear Sirs,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. We refer to the [describe insurance policy and specify its policy number] (the **Policy**).
2. This letter constitutes notice to you that under the Debenture we have assigned to HWSIL Finance Co Limited (the **Security Trustee**), by way of security, all our rights, title and interest and benefit in and to the Policy.
3. We irrevocably instruct and authorise you to:
 - (a) comply with the terms of any written instructions received by you from the Security Trustee relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions;
 - (b) pay, or release, all monies to which we are entitled under the Policy to Alterium Limited or, following receipt of written notice to the contrary from the Security Trustee (which shall only follow the occurrence of an event of default for the purposes of the Debenture that is continuing), to such persons as the Security Trustee may direct; and
 - (c) disclose information in relation to the Policy to the Security Trustee on request by the Security Trustee.
4. Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.
5. Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Security Trustee (which shall only follow the occurrence of an event of default for the purposes of the Debenture that is continuing). Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Security Trustee.
6. The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

7. Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Security Trustee at Hadrian's Wall Capital Limited, 48 Gresham Street, London, EC2V 7AY marked for the attention of the Chief Risk Officer, with a copy to us.

8. This notice, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

Signed.....
Director on behalf of
Alterium Limited

Part 2 Form of acknowledgement of assignment

[On the letterhead of the insurance company]

To: HWSIL Finance Co Limited
Hadrian's Wall Capital Limited
48 Gresham Street
London
EC2V 7AY
Attention: Chief Risk Officer

Copy to: Alterium Limited
Holbrook House
51 John Street
Ipswich
Suffolk
IP3 0AH

Attention: Peter Tuvey and Dan O'Sullivan

[Date]

Dear Sir,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. We confirm receipt from Alterium Limited (**HoldCo**) of a notice (the **Notice**) dated [date] of an assignment, by way of security, of all HoldCo's rights under [describe insurance policy and its number] (the **Policy**).
2. We confirm that:
 - (a) we accept the instructions and authorisations contained in the Notice and agree to comply with the Notice;
 - (b) there has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued;
 - (c) we will not cancel, avoid, release or otherwise allow the Policy to lapse without giving the Security Trustee at least 30 days' prior written notice;
 - (d) we have not, as at the date of this acknowledgement, received notice that HoldCo has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party;
 - (e) the Security Trustee will not in any circumstances be liable for the premiums in relation to the Policy; and

(f) the Policy shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

3. This letter, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

.....
Authorised signatory on behalf of
[name of insurance company]

**SCHEDULE 5 NOTICE AND ACKNOWLEDGEMENT OF CHARGING OF BORROWER BANK
ACCOUNT**

Part 1 Form of notice of charge

[On the letterhead of Alterium Limited]

[Bank]

[Address]

[Date]

Dear Sirs,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. This letter constitutes notice to you that, under the Debenture, Alterium Limited (**HoldCo**) has charged, by way of first fixed charge, in favour of HWSIL Finance Co Limited (the **Security Trustee**) all monies from time to time standing to the credit of the account held with you and detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

Name of Account: *[name]*

Sort code: *[code]*

Account number: *[number]*

2. HoldCo irrevocably instructs and authorises you:

(a) prior to receipt by you of written notice from the Security Trustee that an event of default has occurred under, and for the purposes of, the Debenture which is continuing (an Enforcement Notice) to:

- (i) disclose to HoldCo and the Security Trustee any information relating to the Account requested from you by either such party;
- (ii) comply with the terms of any written notice or instructions relating to the Account received by you from HoldCo or the Security Trustee;
- (iii) hold all sums from time to time standing to the credit of the Account to the order of HoldCo and the Security Trustee; and
- (iv) pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of HoldCo or the Security Trustee; and

(b) following receipt by you of an Enforcement Notice to:

- (i) disclose to the Security Trustee any information relating to the Account requested from you by the Security Trustee;

- (ii) comply with the terms of any written notice or instructions relating to the Account received by you from the Security Trustee;
- (iii) hold all sums from time to time standing to the credit of the Account to the order of the Security Trustee; and
- (iv) pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of solely the Security Trustee.

3. HoldCo acknowledges that you may comply with the instructions in this notice without any further permission from HoldCo.

4. Following receipt by you of an Enforcement Notice, HoldCo is not permitted to withdraw any amount from the Account until such time as all secured liabilities owing to the Security Trustee and the finance parties on whose behalf the Security Trustee acts have been discharged in full, and the Security Trustee will provide you with written notice thereof.

5. The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

6. This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

7. Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Security Trustee at Hadrian's Wall Capital Limited, 48 Gresham Street, London, EC2V 7AY marked for the attention of the Chief Risk Officer, with a copy to us.

Yours faithfully,

Signed.....

Director on behalf of

Alterium Limited

Part 2 Form of acknowledgement of charge

[On the letterhead of the Bank]

To: HWSIL Finance Co Limited
Hadrian's Wall Capital Limited
48 Gresham Street
London
EC2V 7AY
Attention: Chief Risk Officer

Copy to: Alterium Limited
Holbrook House
51 John Street
Ipswich
Suffolk
IP3 0AH

Attention: Peter Tuvey and Dan O'Sullivan

[Date]

Dear Sirs,

Debenture dated [date] between Alterium Limited and HWSIL Finance Co Limited (the Debenture)

1. We confirm receipt from Alterium Limited (**HoldCo**) of a notice (the **Notice**) dated [date] of a charge on the terms of the Debenture over all monies from time to time standing to the credit of the account detailed below (the **Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

Name of Account: [name]
Sort code: [code]
Account number: [number]

2. We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) will not permit any amount to be withdrawn from the Account without the prior written consent of HoldCo or the Security Trustee (prior to receipt of an Enforcement Notice, as defined in the Notice) or of solely the Security Trustee (following receipt of an Enforcement Notice);
- (c) have not received notice of the interest of any third party in the Account; and

(d) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account.

3. This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

Signed.....

Authorised signatory on behalf of

[*name of Bank*]

HoldCo

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

.....
Director

Witness' signature:

Print name:

Address:

Occupation:

The Security Trustee

Executed as a deed by **HWSIL FINANCE
CO LIMITED** acting by a director in the
presence of:

.....
Director

Witness' signature:

Print name:

Address:

Occupation:

HoldCo

Executed as a deed by ALTERIUM
LIMITED acting by a director in the
presence of:

.....
Director

Witness' signature:

Print name:

Address:

Occupation:

The Security Trustee

Executed as a deed by HWSIL FINANCE
CO LIMITED acting by a director in the
presence of:



.....
Director

Witness' signature:

Print name:

Address:

Occupation:


T. MUSGRAVE
48 CRESSHAM SE
LONDON
E22 7AT
DIRECTOR