



Registration of a Charge

Company name: **BULSATCOM HOLDING LIMITED**

Company number: **08996114**



X9VHFC1N

Received for Electronic Filing: **04/01/2021**

Details of Charge

Date of creation: **23/12/2020**

Charge code: **0899 6114 0002**

Persons entitled: **FIRST INVESTMENT BANK AD**

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

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

Certified by:

HERBERT SMITH FREEHILLS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8996114

Charge code: 0899 6114 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd December 2020 and created by BULSATCOM HOLDING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th January 2021 .

Given at Companies House, Cardiff on 5th January 2021

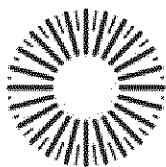
The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

23 December
..... 2020

BULSATCOM HOLDING LIMITED

as the Company

and

FIRST INVESTMENT BANK AD

as the Lender

SECURITY AGREEMENT

Herbert Smith Freehills LLP

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THIS DEED is made on

23 December

2020

BETWEEN:

- (1) **BULSATCOM HOLDING LIMITED**, (a company registered in England and Wales with registration number 08996114) whose registered office is at 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX (the "**Company**"); and
- (2) **FIRST INVESTMENT BANK AD** (the "**Lender**").

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

- 1.1.1 Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Company's affairs, business and property.

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

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Fixed Security*) and 4.1 (*Creation of Floating Charge*) of this Deed.

"Debts" means all of the Company's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to the Company or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

"Facility Agreement" means the €131,000,000 term loan facilities agreement between among others (1) the Company and (2) the Lender dated on or about the date of this Deed.

"Intellectual Property Rights" means all patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, database rights, domain names, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests (which may now or in the future exist), whether registered or unregistered, and the benefit of all applications and the rights to use such assets (which may now or in the future exist) and all Related Property Rights.

"LPA" means the Law of Property Act 1925.

"Receiver" means any person appointed by the Lender to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

"Related Investment Rights" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Shares and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Shares.

"Related Property Rights" means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);

- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Secured Liabilities" means all monies, obligations and liabilities covenanted to be paid or discharged pursuant to Clause 2 (*Covenants to Pay*).

"Security Period" means the period from the date of this Deed until the date on which the Lender has determined (acting reasonably) that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

"Shares" means:

- (a) all issued shares legally and beneficially owned by the Company in the Target from time to time, being at the date of this Deed 20,000 issued ordinary shares of €0.011; and
- (b) all Related Investment Rights and all Related Property Rights in respect thereof.

- 1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

1.2 Construction and Third Party Rights

- 1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (A) the singular includes the plural and vice versa;
- (B) the **"Lender"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (C) **"assets"** includes present and future properties, revenues and rights of every description;
- (D) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- (E) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (F) a provision of law is a reference to that provision as amended or re-enacted;
- (G) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
- (H) this Deed shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- (I) another agreement (including the Facility Agreement) shall be construed as a reference to such agreement as the same may have been modified, extended, amended, varied or supplemented or novated from time to time;
- (J) references to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset; and
- (K) the word **"including"** is without limitation.

- 1.2.2 Clause and Schedule headings are for ease of reference only.

- 1.2.3 The words "**other**", "**or otherwise**" and "**whatsoever**" shall not be construed eiusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.
- 1.2.4 The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

1.3 Implied Covenants for Title

The obligations of the Company under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.4 Effect as a deed

This Deed is intended to take effect as a deed notwithstanding that the Lender may have executed it under hand only.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

The Company covenants that it shall on demand pay to the Lender all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it or any other Obligor to the Lender under or pursuant to the Finance Documents in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Lender or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (Covenant to Pay Secured Liabilities) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

3. FIXED SECURITY

3.1 Creation of Fixed Security

The Company charges to the Lender by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in the Company at the date of this Deed shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in any and each of the following:

- 3.1.1 all plant, machinery, vehicles, computers office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- 3.1.2 (to the extent that the same are not the subject of a fixed charge under Clause 3.1.1) all Debts;
- 3.1.3 the Shares;
- 3.1.4 all of its Intellectual Property Rights; and

3.1.5 all goodwill and uncalled capital.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

4.1.1 The Company charges to the Lender by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clause 3.1 (*Creation of Fixed Security*).

4.1.2 The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

4.2.1 the Company creates or attempts to create any Security over all or any of the Charged Assets without the prior consent of the Lender or save as expressly permitted under the Facility Agreement; or

4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or

4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of the Company; or

4.2.4 an Administrator is appointed or any step intended to result in such appointment is taken,

then the floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in this Deed, the Lender may at any time:

4.3.1 following the occurrence of a Default; or

4.3.2 if the Lender considers in good faith that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Lender reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding-up of the Company,

by giving notice in writing to that effect to the Company convert the floating charge created by Clause 4.1 (*Creation of Floating Charge*) into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

5. FURTHER ASSURANCE

5.1 The Company must promptly upon request by the Lender execute (in such form as the Lender may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Lender or its nominees and do all such assurances and things as the Lender may reasonably require for:

5.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;

- 5.1.2 conferring upon the Lender such security as it may require over the assets of the Company outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;
 - 5.1.3 facilitating, at any time on or after the occurrence of an Event of Default, the realisation of all or any part of the assets of the Company; and
 - 5.1.4 exercising all powers, authorities and discretions conferred on the Lender or any Receiver pursuant to this Deed or by law.
 - 5.2 The Company shall, at any time, promptly upon request, execute over all or any of the Charged Assets, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Lender in such form as the Lender shall require.
 - 5.3 The Company shall take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Deed including the obtaining of any necessary consent (in form and content satisfactory to the Lender) to enable its assets to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned shall become subject to the security created by this Deed. The Company shall promptly deliver a copy of each such consent to the Lender.
6. **GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS**
- 6.1 The Company undertakes to the Lender with respect to the Charged Assets that:
- 6.1.1 **Negative Pledge**

it shall not, except as expressly permitted by the Facility Agreement, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them;
 - 6.1.2 **Disposals**

it shall not dispose of the Charged Assets or any part of them or agree so to do except in the case of disposals which are permitted by the Facility Agreement; and for these purposes the term "disposal" shall include any form of disposal of any interest in any asset including any conveyance, transfer, lease, assignment, sale, right to use or occupy, surrender, declaration of trust or the creation of any other form of legal or equitable interest in or over any asset or any option in respect of any of the foregoing;
 - 6.1.3 **Compliance with Laws**

it shall at all times comply with all laws and regulations applicable to it and will obtain and maintain in full force and effect all consents, licences, approvals or authorisations of, exemptions by or registrations or declarations with, any governmental or other authority which may at any time be required with respect to any of the Charged Assets;
 - 6.1.4 **Subsequent Charges**

subject to Clause 6.1.1 (*Negative Pledge*), it shall procure that any Security created by the Company after the date of this Deed (otherwise than in favour of the Lender) shall be expressed to be subject to this Deed;

6.1.5 Deposit of Title Documents

it shall deposit with the Lender or its nominee the deeds and documents of title relating to the Charged Assets;

6.1.6 Prejudicial Action

it shall not do or cause or permit to be done anything which may in any way reduce, jeopardise or otherwise prejudice the value to the Lender of the Charged Assets; and

6.1.7 Repair and Condition

it shall keep the Charged Assets in a good and substantial state of repair and condition to the satisfaction of the Lender.

6.2 Notices of Charge and/or Assignment

6.2.1 The Company shall deliver to the Lender and serve on any debtor or other person as required by the Lender notices of charge in respect of any of the assets charged pursuant to this Deed and procure that each notice is acknowledged by any debtor specified by the Lender.

6.2.2 The notices of charge and/or assignment and/or acknowledgement referred to in Clause 6.2.1 shall be in a form substantially similar to that contained in Schedule 1 (*Form of Notice*) or such other form as the Lender may require.

6.3 Intellectual Property Rights

The Company shall, if requested by the Lender, execute all such documents and do all such acts as the Lender may reasonably require to record the interests of the Lender in any registers relating to registered Intellectual Property Rights.

7. UNDERTAKINGS AS TO SHARES

7.1 Deposit of Title Documents

The Company shall deposit with the Lender or its nominee:

7.1.1 stock transfer forms or other instruments of transfer relating to the Shares duly completed to the Lender's satisfaction; and

7.1.2 such other documents as the Lender may require from time to time for the purpose of perfecting its title to the Shares or for the purpose of vesting the same in itself, its nominee or any purchaser or presenting the same for registration at any time.

7.2 Registration of transfers

If required by the Lender, the Company shall procure that all Shares which are in registered form are duly registered in the name of the Lender or its nominee once a transfer relating to those Shares is presented for that purpose.

7.3 Calls

The Company:

7.3.1 shall not, without the consent in writing of the Lender, acquire any Shares unless they are fully paid;

7.3.2 shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Shares and, for the avoidance of doubt, the Lender shall not incur any liability in respect of any amounts due from the Company in respect of any Shares.

7.4 Dividends

The Lender (or its nominee) shall hold all dividends or other monies received by it in respect of the Shares for the account of the Company and, prior to the occurrence of a Default which is continuing unwaived by the Lender, shall pay the same to an account of the Company as soon as practicable following receipt of a written request to do so.

7.5 Voting Rights and Other Matters

- 7.5.1 Prior to the occurrence of a Default and save as otherwise provided in this Clause 7.5 (*Voting Rights and Other Matters*), the Company shall exercise (or direct the Lender to exercise on its behalf) all voting rights in respect of the Shares provided that the Company shall not exercise (or direct the exercise of) any voting rights in any manner which, in the reasonable opinion of the Lender, may prejudice the value of, or the ability of the Lender to realise, the security over the Shares created pursuant to this Deed.
- 7.5.2 The Company shall not, without the prior written consent of the Lender, permit or agree to any variation of the rights attaching to or conferred by any of the Shares, participate in any rights issue, elect to receive or vote in favour of receiving any dividends or other distributions other than in the form of cash or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895 – 901 of the Companies Act 2006.
- 7.5.3 At any time on or after the occurrence of a Default, the Lender may in such manner and on such terms as it sees fit (in the name of the Company or otherwise and without the need for further consent from the Company):
- (A) exercise (or refrain from exercising) any voting rights in respect of the Shares; and/or
 - (B) apply all dividends and other monies arising from the Shares in accordance with Clause 16 (*Application of Monies Received under this Deed*); and/or
 - (C) without prejudice to any other provision of this Deed, transfer the Shares into the name of a nominee or transferee of the Lender as the Lender may require; and/or
 - (D) exercise (or refrain from exercising) all or any of the powers and rights conferred upon or exercisable by the legal or beneficial owner of the Shares.

7.6 Liability of Lender

The Company agrees with the Lender that neither the Lender nor any nominee will have any liability for:

- 7.6.1 failing to present any coupon or other document relating to any of the Shares;
- 7.6.2 accepting or failing to accept any offer relating to any of the Shares;
- 7.6.3 failing to attend or vote at any meetings relating to any of the Shares;
- 7.6.4 failing to notify the Company of any matters referred to in this Clause 7.6 (*Liability of Lender*) or of any communication received in relation to any of the Shares; or
- 7.6.5 any loss arising out of or in connection with the exercise or non-exercise of any rights or powers attaching or accruing to the Shares or which may be exercised by the Lender or any nominee of the Lender under this Deed (whether or not on sale or other realisation of the Shares a better price could have or might have been obtained by either deferring or advancing the date of sale or realisation or otherwise).

7.7 **Nominees**

The Company represents and warrants that it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Shares.

7.8 **Register of members**

The Company shall procure that, during the Security Period, no company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

8. **UNDERTAKINGS AS TO CHARGE OVER BOOK AND OTHER DEBTS**

8.1 **Value of Debts**

The Company undertakes to provide to the Lender promptly upon its request (and in a form acceptable to the Lender acting reasonably) a certificate showing the aggregate value of the Debts due to the Company from any source.

8.2 **Realisation of Debts**

During the Security Period, the Company undertakes with reference to the Debts:

- 8.2.1 to collect the Debts in the ordinary course of its business and (prior to the payment into the account specified in Clause 8.2.3) to hold the proceeds of those Debts on trust for the Lender;
- 8.2.2 not, without the prior consent in writing of the Lender, to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so;
- 8.2.3 to pay into an account of the Company with the Lender or otherwise as the Lender may direct all monies which the Company may receive in respect of the Debts; and
- 8.2.4 save to the extent that the Lender otherwise agrees in writing or as permitted by the Facility Agreement not to withdraw any amounts (whether in the nature of principal or interest) standing to the credit of the account referred to in Clause 8.2.3.

8.3 **Debts: Position after Default**

After the occurrence of a Default the Company shall not, except with the consent of the Lender, withdraw or otherwise transfer the proceeds of realisation of any Debts standing to the credit of any account.

9. **UNDERTAKINGS AS TO INTELLECTUAL PROPERTY RIGHTS**

The Company shall:

- 9.1.1 take all necessary action to safeguard and maintain its rights, present and future, in or relating to Intellectual Property Rights (including the payment of all renewal fees and all steps which are necessary or desirable to maintain any applicable registrations with any appropriate registry or other government authority or body);
- 9.1.2 keep the Lender fully informed as to the registration or requirement to renew the registration of any Intellectual Property Rights;
- 9.1.3 not use or refrain from using its Intellectual Property Rights in a way which may adversely affect the value of those Intellectual Property Rights; and
- 9.1.4 notify the Lender promptly of any infringement or suspected infringement or any challenge to the validity of its Intellectual Property Rights and take all steps necessary to prevent or bring an end to any such infringement and to defend any such challenge.

10. RIGHTS OF THE LENDER

10.1 Enforcement

At any time on or after the occurrence of an Event of Default, the security created pursuant to this Deed shall be immediately enforceable and the Lender may in its absolute discretion and without notice to the Company or the prior authorisation of any court:

10.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and

10.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:

(A) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and

(B) granted to a Receiver by this Deed or from time to time by law.

10.2 Restrictions on Consolidation of Mortgages

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Lender shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Lender at any time on or after the occurrence of an Event of Default.

10.3 Restrictions on Exercise of Power of Sale

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Lender at any time on or after the occurrence of an Event of Default.

10.4 No Prior Notice Needed

The powers of the Lender set out in Clauses 10.2 (*Restrictions on Consolidation of Mortgages*) to 10.3 (*Restrictions on Exercise of Power of Sale*) may be exercised by the Lender without prior notice to the Company.

10.5 Right of Appropriation

Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed and the obligations of the Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003/3226) (the "**Regulations**")), the Lender shall have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any such Charged Assets so appropriated shall be the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Lender by reference to such method or source of valuation as the Lender may select, including by independent valuation. The parties agree that the methods or sources of valuation provided for in this Clause or selected by the Lender in accordance with this Clause shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

The Lender shall notify the Company as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

11. EXONERATION

11.1 Exoneration

The Lender shall not, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Lender under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Lender shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

11.2 Indemnity

The Lender and every Receiver, attorney, delegate, manager, agent or other person appointed by the Lender hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Lender and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

12. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

12.1 Appointment

12.1.1 At any time on or after the occurrence of an Event of Default, or at the request of the Company or its directors, the Lender may, without prior notice to the Company, in writing (under seal, by deed or otherwise under hand) appoint:

- (A) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead; or
- (B) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.

12.1.2 Nothing in Clause 12.1.1 shall restrict the exercise by the Lender of any one or more of the rights of the Lender under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.

12.2 More than one Receiver

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Lender may specify to the contrary in the appointment.

12.3 Receiver as agent

A Receiver shall be the agent of the Company which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of the Lender.

12.4 Receiver's Remuneration

A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Lender from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

12.5 **Actions of the Administrator**

Save as provided for in statute or as otherwise agreed in writing by the Lender, the Lender shall have no liability for the acts or omissions of an Administrator.

13. **RECEIVER'S POWERS**

13.1 **Powers**

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- 13.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 13.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 13.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Company itself could do or omit to do;
- 13.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Company; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Company (whether under hand, or by way of deed or by utilisation of the company seal of the Company)).

13.2 **Powers may be Restricted**

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Lender) appointing him but they shall not be restricted by any winding-up or dissolution of the Company.

14. **PROTECTION OF PURCHASERS**

14.1 **Absence of Enquiry**

No person or persons dealing with the Lender or any Receiver appointed by it shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Lender or any such Receiver.

14.2 **Receipt: Conclusive Discharge**

The receipt of the Lender or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

15. POWER OF ATTORNEY AND DELEGATION

15.1 Power of Attorney: General

On and following the occurrence of an Event of Default, the Company hereby irrevocably and by way of security appoints the Lender and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

- 15.1.1 to execute and deliver any documents or instruments which the Lender or such Receiver may require for perfecting the title of the Lender to the Charged Assets or for vesting the same in the Lender, its nominee or any purchaser;
- 15.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which the Company is required to enter into pursuant to this Deed;
- 15.1.3 otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Lender or any Receiver under this Deed or which the Company is required to do pursuant to this Deed or which may be deemed expedient by the Lender or a Receiver in connection with any preservation, disposition, realisation or getting in by the Lender or such Receiver of the Charged Assets or in connection with any other exercise of any other power under this Deed.

15.2 Power of Attorney: Ratification

The Company ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 15 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause.

15.3 General Delegation

The Lender and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

16. APPLICATION OF MONIES RECEIVED UNDER THIS DEED

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A Insolvency Act 1986, be applied for the following purposes and in the following order of priority:

- 16.1.1 in satisfaction of all costs, charges and expenses and payments (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Lender or the Receiver and of remuneration to the Receiver in such order as the Lender shall in its absolute discretion decide;
- 16.1.2 in or towards satisfaction of the Secured Liabilities which, subject to any provision to the contrary in the Facility Agreement, shall be applied in such order as the Lender shall in its absolute discretion decide; and
- 16.1.3 the surplus, if any, shall be paid to the Company or other person or persons entitled to it,

save that the Lender may credit any monies received under this Deed to a suspense account for so long and in such manner as the Lender may from time to time determine and the Lender may retain the same for such period as the Lender considers appropriate.

17. **RELEASE OF SECURITY**

17.1 **Release**

At the end of the Security Period, the Lender shall, at the request and cost of the Company, execute or procure the execution by its nominee (in each case in a form acceptable to the Lender) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

17.2 **Avoidance of Payments**

- 17.2.1 No amount paid, repaid or credited to the Lender shall be deemed to have been irrevocably paid if the Lender considers that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.
- 17.2.2 If any amount paid, repaid or credited to the Lender is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between the Lender and the Company shall be deemed not to have occurred and the Lender shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

18. **AMOUNTS PAYABLE**

18.1 **No Deduction**

All payments to be made by the Company under this Deed shall be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future. If the Company is compelled by the law of any applicable jurisdiction (or by an order of any regulatory authority in such jurisdiction) to withhold or deduct any sums in respect of taxes, duties, levies, imposts or charges from any amount payable to the Lender under this Deed or, if any such withholding or deduction is made in respect of any recovery under this Deed, the Company shall pay such additional amount so as to ensure that the net amount received by the Lender shall equal the full amount due to it under the provisions of this Deed had no such withholding or deduction been made.

18.2 **Currency of Payment**

The obligation of the Company under this Deed to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by the Lender of the full amount of the currency expressed to be payable under this Deed.

18.3 **Currency Indemnity**

- 18.3.1 If any sum due from the Company under this Deed (a **"Sum"**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **"First Currency"**) in which that Sum is payable into another currency (the **"Second Currency"**) for the purpose of:

- (A) making or filing a claim or proof against the Company;
- (B) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
- (C) applying the Sum in satisfaction of any of the Secured Liabilities,

the Company shall, as an independent obligation, within three Business Days of demand, indemnify the Lender against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of

exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Lender at the time of its receipt of that Sum.

- 18.3.2 The Company waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency unit other than that in which it is payable.

19. **POWER OF SEVERANCE**

In the exercise of the powers conferred by this Deed, the Lender or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Lender or any Receiver may apportion any rent or other amount without the consent of the Company.

20. **REPRESENTATIONS AND WARRANTIES**

20.1 **Representations**

The Company represents and warrants in favour of the Lender:

20.1.1 **Status**

It is a company duly formed and validly existing under the laws of its jurisdiction of formation.

20.1.2 **Powers and Authority**

It has the power to enter into and perform, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed.

20.1.3 **Legal Validity**

This Deed constitutes its legal, binding, valid and enforceable obligations.

20.1.4 **Non-Conflict**

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

- (A) any law or regulation or judicial or official order applicable to it; or
- (B) its constitutional documents; or
- (C) any material agreement or document which is binding upon it or any of its assets or result in the creation of (or a requirement for the creation of) any Security over any Charged Asset.

20.1.5 **Status of Assets and Security**

It is the legal and beneficial owner of the Charged Assets free from Security (other than this Deed) and this Deed confers the security it purports to confer over the Charged Assets and the security created under or pursuant to this Deed is not subject to any prior or pari passu Security and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

20.1.6 **Title to Assets**

The Company has good marketable title to all assets over which Security is, or is expressed to be created pursuant to this Deed.

20.1.7 **No proceedings pending or threatened**

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a material adverse effect on the Company, the Charged Assets

or the performance of the Company's obligations under the Facility Agreement and/or this Deed, have (to the best of its knowledge and belief) been started or threatened against the Company.

20.1.8 Transfer, registration and calls

- (A) The Shares are free from any restrictions as to transfer or registration and are not subject to any calls or other liability to pay money.
- (B) No company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

20.1.9 Stamp taxes and registration

No stamp or registration duty or similar Tax or charge is payable in its jurisdiction of incorporation in respect of this Deed and it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in any jurisdiction.

20.2 Times for Making Representations and Warranties

The representations and warranties set out in this Clause 20 (*Representations and Warranties*) are made on the date of this Deed and are deemed to be repeated each day prior to the expiry of the Security Period by reference to the facts and circumstances then existing.

21. NEW ACCOUNTS

If the Lender receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of such notice being the "**Notice Date**") it may, without prejudice to its rights under this Deed, open a fresh account or accounts with the Company and continue any existing account in the name of the Company and may appropriate to any such fresh account any monies paid in, received or realised for the credit of the Company after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If the Lender fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

22. MISCELLANEOUS

22.1 The Company

This Deed is binding on the successors and assigns of the Company.

22.2 Assignment and Transfer

The Company may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Lender may assign and transfer all or any part of its rights and obligations under this Deed.

22.3 Property

This Deed is and will remain the property of the Lender.

22.4 Continuing Security

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

22.5 Additional Security

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by the Lender for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to the Lender of or by any person not a

party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

22.6 Variation of Security

This Deed shall not in any way be affected or prejudiced by the Lender at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 22.5 (*Additional Security*) or any rights which the Lender may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

22.7 Enforcement of Other Security

The Lender shall not be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

22.8 Redemption of Prior Incumbrances

The Lender may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Company. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Company to the Lender and until such payment shall form part of the Secured Liabilities.

22.9 Stamp Taxes

The Company covenants to pay to the Lender and any Receiver, attorney, manager, agent or other person appointed by the Lender under this Deed immediately on demand a sum equal to any liability which the Lender, that Receiver, attorney, manager, agent or other person appointed by the Lender under this Deed incurs in respect of stamp duty, registration fees and other taxes which is or becomes payable in connection with the entry into, performance or enforcement of this Deed (including any interest, penalties, liabilities, costs and expenses resulting from any failure to pay or delay in paying any such duty, fee or tax).

22.10 Costs and Expenses

The Company shall promptly on demand reimburse the Lender or any Receiver, attorney, manager, agent or other person appointed by the Lender under this Deed for all costs and expenses (including legal fees) incurred by the Lender, that Receiver, attorney, manager, agent or other person (on a full indemnity basis together with any applicable VAT) in connection with the completion of the transactions and perfection of the security contemplated by this Deed and the exercise, preservation and/or enforcement or attempted enforcement of the security created by or contemplated by this Deed.

22.11 Further advances

The Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

23. COUNTERPARTS

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

24. LAW

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

25. **ENFORCEMENT**

25.1 **Jurisdiction of English courts**

- 25.1.1 Subject to Clause 25.1.3 below, the courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a **"Dispute"**).
- 25.1.2 Subject to Clause 25.1.3 below, the parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly the Company will not:
- (A) argue to the contrary; or
 - (B) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England.
- 25.1.3 Notwithstanding Clauses 25.1.1 and 25.1.2, the Lender shall not be prevented from initiating or pursuing proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may initiate or pursue:
- (A) proceedings in any other court; and
 - (B) concurrent proceedings in any number of jurisdictions,
- irrespective of whether proceedings have already been initiated by any party in England. The Company irrevocably waives any right that it may have to claim that the action has been brought in an inconvenient forum.

IN WITNESS whereof this Deed has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

FORM OF NOTICE

[On letterhead of the Company]

To: **[debtor (etc)]**

[Date]

Dear Sirs,

**Security Agreement dated [] between Bulsatcom Holding Limited
and First Investment Bank AD (the "Security Agreement")**

We hereby give you notice that under the Security Agreement we have charged (by way of first fixed charge) in favour of First Investment Bank AD (the "**Lender**") all of our rights to and title and interest from time to time in the property described in the Annexure to this Notice (the "**Charged Property**").

We hereby irrevocably instruct and authorise you to:

- (A) disclose to the Lender such information regarding the Charged Property as it may from time to time request;
- (B) send copies of all notices relating to the Charged Property to the Lender;
- (C) comply with the terms of any written notice or instruction relating to the Charged Property received by you from the Lender; and
- (D) make all payments due to us in respect of the Charged Property to the Lender at [details] unless and until the Lender notifies you otherwise.

Your acknowledgement will be deemed to confirm in favour of the Lender that you:

- (1) have not received notice of the interest of any third party relating to the Charged Property;
- (2) are not aware of any dispute between ourselves and yourselves relating to the Charged Property; and
- (3) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Charged Property.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Lender.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Lender at 37 Dragan Tsankov, 1979 Sofia, Bulgaria (Email: corporate.banking@fibank.bg), Attention: Corporate Banking with a copy to ourselves.

Yours faithfully,

.....
(Authorised signatory)
for and on behalf of
Bulsatcom Holding Limited

ANNEX

[On the letterhead of the debtor]

[On copy of Notice]

To: First Investment Bank AD
37 Dragan Tsankov, 1979 Sofia, Bulgaria
Email: corporate.banking@fibank.bg
Attention: Corporate Banking
Copy: Bulsatcom Holding Limited

[Date]

Dear Sirs,

**Security Agreement dated [] between Bulsatcom Holding Limited
and First Investment Bank AD (the "Security Agreement")**

[Description of Charged Property]

We acknowledge receipt of the Notice of Charge dated [] relating to the
Security Agreement, of which this is a copy.

Yours faithfully,

.....

duly authorised signatory for and on
behalf of **[debtor]**

EXECUTED AS A DEED by
BULSATCOM HOLDING LIMITED

acting by
in the presence of:

Pavlen Gendiev
Director

Signature of witness

Name of witness
(in BLOCK CAPITALS)

Nedyalins Kolevs

Address of witness

THE LENDER

FIRST INVESTMENT BANK AD

By: 

Title: Executive Director

By: 

Title: Executive Director