



Registration of a Charge

Company name: **IVC ACQUISITION MIDCO LTD**

Company number: **10510862**



X7Z1SSGX

Received for Electronic Filing: **11/02/2019**

Details of Charge

Date of creation: **06/02/2019**

Charge code: **1051 0862 0007**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description: **N/A**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **EXCEPT FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006, 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:

ALLEN & OVERY LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10510862

Charge code: 1051 0862 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th February 2019 and created by IVC ACQUISITION MIDCO LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th February 2019 .

Given at Companies House, Cardiff on 12th February 2019

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

SECURITY AGREEMENT

DATED 6 FEBRUARY 2019

BETWEEN

**IVC ACQUISITION MIDCO LTD
and
IVC ACQUISITION LTD
as Chargors**

and

**NATIONAL WESTMINSTER BANK PLC
as Security Agent**

**This Security Agreement is entered into subject to the terms of an Intercreditor Agreement
dated 6 February 2019 (as amended and/or restated from time to time)**

ALLEN & OVERY

Allen & Overy LLP

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THIS DEED is dated 6 February 2019 and made

BETWEEN:

- (1) **IVC ACQUISITION MIDCO LTD**, a private limited company incorporated in England and Wales with registered number 10510862 and having its registered address at The Chocolate Factory, Keynsham, Bristol, BS31 2AU (the **Parent**);
- (2) **IVC ACQUISITION LTD**, a private limited company incorporated in England and Wales with registered number 10505083 and having its registered address at The Chocolate Factory, Keynsham, Bristol, BS31 2AU (the **Company**, together with the Parent, each a **Chargor** and together the **Chargors**); and
- (3) **NATIONAL WESTMINSTER BANK PLC** (the **Security Agent**) as security agent and trustee for the Secured Parties (as defined in the Intercreditor Agreement (as defined below)).

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Secured Debt Documents (as defined in the Intercreditor Agreement (as defined below)).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

Acceleration Event means a Senior Acceleration Event, a Senior Secured Notes Acceleration Event or a Second Lien Acceleration Event.

Account Bank means, in relation to a Restricted Account, the bank with which the Restricted Account is maintained.

Act means the Law of Property Act 1925.

Authorisation has the meaning given to it in the Senior Facilities Agreement.

Event of Default means any event or circumstance specified as such in any of the Senior Facilities Agreement, the Second Lien Facility Agreement, a Senior Secured Notes Indenture or a Second Lien Notes Indenture, as the context requires.

Intercompany Loan Agreement means any intercompany loan agreement to which a Chargor is party as a lender documenting the terms of any Intercompany Receivable.

Intercompany Receivables means any and all present and future receivables, claims, rights, title or monies regardless of their nature (including, without limitation, principal, interest, default interest, commissions, costs and indemnities), in any currency or currencies, whether actual or contingent, whether owed jointly and severally or in any other capacity whatsoever and whether subordinated or not, owed from time to time by any Restricted Subsidiary to a

Chargor with an aggregate value equal to or greater than £5,000,000 (or its equivalent in any other currency).

Intercreditor Agreement means the intercreditor agreement dated on or about the date of this Deed between, among others, IVC Acquisition Midco Ltd as Parent, IVC Acquisition Ltd as Company, the Senior Lenders and Senior Arrangers listed therein, National Westminster Bank plc as Original Senior Agent and as Security Agent as amended and/or amended and restated from time to time.

Material Company has the meaning given to such term in the Senior Facilities Agreement.

Party means a party to this Deed.

Receiver means a receiver or receiver and manager or an administrative receiver, in each case, appointed under this Deed.

Related Rights means, in respect of all Shares, all dividends, interest, distributions and other income paid or payable on such a Share, together with all shares or other property derived from any relevant Share and all other monies, allotments, accretions, rights, benefits, property and/or advantages of all kinds accruing, offered or otherwise derived from or incidental to that Share (whether by way of conversion, redemption, substitution, exchange, bonus, preference, option rights or otherwise).

Restricted Account means all bank accounts of the Chargors with a credited aggregate amount of equal to or more than £5,000,000 (or its equivalent in any other currency) and includes:

- (a) if there is a change of Account Bank, any bank account into which all or part of a credit balance from a Restricted Account is transferred, provided that such bank account has a credited aggregate amount of equal to or more than £5,000,000 (or its equivalent in any other currency); and
- (b) any bank account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes, provided that such bank account has a credited aggregate amount of equal to or more than £5,000,000 (or its equivalent in any other currency).

Secured Obligations has the meaning given to it in the Intercreditor Agreement (which includes, for the avoidance of doubt and without limitation, all Liabilities at any time due, owing or incurred by any member of the Group to any or all of the Secured Parties under any Incremental Facility, both actual and contingent, and whether incurred solely or jointly and as principal or surety or in any other capacity).

Security Assets means all assets of each Chargor the subject of any security created by this Deed.

Security Period means the period beginning on the date of this Deed and ending on the date which is the later to occur of the Senior Secured Discharge Date and the Second Lien Discharge Date.

Senior Facilities Agreement means the senior facilities agreement dated on or about the date of this Deed between, among others, IVC Acquisition Midco Limited as Parent, IVC Acquisition Limited as Company, the Lenders and Arrangers listed therein, National

Westminster Bank plc as Agent and Security Agent as amended and/or amended and restated from time to time.

Shares means all shares owned from time to time by a Chargor in its subsidiaries that are Material Companies incorporated in England and Wales, including but not limited to, as at the date of this Deed, those shares in Material Companies incorporated under the laws of England and Wales specified in Schedule 1 (Security Assets) opposite its name.

1.2 Construction

- (a) Capitalised terms defined in the Intercreditor Agreement have, unless expressly defined in this Deed, the same meaning in this Deed (including such definitions incorporated by way of reference).
- (b) The provisions of clause 1.2 (Construction) of the Intercreditor Agreement shall apply *mutatis mutandis* to this Deed as though they were set out in full in this Deed and if there is a conflict between the terms of this Deed and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.
- (c) The term **this Security** means any security created by this Deed.
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
- (e) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment, discharge and performance of all the Secured Obligations; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) There shall be excluded from the security created by this Deed, but in each case only to the extent that such prohibition or condition restricts the type of security interest purported to be created by the relevant Clause of this Deed:
 - (i) (A) any asset which a Chargor is prohibited from creating Security on or over by reason of any contract, license, lease, instrument or other arrangement which has been entered into with a third party and which contract, license, lease, instrument or other arrangement is not prohibited by the terms of the Senior Facilities Agreement (including any asset which a Chargor is precluded from creating Security over without the prior consent of a third party), and (B) any asset which, if charged or assigned, would give a third party the right to terminate or otherwise amend any right,

benefit and/or obligation of the Group in respect of those arrangements or require any member of the Group to take any action materially adverse to the interests of the Group or any member thereof, in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party;

- (ii) any Security which would be unlawful under the laws of the jurisdiction in which the Chargor is incorporated or such asset or undertaking is situated (or which would conflict with the mandatory fiduciary duties of the Chargor or any of its Affiliates' directors (or equivalent officers) or contravene any legal prohibition or result in a risk of personal or criminal liability on the part of any officer or member of a Chargor) provided that such Chargor shall use reasonable endeavours to overcome such obstacles, in each case to the extent that that can be done at reasonable cost; and
- (iii) any assets which are required to support Acquired Indebtedness (as defined in the Senior Facilities Agreement) (or equivalent concept in any other Secured Debt Document) to the extent permitted by the terms of the relevant Secured Debt Document to remain outstanding following a Permitted Acquisition (as defined in the Senior Facilities Agreement) (or equivalent concept in any other Secured Debt Document).

For the purposes of this paragraph (b), the term "third party" in relation to a Chargor means any person which is not a member of the Group.

- (c) For all assets and undertakings referred to in sub-paragraph (b)(i) above and to the extent that such assets are material and the Parent determines in good faith that such endeavours will not involve placing commercial relationships with third parties in jeopardy or incurring any material cost, that Chargor undertakes to use reasonable endeavours to apply for a consent or waiver of the relevant prohibition or condition which affects the charging of such asset (unless that Chargor has already used its commercially reasonable endeavours at the time of negotiation of the relevant contract, license, lease, instrument or other arrangement to avoid the inclusion of the relevant prohibition or condition or otherwise to limit its scope).
- (d) Immediately upon satisfaction of the relevant condition or upon receipt of the relevant waiver or consent, or upon the relevant prohibition otherwise ceasing to apply, the formerly excluded assets or undertakings shall stand charged or assigned to the Security Agent under the relevant Clause of this Deed (as applicable).
- (e) Where an asset is excluded from the Security created by this Deed as a result of paragraph (b) above, that Security shall (to the extent it would not breach the provisions of paragraph (b) above) operate as an assignment or charge of all proceeds and/or receivables which that Chargor derives from or is entitled to in respect of the relevant asset(s) that have been so excluded from such Security.
- (f) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.

2.2 Fixed charge - Shares

Each Chargor charges by way of a first fixed charge:

- (a) all Shares owned by it or held by any nominee on its behalf; and
- (b) all Related Rights.

2.3 Fixed charge – Intercompany Receivables

Without prejudice to the assignment and first fixed charge in Clause 2.5 (Assignments – Intercompany Receivables), each Chargor charges by way of a first fixed charge all Intercompany Receivables and all rights and claims against third parties and against any security in respect of those Intercompany Receivables.

2.4 Fixed charge - Restricted Account

Each Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Restricted Account and the debt represented by it and all its rights in relation to any Restricted Account in its name.

2.5 Assignment – Intercompany Receivables

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any Intercompany Loan Agreements.
- (b) If not effectively assigned under Clause 2.5(a) above, each Chargor charges by way of first fixed charge all Intercompany Loan Agreements.

2.6 Floating charge

- (a) Each Chargor charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this Clause.
- (b) Except as provided below, the Security Agent may by notice to a Chargor convert the floating charge created by that Chargor under this Clause into a fixed charge as regards any of that Chargor's assets specified in that notice, if:
 - (i) an Acceleration Event is continuing; or
 - (ii) it is necessary to do so in order to prevent those assets from being seized or sold under any form of distress, attachment, execution or other legal process.
- (c) The floating charge created by this Clause may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by this Clause will automatically convert into a fixed charge over all of the assets of a Chargor if an administrator is appointed to that Chargor or the Security Agent receives notice of an intention to appoint an administrator to that Chargor.
- (e) The floating charge created by this Clause is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. RESTRICTIONS ON DEALINGS

No Chargor may:

- (a) create or permit to subsist any Security on any Security Asset except as expressly permitted or not otherwise prohibited by the Secured Debt Documents; or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset except as expressly permitted or not otherwise prohibited by the Secured Debt Documents.

4. SHARES

4.1 Share representations

Each Chargor represents and warrants to each Secured Party on the date of this Deed that:

- (a) its Shares represent the whole of the issued share capital in any relevant Material Company; and
- (b) it has complied in all respects with any notices served on it under sections 790D and 790E of the Companies Act 2006 in relation to its Shares.

4.2 Deposit

Each Chargor must:

- (a) as soon as practicable but in any event within five Business Days of the date of this Deed (or, in respect of any Shares which become the subject of this Security after the date of this Deed, within five Business Days of such date) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to its Shares; and
- (b) as soon as practicable execute and deliver to the Security Agent all share transfers and, following an Acceleration Event, any other documents which may be requested by the Security Agent (acting on the instructions of the Instructing Group) in order to enable the Security Agent or its nominees to be registered, on an Acceleration Event, as the owner or otherwise obtain a legal title to its Shares.

4.3 Voting rights

- (a) Before the occurrence of an Acceleration Event:

- (i) the voting rights, powers and other rights in respect of the Shares must be exercised in any manner which does not materially and adversely affect the validity or enforceability of the Security or cause an Event of Default to occur; and
- (ii) subject to the terms of the Secured Debt Documents, each Chargor will be permitted to pay, receive and retain all dividends or other income or distributions in relation to any Shares.

- (b) After the occurrence of an Acceleration Event:

- (i) the Security Agent or its nominee may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor) or refrain from exercising any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Shares, any person who is the holder of any Shares or otherwise; and

- (ii) all dividends or other income or distributions in relation to any Shares shall be applied in accordance with the Intercreditor Agreement.

4.4 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) Where any financial collateral is appropriated:
 - (i) if the financial collateral is listed or traded on a recognised exchange its value will be taken as the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, the value of the financial collateral will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it;

and each Secured Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

4.5 PSC Regime

Each Chargor must:

- (a) comply on time with any notice it receives or has received under section 790D or 790E of the Companies Act 2006; and
- (b) promptly notify the Security Agent if it receives a warning notice or restrictions notice under schedule 1B of the Companies Act 2006,

in each case, in relation to its Shares.

5. RESTRICTED ACCOUNTS

5.1 Representations

Each Chargor represents to each Secured Party on the date of this Deed that it is the sole legal and beneficial owner of the credit balance in each Restricted Account which it maintains.

5.2 Withdrawals

After an Acceleration Event has occurred, except with the prior consent of the Security Agent, no Chargor may withdraw any moneys (including interest) standing to the credit of any Restricted Account.

5.3 Notices of charge

After an Acceleration Event has occurred, each relevant Chargor must:

- (a) serve a notice of charge, substantially in the form of Part 1 of Schedule 2 (Forms of letter for Account Bank) to this Deed on each Account Bank; and
- (b) use its reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 2 (Forms of letter for Account Bank) to this Deed within 20 Business Days of service in respect of any notice delivered pursuant to paragraph (a) above provided that the relevant Chargor's obligation under this paragraph will cease on the expiry of the 20 Business Days period referred to in this paragraph.

6. INTERCOMPANY RECEIVABLES

6.1 Notices of assignment

After an Acceleration Event has occurred, each Chargor must in respect of an Intercompany Loan Agreement, serve a notice of assignment, substantially in the form of Part 1 of Schedule 3 (Forms of letter for Intercompany Loan Agreements) to this Deed, on each counterparty to the relevant Intercompany Loan Agreement.

7. WHEN SECURITY BECOMES ENFORCEABLE

7.1 Acceleration Event

This Security will become immediately enforceable if an Acceleration Event occurs.

7.2 Discretion

After this Security has become enforceable, the Security Agent (or its nominee) may in its absolute discretion enforce all or any part of this Security in accordance with the Intercreditor Agreement.

7.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

8. ENFORCEMENT OF SECURITY

8.1 General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

8.2 No liability as mortgagee in possession

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

8.3 Privileges

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

8.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Secured Debt Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

8.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset;
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.

8.6 Contingencies

If this Security is enforced at a time when no amount is due under the Secured Debt Documents but at a time when amounts may or will become due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

9. RECEIVER

9.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) a Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

9.2 Removal

The Security Agent may by writing under its hand 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.

9.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by law (including under Section 109(6) of the Act) will not apply.

9.4 Agent of each Chargor

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The relevant Chargor is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

10. POWERS OF RECEIVER

10.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 11 (Powers of Receiver) in addition to those conferred on it by any law; this includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

10.3 Carry on business

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

10.4 Employees

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

10.5 Borrow money

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

10.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

10.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

10.8 Compromise

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

10.9 Legal actions

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

10.10 Receipts

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

10.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

10.12 Delegation

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

10.13 Lending

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

10.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he thinks fit.

10.15 Other powers

A Receiver may:

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

11. APPLICATION OF PROCEEDS

Any moneys received by the Security Agent or any Receiver after this Security has become enforceable must be applied in accordance with the Intercreditor Agreement.

12. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action

which that Chargor is obliged to take under this Deed, which power may be exercised (i) following an Acceleration Event; or (ii) where such obligation relates to further assurance or perfection obligation and that Chargor has failed to comply with such obligation within five Business Days of receiving notice (a copy of such notice being sent to the Parent) of that failure and being requested to comply. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

13. MISCELLANEOUS

13.1 Covenant to pay

Each Chargor must pay or discharge the Secured Obligations in the manner provided for in the Secured Debt Documents.

13.2 Tacking

Each Secured Party must perform its obligations under the Secured Debt Documents (including any obligation to make available further advances).

13.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with any Chargor.
- (b) If the Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Obligation.

13.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Secured Debt Document or otherwise, if any time deposit matures on any account a Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Obligation is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

14. RELEASE

Without prejudice to the circumstances in which all or part of the Security Assets may be released as contemplated by the Secured Debt Documents, at the end of the Security Period, the Secured Parties must, at the request of the Chargors, take whatever action is necessary to release the Security Assets from this Security.

15. COUNTERPARTS

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

16. GOVERNING LAW

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

17. JURISDICTION

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraph (a) above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1
SECURITY ASSETS
SHARES

Name of Chargor which holds the shares	Name of company issuing shares	Number and class of shares
IVC Acquisition Midco Ltd	IVC Acquisition Ltd	359,431,606 ordinary shares of £0.01 each and 5,973,794 ordinary shares of £1.00 each
IVC Acquisition Ltd	Independent Vetcare Limited	One ordinary share of £1.00

SCHEDULE 2
FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK

[On the letterhead of the Chargor]

To: [Account Bank]

Copy: National Westminster Bank plc

[Date]

Dear Sirs,

Security Agreement dated [●] 2019 between, among others, IVC Acquisition Midco Ltd as parent and National Westminster Bank plc as security agent (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement we (the **Chargor**) have charged (by way of a first fixed charge) in favour of National Westminster Bank plc (the **Security Agent**) all our rights in respect of any amount standing to the credit of the account maintained by us with you (Account no. [●] sort code [●]) (the **Restricted Account**) and the debt represented by it and all our rights generally in relation to the Restricted Account.

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Restricted Account requested from you by the Security Agent;
- (b) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, comply with the terms of any written notice or instruction relating to the Restricted Account received by you from the Security Agent;
- (c) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, hold all sums standing to the credit of the Restricted Account to the order of the Security Agent; and
- (d) following written notice from the Security Agent that the security created under the Security Agreement has become enforceable, pay or release any sum standing to the credit of the Restricted Account in accordance with the written instructions of the Security Agent.

For the avoidance of doubt, you may continue to deal with the Chargor in relation to the Restricted Account until you receive written notice to the contrary from the Security Agent. Following notice from the Security Agent that the Security created under the Security Agreement has become enforceable, we shall not be permitted to withdraw any amount from the Restricted Account without the prior written consent of the Security Agent.

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

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

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at 250 Bishopsgate, London EC2M 4AA with a copy to us.

Yours faithfully,

.....
(Authorised Signatory)

[●]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK

[On the letterhead of the Account Bank]

To: National Westminster Bank plc

Copy: [●]

[Date]

Dear Sirs,

Security Agreement dated [●] 2019 between, among others, IVC Acquisition Midco Ltd as parent and National Westminster Bank plc as security agent (the Security Agreement)

We confirm receipt from [●] (the **Chargor**) of a notice dated [●] of a charge upon the terms of the Security Agreement over all the rights of the Chargor to any amount standing to the credit of its account with us (Account no. [●], sort code [●]) (the **Restricted Account**) and the debt represented by it and all rights of the Chargor generally in relation to the Restricted Account.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Restricted Account; and
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Restricted Account.

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

Yours faithfully,

.....
(Authorised signatory)

[Account Bank]

SCHEDULE 3

FORMS OF LETTER FOR INTERCOMPANY LOAN AGREEMENTS

PART 1

NOTICE TO COUNTERPARTY

To: [Contract party]

[Date]

Dear Sirs,

Security Agreement dated [●] 2019 between, among others, IVC Acquisition Midco Ltd as parent and National Westminster Bank plc as security agent (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security to National Westminster Bank plc (the **Security Agent**) all our rights in respect of [insert details of Contract] and any and all future receivables, claims, rights, title or monies whether actual or contingent, whether owed jointly and severally or in any other capacity whatsoever and whether subordinated or not, owed from time to time by you to us (the **Contract**).

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 Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Security Agent or as it directs.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at 250 Bishopsgate, London EC2M 4AA, with a copy to ourselves.

Yours faithfully,

.....

(Authorised signatory)

[●]

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: National Westminster Bank plc as Security Agent

Copy: [●]

[Date]

Dear Sirs,

We confirm receipt from [●] (the **Chargor**) of a notice dated [] of an assignment on the terms of the Security Agreement dated [] of all the Chargor's rights in respect of [insert details of the Contract] and any and all future receivables, claims, rights, title or monies whether actual or contingent, whether owed jointly and severally or in any other capacity whatsoever and whether subordinated or not, owed from time to time by you to us (the **Contract**).

We confirm that we will pay all sums due, and give notices, under the Contract as directed in that notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Counterparty]

SIGNATORIES

Chargors

Parent

EXECUTED AS A DEED by
IVC ACQUISITION MIDCO LTD
acting by

)
)
)

[REDACTED
UNDER S859G OF
THE COMPANIES
ACT 2006]

Amanda Davis
Director

in the presence of:

Witness's signature: _____

[REDACTED UNDER S859G OF THE COMPANIES ACT 2006]

Name: _____

Charlotte as.

Address: _____

[REDACTED UNDER S859G OF THE COMPANIES ACT 2006]

Charlotte Nash

[REDACTED UNDER S859G OF THE COMPANIES ACT 2006]

Legal and Insurance Administrator

[Signature page to the Security Agreement]

Company

**EXECUTED AS A DEED by
IVC ACQUISITION LTD
acting by**

)
)
)

[REDACTED
UNDER S859G OF
THE COMPANIES
ACT 2006]

Amanda Davis
Director

in the presence of:

Witness's signature:

[REDACTED UNDER S859G OF THE COMPANIES ACT 2006]

Name:

Address:

Charlotte Nash

[REDACTED UNDER S859G OF THE COMPANIES ACT 2006]

Legal and Insurance Administrator

Security Agent

EXECUTED as a DEED

For and on behalf of
NATIONAL WESTMINSTER BANK PLC

[REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

By: *Nanuel Caseiro* By:

Title: *Authorized Signatory* Title:

[Signature page to the Security Agreement]