

MR01

Particulars of a charge

392028/1023

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✓ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

✗ **What this form is NOT for**
You may not use this form to
register a charge where there
is an instrument. Use form MR08.

THURSDAY



A11 *A8AX4T88*
01/08/2019 #376
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 0 1 5 8 7 5 3 7

Company name in full ZELLIS UK LIMITED

1 8 For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 6 m 0 m 7 y 2 y 0 y 1 y 9

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name FACTOFRANCE S.A.

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

Not applicable.

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

8

Trustee statement ¹

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

¹ This statement may be filed after the registration of the charge (use form MR06).

9

Signature

Please sign the form here.

Signature

Signature

X *Wayer Bram Wierstraal up* X

This form must be signed by a person with an interest in the charge.

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Jomar Vargas

Company name Mayer Brown International LLP

Address 201 Bishopsgate

Post town London

County/Region

Postcode E C 2 M 3 A F

Country

DX DX 556 London and City

Telephone 020 3130 3000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1587537

Charge code: 0158 7537 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th July 2019 and created by ZELLIS UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st August 2019.

Given at Companies House, Cardiff on 9th August 2019



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

Dated 26 July 2019

- (1) **ZELLIS UK LIMITED** as Chargor
- (2) **FACTOFRANCE S.A.** as Factor

SECURITY AGREEMENT

I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Signed *Mayer Brown International LLP*
Mayer Brown International LLP

Date *30/07/19*

MAYER • BROWN

LONDON

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THIS SECURITY AGREEMENT is dated 26 July 2019 and made between:

- (1) **ZELLIS UK LIMITED**, a private company limited by shares incorporated in England and Wales (registered number 01587537) whose registered office is at Peoplebuilding 2, Peoplebuilding Estate Maylands, Avenue Hemel Hempstead, Hertfordshire, HP2 4NW (the "**Chargor**"); and
- (2) **FACTOFRANCE, S.A.**, a company incorporated under the laws of France as a *société anonyme* and licensed as an *établissement de crédit*, whose registered office is at Tour D2, 17bis, place des Reflets, 92988 Paris-La Défense Cedex, France, registered with the Trade and Companies Registry of Nanterre under number 063 802 466 (the "**Factor**").

BACKGROUND:

- (A) The Chargor, in its capacity as Seller under the Master Agreement (as defined below), has decided to finance its general corporate requirements by entering into the Master Agreement with the Factor, under which a non-disclosed factoring facility with respect to certain of its receivables is established.
- (B) Pursuant to the Master Agreement, the Chargor, in its capacity as Seller, has been appointed as the Servicer in charge of collecting the Transferred Receivables.
- (C) It is a condition pursuant to the Master Agreement that the Chargor creates a right of pledge over its Collection Accounts and over its Non-Vesting Debts.
- (D) Under the Master Agreement, the Chargor, in its capacity as Factor, has purchased legal title to the Transferred Receivables and is entitled to the collections in respect of the Transferred Receivables, which are being paid into Collection Accounts.
- (E) This document is the deed of the Chargor, even if it has not been duly executed by the Factor or has been executed by the Factor but not as a deed.

THIS DEED WITNESSES that:

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Master Agreement

Terms defined in the Master Agreement but not in this Security Agreement shall have the same meanings in this Security Agreement as in the Master Agreement.

1.2 Definitions

In addition, in this Security Agreement:

"Account Debtor" means any person who is a counterpart to the Chargor in relation to a Non-Vesting Debt;

"Business Day" means has the meaning given to it in the Master Agreement;

"Collection Accounts" means any bank accounts that may be maintained by the Chargor into which proceeds of the Transferred Receivables of the Chargor are, or are to be, paid or credited from time to time being, at the date of this Security Agreement, those accounts the details of which are set out in Schedule 3 (*Collection Accounts*) and, subsequently, any bank account designated as a **"Collection Account"** from time to time by the Factor and the Chargor;

"Declared Default" means an Event of Default which is outstanding and which has been notified by the Factor in accordance with the terms of the Master Agreement.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Factor or a Receiver;

"Discharge Date" has the meaning given to it in Clause 14.1 (*Definitions relating to release of this Security*);

"Finance Documents" has the meaning given to it in the Master Agreement;

"IA" means the Insolvency Act 1986;

"Ineffective" in relation to the purchase of a Receivable pursuant to the Master Agreement means such purchase (a) failing under applicable law to constitute a transfer of beneficial title to the Receivable or (b) being treated under applicable law not as effective an absolute transfer of ownership of the beneficial title to the Receivable but instead being treated as effecting the creation of a security interest over the Receivable. The inclusion of paragraph (b) in this definition is without prejudice to the acknowledgement and confirmation of each of the Parties that each purchase of a Receivable by the Factor under the Master Agreement is intended to and does to the maximum extent permitted by applicable law effect an absolute transfer of ownership of the beneficial title to that Receivable under each applicable law;

"Insolvency Event" in relation to a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief from debtors and any equivalent or analogous proceeding, whatever it is called, in any jurisdiction;

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind;

"LPA" means the Law of Property Act 1925;

"Master Agreement" means the pan-European factoring master agreement dated on or about the date of this Security Agreement between the Chargor as original seller, Zellis Holdings Limited as the parent company and the Factor as factor;

"Non-Vesting Debt" means a Receivable which would have constituted a Transferred Receivable but for the purchase of such Receivable by the Factor under the Master Agreement being Ineffective for any reason. The term Non-Vesting Debt shall not

include any Receivable or Related Right which is transferred back to the Chargor (in its capacity as Seller) in accordance with clauses 6.1 (*Retransfer/rescission of the transfer of non-Eligible Receivables*) or 6.3 (*Disputed Receivables, Defaulted Transferred Receivables and Transferred Receivables subject to a seizure*) of the Master Agreement and in respect of which the Chargor has irrevocably paid in full to Factor the relevant Repurchase Price in accordance with clause 6.5 (*Repurchase Price*) of the Master Agreement;

"Notice of Security" means a notice of charge substantially in the form set out in Schedule 1 (*Notice of charge of Collection Account*) or Schedule 2 (*Notice of Charge of Non-Vesting Debts*) or in such other form as may be specified by the Factor;

"Party" means a party to this Security Agreement;

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Security Agreement by the Factor over all or any of the Security Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time;

"Secured Liabilities" means all monies from time to time due or owing, and all obligations and other actual or contingent liabilities from time to time incurred, by the Chargor to the Factor under the Finance Documents:

- (a) in whatever currency; and
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Security Agreement to be unlawful or prohibited by any applicable law or regulation;

"Security Assets" means the assets from time to time the subject of this Security, **"Security Asset"** means any of them and any reference to one or more of the Security Assets includes all or any part of it or each of them;

"Security Enforcement Party" means the Factor, any Receiver or any Delegate; and

"Security Interest" has the meaning given to the term "Security" in the Master Agreement.

1.3 Construction

- (a) In this Security Agreement, unless a contrary indication appears any reference to:
 - (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to **an asset** includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a **particular**

type or category of assets includes any present or future assets of that type or category;

- (ii) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
- (iii) any **Finance Document** or other **document** is to that Finance Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);
- (iv) the masculine, feminine or neuter **gender** respectively includes the other genders and the **singular** includes the plural (and vice versa);
- (v) **"including"** means "including without limitation" (with related words being construed accordingly), **"in particular"** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
- (vi) a **Party** or other **particular person** includes its successors in title, permitted assignees and permitted transferees in accordance with their respective interests;
- (vii) a **"person"** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them;
- (viii) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
- (ix) a **"Recital"** is to a statement made under the heading "Background" above and any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Security Agreement (as the case may be);
- (x) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to **the Chargor's rights** in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
- (xi) **"this Security"** means the Security Interests constituted by or pursuant to this Security Agreement; and

- (xii) **this Security Agreement** includes the Recitals and Schedules, which form part of this Security Agreement for all purposes.
- (b) The index and Clause and Schedule headings are for ease of reference only.
- (c) An Event of Default is "**outstanding**" if it has not been remedied or waived.
- (d) If there is any inconsistency between the terms of this Security Agreement and those of the Master Agreement, the terms of the Master Agreement shall prevail.

1.4 **Third party rights**

- (a) A person who is not a Party (other than any Receiver or Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Security Agreement.
- (b) Notwithstanding Clause 1.4(a), no consent of any person who is not a Party is required to rescind or vary this Security Agreement at any time.

2. **PAYMENT OF THE SECURED LIABILITIES**

2.1 **Covenant to pay**

The Chargor covenants with the Factor to pay and discharge, or procure the payment or discharge of, each of the Secured Liabilities at the time and in the manner provided in the relevant document for their payment or discharge by the Chargor.

2.2 **Further dealings**

This Security Agreement is made to secure any further purchases under the Master Agreement. It does not create any obligation on the Factor to make any further purchases.

3. **CREATION OF SECURITY INTERESTS**

3.1 **General provisions regarding Security Interests**

- (a) Each of the charges created under this Security Agreement:
 - (i) is granted to the Factor;
 - (ii) secures the payment and discharge of the Secured Liabilities; and
 - (iii) is made with full title guarantee.
- (b) Each fixed charge created under this Security Agreement takes effect as an equitable mortgage.
- (c) The Chargor undertakes that to the extent that any right, title, interest or benefit in or in respect of any asset described in Clause 3.3 (*Bank Accounts*) below cannot be or is not effectively charged for whatever reason, it shall:

- (i) promptly notify the Factor of the same and the reasons therefor;
- (ii) hold the benefit of the same on trust for the Factor as security for the payment, discharge and performance when due of the Secured Liabilities; and
- (iii) take such steps as the Factor may reasonably require to remove such impediment to the creation of a charge.

3.2 Bank Accounts

The Chargor charges by way of first fixed charge all of its rights in any credit balances on the Collection Accounts and the indebtedness represented by them.

3.3 Non-Vesting Debts

- (a) The Chargor charges by way of first fixed charge of all its rights in the Non-Vesting Debts.
- (b) In this Security Agreement, unless a contrary indication appears, any reference to Non-Vesting Debt includes the benefit of any Security Interest, guarantee or other right in relation to that Non-Vesting Debt.

4. PERFECTION OF SECURITY AND FURTHER ASSURANCE

4.1 Notice of Security

- (a) The Chargor shall deliver a Notice of Security (with a copy to the Factor), duly completed:
 - (i) forthwith, to any bank with which it opens or maintains any Collection Account; and
 - (ii) promptly following a Declared Default, to any Account Debtor who at that time has an interest in any Non-Vesting Debt.
- (b) In Clause 4.1(a) "**forthwith**" means immediately after the execution of this Security Agreement but, in any event, within five (5) Business Days (or, if later, within five (5) Business Days of the relevant account coming into existence and/or being designated as a Collection Account).
- (c) The Chargor shall use commercially reasonable endeavours to procure that each account bank which holds a Collection Account acknowledges the Notice of Security delivered to it in the form attached to that Notice of Security (or in such other form as the Factor may approve).

5. BANK ACCOUNTS

The Chargor shall operate the Collection Accounts in compliance with clause 7.1.4(e) of the Master Agreement.

6. NEGATIVE PLEDGE AND DISPOSALS

6.1 Negative pledge

The Chargor undertakes that it will not create or permit to subsist any Security Interest over any Security Asset except as expressly permitted by the Master Agreement.

6.2 No disposals

The Chargor undertakes that it will not dispose of (or agree to dispose of) any Security Asset except as expressly permitted by the Master Agreement.

7. ENFORCEMENT – GENERAL PROVISIONS

7.1 Enforcement

- (a) On or at any time after the occurrence of a Declared Default, this Security shall become immediately enforceable and the Factor may enforce this Security, and its rights under this Security Agreement, in the manner and on the terms it thinks fit.
- (b) In particular, it may without further notice exercise in relation to the Security Assets:
 - (i) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law, in each case as extended or otherwise amended by this Security Agreement;
 - (ii) to the extent that Clause 8 (*Right of appropriation*) applies, the power to appropriate the relevant Security Assets in accordance with Clause 8.2 (*Exercise of right of appropriation*); and
 - (iii) (whether or not it has appointed a Receiver) any or all of the rights which are conferred by this Security Agreement (whether expressly or by implication) on a Receiver.

7.2 LPA provisions

- (a) The Secured Liabilities shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Security Agreement and shall be immediately exercisable at any time after a Declared Default when the Factor may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion, but at all times in accordance with the terms of the Master Agreement, enforce all or any part of that Security Interest (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Security Assets.
- (b) The Factor and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.

- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

7.3 Protection of third parties

- (a) No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall:
 - (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Liabilities remain outstanding; or
 - (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Security Enforcement Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Security Enforcement Party as if the Secured Liabilities had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had arisen on the date of this Security Agreement.

7.4 Delegation

- (a) The Factor and (to the extent his or her appointment so permits) a Receiver (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Security Agreement. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 7.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither the Factor nor any Receiver shall be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate, unless caused by its fraud, gross negligence or wilful misconduct.

7.5 No liability

- (a) No Security Enforcement Party shall:
 - (i) owe any duty to the Chargor to exercise any of its rights under this Security Agreement; or
 - (ii) be liable or responsible to the Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under

this Security Agreement, unless caused by its fraud, gross negligence or wilful misconduct.

- (b) A Security Enforcement Party shall not be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Security Assets for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession, unless caused by its fraud, gross negligence or wilful misconduct.

8. RIGHT OF APPROPRIATION

8.1 Application of right of appropriation

This Clause 8 applies to the extent the Security Assets constitute "financial collateral" and this Security Agreement constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

8.2 Exercise of right of appropriation

- (a) If and to the extent that this Clause 8 applies, the Factor may appropriate the Security Assets in or towards discharge of the Secured Liabilities in such order as the Factor may (subject to any specific provisions of the Finance Documents in this regard) determine.
- (b) If the Factor exercises its rights of appropriation then it shall for these purposes value any Collection Account at the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation.

9. RECEIVERS

9.1 Appointment of Receiver

- (a) Subject to the remainder of this Clause 9.1, the Factor may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the Chargor so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 9.1:
 - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under s1A IA; or
 - (ii) of an administrative receiver if that appointment would contravene s72A IA.
- (c) If at any time two or more persons hold office as Receivers, each of those Receivers shall (subject to the terms of his or her appointment) be entitled to

exercise individually all of the rights conferred on Receivers under this Security Agreement to the exclusion of the other or others.

9.2 Remuneration

The Factor may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

9.3 Removal and replacement

The Factor may:

- (a) subject to obtaining a court order if required by law, remove any Receiver by written notice; and
- (b) replace (by appointment pursuant to Clause 9.1) any Receiver whose appointment has terminated.

9.4 Agent of the Chargor

- (a) Any Receiver appointed under this Security Agreement whether acting solely or jointly shall be deemed to be the agent of the Chargor and to be in the same position as a receiver appointed under the LPA.
- (b) The Chargor shall be solely responsible for the acts, omissions, defaults, losses and misconduct of any Receiver and for his or her remuneration. The Factor shall not be in any way liable or responsible either to the Chargor or to any other person for any Receiver.

10. POWERS OF SECURITY ENFORCEMENT PARTIES

10.1 General

- (a) A Receiver has:
 - (i) all of the rights set out below in this Clause 10;
 - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
 - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,in each case as such rights are varied and extended by this Security Agreement.
- (b) The Factor has after this Security has become enforceable the rights referred to in Clause 10.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 10.1(a) to the extent provided in its, his or her appointment.

- (d) Any reference in this Clause 10 to any Security Assets includes, in the case of a Receiver or Delegate, only those Security Assets over or in respect of which it, he or she has been appointed.
- (e) A Security Enforcement Party may, on the occurrence of a Declared Default, exercise its, his or her rights under this Clause 10 in such manner and on such terms as it, he or she thinks fit.

10.2 Collection and disposal of Security Assets

- (a) The right to collect any Security Asset.
- (b) The right to sell or otherwise dispose of any Security Asset on any terms and for any consideration as the Security Enforcement Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (c) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper or desirable to realise any Security Asset.

10.3 Contracts and proceedings

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Security Asset.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Security Assets.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Security Asset.

10.4 Other rights

- (a) The right to do any other act or thing which the Security Enforcement Party may consider (acting reasonably):
 - (i) desirable or necessary to protect, preserve or realise any Security Asset;
or
 - (ii) incidental or conducive to any rights conferred on the Security Enforcement Party under or by virtue of this Security Agreement or by law.
- (b) The right to exercise and do in relation to any Security Asset all the rights and things which the Security Enforcement Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Security Asset.
- (c) The right to use the name of the Chargor to exercise any of the rights referred to in this Clause 10.

11. DEALING WITH PROCEEDS

11.1 Application of proceeds of enforcement, etc

- (a) Any monies received by the Factor or any Receiver under this Security Agreement after this Security has become enforceable shall be applied in the following order of priority:
 - (i) in or towards payment of, or provision for, all amounts due to or Losses incurred by any Security Enforcement Party under or in connection with this Security Agreement and all remuneration due to any Receiver under or in connection with this Security Agreement;
 - (ii) in payment to the Factor to be applied in or towards discharge of the Secured Liabilities in such order as the Factor in its absolute discretion thinks fit; and
 - (iii) if the Chargor is not under any further actual or contingent liability under the Finance Documents, in payment of the surplus (if any) to the person or persons entitled to it.
- (b) Notwithstanding Clause 11.1(a), until the Discharge Date the Factor or any Receiver may:
 - (i) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
 - (ii) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Liabilities.

11.2 Security accounts

Following the occurrence of a Declared Default, the Factor may, in its discretion, apply any part of the monies standing to the credit of any Collection Account in accordance with Clause 11.1.

12. GENERAL SECURITY PROVISIONS

12.1 Continuing security

This Security is, and shall remain in force as, a continuing security for the Secured Liabilities, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Factor.

12.2 Additional security

This Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of the Factor.

12.3 Immediate recourse

The Chargor waives any right it may have of first requiring the Factor to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Security Agreement. This waiver applies irrespective of any applicable law and regulation or any provision of any Finance Document to the contrary.

12.4 Redemption of prior Security Interests

- (a) The Factor may at any time after a Declared Default:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over any Security Assets; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the Chargor.
- (b) All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 12.4(a) shall be paid by the Chargor to the Factor on demand, in each case together with interest calculated under the terms of the Master Agreement as if they were late payments in accordance with the provisions of clause 18.4 (*Late Payments*) of the Master Agreement.

12.5 Subsequent Security Interests

- (a) At any time following:
 - (i) the receipt by the Factor of notice (either actual or constructive) of any subsequent Security Interest affecting any Security Assets;
 - (ii) an Insolvency Event occurring in relation to the Chargor; or
 - (iii) any disposal of any Security Assets in breach of Clause 6.2 (*No disposals*),

the Factor may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If the Factor does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

- (b) From that time all payments received by the Factor for the account of the Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

13. POWER OF ATTORNEY

The Chargor irrevocably and by way of security appoints each Security Enforcement Party severally to be its attorney, in its name or otherwise, on its behalf and as its act and deed at any time following this Security becoming enforceable in accordance with Clause 7.1 (*Enforcement*) execute, deliver and perfect any document and do any other act or thing which may be required or which the attorney may consider desirable:

- (a) to carry out any obligation imposed on the Chargor by this Security Agreement;
or
- (b) in the exercise of any rights conferred on any Security Enforcement Party by this Security Agreement or by applicable law and regulation.

The Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

14. RELEASE OF SECURITY

14.1 Definitions relating to release of this Security

- (a) In this Security Agreement, "**Discharge Date**" means the date on which the Factor determines (acting reasonably) that:
 - (i) all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full; and
 - (ii) no further Secured Liabilities are capable of arising or being outstanding.

For this purpose, a Secured Liability will not be considered to have been irrevocably paid or discharged if the Factor, acting reasonably, considers that any payment made in respect of it is capable of being avoided.

- (b) In this Clause 14:
 - (i) "**avoided**" means avoided, restored or adjusted in whole or part under any law relating to insolvency (and "**avoidance**" shall be construed accordingly); and
 - (ii) "**settlement**" means a release, settlement, discharge, re-assignment or arrangement.

14.2 Release of this Security

- (a) Clause 5 (*Bank Accounts*) and Clause 6 (*Negative Pledge and Disposals*) shall cease to apply on the Discharge Date.
- (b) If the Chargor so requests on or following the Discharge Date, the Factor shall as soon as reasonably practicable release and discharge this Security and re-assign the assets assigned to the Factor under this Security Agreement without

recourse, representation or warranty and subject to the rights of any person having prior rights over those assets.

- (c) Any settlement made by the Factor on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided.
- (d) If any avoidance occurs as referred to in Clause 14.2(c) (including by reason of a concession or compromise referred to in Clause 14.2(e)), then the settlement given by the Factor shall have no effect and shall not prejudice the right of the Factor to enforce this Security in respect of the Secured Liabilities. As between the Chargor and the Factor, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by the Factor as security for the Secured Liabilities.
- (e) The Factor may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

15. CALCULATIONS AND CERTIFICATES

15.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Security Agreement, the entries made in the accounts maintained by the Factor are, in the absence of manifest error, prima facie evidence of the matters to which they relate.

15.2 Certificates and determinations

Any certification or determination of the Factor as to any matter provided for in this Security Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

16. PARTIAL INVALIDITY

If, at any time, any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

17. REMEDIES AND WAIVERS

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

18. AMENDMENTS AND WAIVERS

Any term of this Security Agreement may be amended or waived only with the written consent of the Factor and the Chargor and any such amendment or waiver will be binding on all Parties.

19. COUNTERPARTS

This Security Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures (and if applicable, seals) on the counterparts were on a single copy of this Security Agreement.

20. CONDUCT OF BUSINESS

No provision of this Security Agreement will:

- (a) interfere with the right of the Factor to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Factor to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Factor to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of taxes.

21. PROVISIONS OF THE MASTER AGREEMENT

- (a) Any provision of the Master Agreement which is expressed to apply to documents including this Security Agreement shall, except if and to the extent there is a provision in this Security Agreement covering the same subject matter, apply to this Security Agreement as if set out in full here with such changes as are appropriate to fit this context.
- (b) In particular, and without limitation to paragraph (a), clauses 16 (*Taxes*), 18 (*Indemnities, Costs and Expenses*), 20 (*Confidentiality – Utilisation of Information Collected by the Factor – Personal Data*), 21.1 (*Notices between the Parties*), 21.2 (*Rights of the Parties*), 21.4 (*Amendments*), 21.5 (*Partial Invalidity*), 21.6 (*Set-Off*) and 21.7 (*Charge to the Parties*) of the Master Agreement shall apply to this Security Agreement as if they were set out in full again here, with any changes which are necessary to fit this context.

22. GOVERNING LAW

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

23. ENFORCEMENT

23.1 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Agreement (including a dispute

relating to the existence, validity or termination of this Security Agreement or any non-contractual obligations arising out of or in connection with this Security Agreement) (a "**Dispute**").

- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither Party will argue to the contrary.

23.2 Benefit

Clause 23.1 is for the benefit of the Factor only. As a result, the Factor shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Factor may take concurrent proceedings in any number of jurisdictions.

EXECUTION:

The parties have shown their acceptance of the terms of this Security Agreement by executing it, in the case of the Chargor as a deed, at the end of the Schedules.

SCHEDULE 1
NOTICE OF CHARGE OF COLLECTION ACCOUNT

To: *[Name and address of account bank]*

[Date]

Dear Sirs

Collection Account number[s]: [●]

We refer to Collection Account number[s]: [●] (the "**Collection Account[s]**").

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of Factofrance S.A. (as Factor, as defined in the Security Agreement) we have charged all our rights in the Collection Account[s] and in any credit balances on the Collection Account[s] (the "**Balances**") and the indebtedness represented by the Collection Account[s].

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) that all rights, interests and benefits whatsoever accruing to or arising from the Collection Account[s] or Balances shall be exercisable by and shall belong to the Factor. For the avoidance of doubt:
 - (i) we are not permitted to withdraw any amount from the Collection Account[s] without the prior written consent of the Factor;
 - (ii) all instructions related to monies held in the Collection Account[s] must be signed by [at least][one] authorised signatory of the Factor set out in the following list:

Name	Position	Contact

- (iii) no transfers of monies from the Collection Account[s] can be effected at any time without prior receipt of written instructions from the Factor in compliance with the terms of this notice;

- (b) to disclose to the Factor (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure) any information relating to the Collection Account[s] and/or the Balances which the Factor may, at any time and from time to time, request;
- (c) at any time and from time to time on receipt by you of any written instruction, including facsimile transmission or email, from the Factor, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same);
- (d) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Collection Account[s], the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Factor (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it);
- (e) to terminate any existing payment instructions affecting the Collection Account[s];
- (f) subject to instructions to the contrary delivered in accordance with paragraph (a), make all payments in respect of the Collection Account[s] only to the Factor; and
- (g) that statements shall be supplied to both us and the Factor.

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Factor's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Collection Account[s] to the Factor at the Factor's request.

Please note:

- (1) you may from time to time be instructed, by the Factor (at their discretion), to transfer any amounts standing to the credit of the Collection Account[s] to the following account (or such other account as the Factor may from time to time notify to you in writing):

Name of account: [●]

Number of account: [●]

Bank/Bank address: [●]

Sort code: [●]; and

- (2) you may be instructed by the Factor to set up an automatic direct debit transfer of any amounts standing to the credit of the Collection Account[s] on a daily basis to such account as the Factor may notify you in writing, including such an account in the name of the Factor.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Factor, [●] at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

Zellis UK Limited

By: *[Name of signatory]*

ACKNOWLEDGEMENT

[To be printed on the letterhead of the account bank]

To:

[Name and address of the Factor] (the "Factor")

[Name and address of the Chargor] (the "Chargor")

Dear Sirs

Notice of charge dated [●] 20[●] (the "Notice") addressed to us by the Chargor relating to the creation of security interest by the Chargor in favour of the Factor in respect of the account[s] as set out in the Notice

We acknowledge receipt of the Notice relating to the account, details of which are set out below (the "**Collection Account[s]**") and consent to the charge:

Account Holder	Account Number	Sort Code
[●]	[●]	[●]

We confirm that:

- (a) we will block the Collection Account[s] and not permit any further withdrawals by the Chargor unless and until we receive and acknowledge a notice from the Factor informing us otherwise. Please note that we will not be able to permit withdrawals from the Collection Account[s] in accordance with the instructions of the Factor unless and until it has provided a list of authorised signatories confirming which persons have authority on behalf of the Factor to operate the Collection Account[s] and the Collection Account[s] will remain blocked and non-operational until that time;
- (b) we confirm that we are not entitled to combine the Collection Account[s] with any other account or to exercise any right of set-off, security interest or counterclaim against money in the Collection Account[s] in respect of any sum owed to us provided that, notwithstanding any term of the Notice:
 - (i) we shall be entitled at any time to deduct from the Collection Account[s] any amounts to satisfy any of our or the Chargor's obligations and / or liabilities incurred under the direct debit scheme or in respect of other unpaid sums in relation to cheques and payment reversals received into the Collection Account[s]; and
 - (ii) our agreement in this acknowledgement not to exercise any right of combination of accounts, set-off or security interest over any monies standing to the credit of the Collection Account[s] in priority to the Factor, shall not apply in relation to our standard bank charges and fees; and

- (iii) we will disclose to the Factor any information relating the Collection Account[s] which the Factor may from time to time request us to provide.

We do not confirm or agree to any of the other matters set out in the Notice.

Our acknowledgement of the Notice is subject to the following conditions:

- (a) we shall not be bound to enquire whether the right of any person (including, but not limited to, the Factor) to withdraw any monies from the Collection Account[s] has arisen or be concerned with (i) the propriety or regularity of the exercise of that right or (ii) be responsible for the application of any monies received by such person (including, but not limited to, the Factor);
- (b) we shall have no liability to the Factor relating to the Collection Account[s] whatsoever, including, without limitation, for having acted on instructions of the Factor which on their face appear to be genuine, which comply with the terms of this notice and which otherwise comply with the Factor's latest list of signatories held by us or relevant electronic banking system procedures in the case of an electronic instruction; and
- (c) we shall not be deemed to be a trustee for the Chargor or the Factor of the Collection Account[s].

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by the laws of England and Wales.

.....
for and on behalf of
[Name of account bank]
By: *[Name of signatory]*
Dated:

SCHEDULE 2
NOTICE OF CHARGE OF NON-VESTING DEBT

[On Chargor's notepaper]

To: *[Name and address of other party]*

[Date]

Dear Sirs

[Name and date of agreement]

We refer to an agreement dated [●] between us and you (as amended or novated from time to time, the "**Agreement**").

We give you notice that by a security agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of FactoFrance S.A, (as Factor, as defined in the Security Agreement), we have charged all our rights in the book debts and other rights to receive payments (and enforce the payment of amounts) arising out of the Agreement.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Agreement;
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Agreement to [●] or such other bank account as Factor may from time to time notify to you in writing;
- (c) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with Factor's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Agreement to the Factor at the Factor's request.

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of Chargor]
By: *[Name of signatory]*

SCHEDULE 3
COLLECTION ACCOUNTS

IBAN	Sort Code	Bank Name and Address	Currency
		Barclays Bank PLC One Snowhill Snowhill Queensway Birmingham B4 6GN	GBP

EXECUTION of the Account Charge:

The Chargor

SIGNED as a deed by [REDACTED],) ALAN KINCH
Director, duly authorised for and on behalf)
of ZELLIS UK LIMITED in the presence)
of:)

Witness's signature:

[REDACTED]

Witness's name
(in capitals):

WILL KNAPP

Witness's address:

[REDACTED]

The Factor

SIGNED as a deed by
FACTOFRANCE S.A.

Name:

Position:

EXECUTION of the Account Charge:

The Chargor

SIGNED as a deed by _____,)
Director, duly authorised for and on behalf)
of **ZELLIS UK LIMITED** in the presence)
of:)

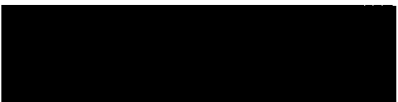
Witness's signature:

Witness's name
(in capitals):

Witness's address:

The Factor

SIGNED as a deed by
FACTOFRANCE S.A.


Name: *Olivia LENE*
Position: *Authorized Attorney*