



**Registration of a Charge**

Company Name: **CORE TECHNOLOGY SYSTEMS (U.K.) LIMITED**

Company Number: **02502866**



Received for filing in Electronic Format on the: **14/03/2024**

XCYWBJI1

**Details of Charge**

Date of creation: **13/03/2024**

Charge code: **0250 2866 0008**

Persons entitled: **TC LOANS LIMITED**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HUGH JAMES**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 2502866

Charge code: 0250 2866 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th March 2024 and created by CORE TECHNOLOGY SYSTEMS (U.K.) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th March 2024 .

Given at Companies House, Cardiff on 18th March 2024

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



**Companies House**



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

**Dated** 13th March **2024**

**THE COMPANIES SET OUT IN SCHEDULE 1 as Chargors**

**and**

**TC LOANS LIMITED as Security Agent**

**DEBENTURE**



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**THIS DEED** is made on 13th March 2024

(1) **THE COMPANIES** whose details are set out in Schedule 1 (the “**Chargors**” and each a “**Chargor**”);

in favour of

(2) **TC LOANS LIMITED**, a company incorporated in England and Wales with registration number 13031559 whose registered office is situate at Unit 2 & 3 Charter Point Way, Ashby-De-La-Zouch, Leicestershire, England, LE65 1NF, as trustee for the Secured Parties (the “**Security Agent**”).

## **BACKGROUND**

- (A) The Lender Members have agreed to provide the Borrower with loan facilities on a secured basis.
- (B) Under this Deed, each Chargor provides security to the Security Agent acting for and on behalf of the Secured Parties in respect of the Secured Liabilities.
- (C) The Security Agent and the Secured Parties have agreed that the Security Agent will hold the benefit of the Security created under this Deed on trust for itself and the Secured Parties.

**IT IS AGREED** as follows:

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Deed:

“**Account Bank**” means any bank or financial institution with whom a Chargor holds an account from time to time.

“**Administration Event**” means:

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor;
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an Administrator of any Chargor or the filing of such a notice with the court; or
- (c) the filing of a notice of appointment of an administrator with the Court.

“**Administrator**” means any person appointed under Schedule B1 to the Insolvency Act 1986 to manage any Chargor’s affairs, business and property.

“**Affiliate**” means, in respect of any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

“**Borrower**” means Core Technology Systems (U.K.) Limited a company incorporated in England and Wales with registration number 02502866 whose registered office is situated at 9th Floor 9 Appold Street, London, England, EC2A 2AP.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are ordinarily open in London to effect transactions of the kind and currency contemplated in this Deed.

**"Charged Property"** means all the property, assets and undertaking of a Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed.

**"Delegate"** means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

**"EU Regulation"** means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

**"Event of Default"** means any event or circumstance specified as an event of default (howsoever described) in any Finance Document.

**"Facility Agent"** means TC Loans Limited, a company incorporated in England and Wales with registration number 13031559 whose registered office is situate at Unit 2 & 3 Charter Point Way, Ashby-De-La-Zouch, Leicestershire, England, LE65 1NF.

**"Finance Document"** means the documents governing the terms of the Secured Liabilities.

**"Finance Party"** means the Facility Agent, the Security Agent, any Lender Member or any other person who is designated by the Facility Agent as a Finance Party from time to time.

**"Financial Collateral"** shall have the same meaning as in the Financial Collateral Regulations.

**"Financial Collateral Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226).

**"Floating Charge Property"** has the meaning given in Clause 3.3 (*Floating Charges*).

**"Group"** means the Borrower and each of its Subsidiaries and any Holding Company of the Borrower for the time being and member of the Group shall be construed accordingly.

**"Holding Company"** means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

**"Insurance Policy"** means any policy of insurance and cover note in which a Chargor may from time to time have an interest.

**"Insurance Proceeds"** means all monies from time to time payable to a Chargor under or pursuant to an Insurance Policy, including the refund of any premium.

**"Intellectual Property"** means:

- (a) all present and future patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered;
- (b) the benefit of all applications and rights to use such assets; and
- (c) all Related Rights.

**"Investments"** means:

- (a) the securities specified in Part C of Schedule 2 (*Real Property, Investments and Material Contracts*);
- (b) any stocks, shares, debentures, certificates of deposit, securities or other instruments creating or acknowledging indebtedness, including alternative finance investment

bonds, whether held directly by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf; and

- (c) all Related Rights (including all rights against any such trustee, fiduciary or clearance system).

**"Investment Derivative Rights"** means all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment.

**"Issuer"** means the issuer of any Investment.

**"Lender Members"** means a Member who has agreed to make a bilateral loan available to the Borrower.

**"Material Contracts"** means:

- (a) each agreement specified in Part D of Schedule 2 (*Real Property, Investments and Material Contracts*);
- (b) any contract entered into by a Chargor that may from time to time be designated as a Material Contract by the Security Agent; and
- (c) all Related Rights.

**"Member"** means:

- (a) a financial institution; or
- (b) a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets,

which has mandated the Facility Agent and other relevant Secured Parties to act on its behalf in relation to the any agreements between any Obligor and a Finance Party.

**"Obligor"** means any Borrower or any other person who has given a guarantee or Security in favour of a Finance Party in respect of the obligations of any Borrower to the Finance Parties.

**"Party"** means a party to this Deed.

**"Plant and Machinery"** means:

- (a) all equipment, plant, machinery, computers, vehicles, furniture, fittings and all other assets of a similar nature which are now, or at any time after the date of this Deed become, the property of a Chargor; and
- (b) all Related Rights.

**"Real Property"** means a Chargor's estates or interests in all present and future freehold (including commonhold), leasehold or other immovable property (including the property, if any, specified in Part A or Part B Schedule 2 (*Real Property, Investments and Material Contracts*)), and any buildings, fixtures or fittings from time to time situated on or forming part of such property, and all Related Rights.

**"Receivables"** means:

- (a) all present and future book and other debts and monetary claims owing to a Chargor;  
and
- (b) all Related Rights.

**"Receiver"** means a receiver or receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law.

**"Related Rights"** means, in relation to any asset,

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of, or derived from, that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

**"Secured Liabilities"** means all present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever, owed by any Chargor to any Secured Party together with all costs, charges and expenses incurred by a Secured Party in connection with such liabilities.

**"Secured Parties"** means each Finance Party from time to time, any Receiver and any Delegate.

**"Security"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Financial Collateral Arrangement"** shall have the same meaning as in the Financial Collateral Regulations.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally satisfied in full and the Finance Parties are not under any further actual or contingent obligations to make advances or provide other financial accommodation to any Obligor.

**"Subsidiary"** means a subsidiary undertaking within the meaning of section 1162 of The Companies Act 2006.

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or any interest payable in connection with any failure to pay or delay in paying any of the same).

**"Tax Deduction"** means a deduction or withholding for or on account of Tax from a payment due to a Finance Party.

**"VAT"** means value added tax or any similar tax substituted for it from time to time.

## 1.2 Construction

- (a) In this Deed:
  - (i) the "Security Agent", "Facility Agent", a "Chargor" or any other person shall be



construed so as to include its successors in title, permitted assigns and permitted transferees;

- (ii) "**assets**" includes present and future properties, revenues and rights of every description and includes uncalled capital;
  - (iii) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
  - (iv) references to Clauses and Schedules are references to the Clauses of and Schedules to this Deed;
  - (v) references to this Deed or any other agreement or instrument shall be construed as references to that agreement or instrument as amended, novated, supplemented, extended or restated;
  - (vi) references to a person shall be construed to include that person's assigns, transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;
  - (vii) references to a provision of law are references to that provision as amended or re-enacted;
  - (viii) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
  - (ix) a reference to writing or written includes email;
  - (x) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (xi) "**Secured Liabilities**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Chargor;
  - (xii) the words "**including**" shall not be construed as limiting the generality of the words preceding it; and
  - (xiii) a reference in this Deed to any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.
- (b) Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

### 1.3 Joint and several

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

#### **1.4 Third Party Rights**

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Deed.

#### **1.5 Incorporation of Terms**

The terms of the documents under which the Secured Liabilities arise and of any side letters between any of the parties thereto are incorporated in this Deed to the extent required to ensure that any disposition of Real Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.6 Present and future assets**

- (a) A reference in this Deed to any Charged Property or other asset includes, unless the contrary intention appears, present and future Charged Property and other assets.
- (b) The absence of or incomplete details of any Charged Property in any Schedule shall not affect the validity or enforceability of any Security under this Deed.

#### **1.7 Separate Security**

Clauses 3.1 (*Fixed Charges*) and 3.2 (*Security Assignment*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Deed and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Deed or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

#### **1.8 Effect as a Deed**

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

#### **1.9 Finance Document**

This Deed is a Finance Document (as defined in any document under which the Secured Liabilities arise).

### **2 COVENANT TO PAY**

#### **2.1 Secured Liabilities**

Each Chargor covenants that it will, on the Security Agent's demand, pay, satisfy and discharge the Secured Liabilities to the Security Agent when they become due in accordance with their respective terms (or if they do not specify a time for payment, immediately on demand by the Security Agent).

#### **2.2 Proviso**

The covenants contained in this Clause 2 and the security created by this Deed shall not extend to or include any liability or sum which would otherwise cause such covenant or security to be unlawful or prohibited by any applicable law.

### **2.3 Interest**

Each Chargor covenants to pay interest on any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgement) at the highest rate agreed in any agreement made between any Obligor and any Finance Party.

## **3 GRANT OF SECURITY**

### **3.1 Fixed Charges**

Each Chargor with full title guarantee charges in favour of the Security Agent as continuing security for the payment and discharge of the Secured Liabilities:

- (a) by way of legal mortgage, its interest in the Real Property and all Related Rights;
- (b) by way of fixed charge:
  - (i) all of its rights, title and interest in and to all its Real Property now or at any time after the date of this Deed belonging to such Chargor (to the extent not validly and effectively charged by way of legal mortgage under Clause 3.1(a) above), together with all Related Rights;
  - (ii) all of its rights, title and interest from time to time in and to all Plant and Machinery and other fixtures and fittings attached to any Real Property and all Related Rights;
  - (iii) all present and future bank accounts, cash at bank and credit balances of each Chargor with any bank or other person and all Related Rights in relation to the accounts charged pursuant to this Clause 3.1(b)(iii);
  - (iv) all of its rights, title and interest from time to time in and to all present and future Receivables and all Related Rights, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);
  - (v) all present and future Investments, all Investment Derivative Rights and where any Investment is held in a system for the deposit and settlement of transactions in Investments, all rights against the operator of such system or any participant in respect of such Investment;
  - (vi) all of its rights, title and interest from time to time in and to all Intellectual Property and all Related Rights;
  - (vii) all of its rights, title and interest from time to time in and to any goodwill of such Chargor;
  - (viii) the uncalled capital of such Chargor;
  - (ix) all rights, interests and claims in the Insurance Policies, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);

- (x) all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);
- (xi) the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them; and
- (xii) all rights, interests and claims in any pension fund now or in the future.

### 3.2 Security Assignment

Each Chargor with full title guarantee assigns absolutely to the Security Agent as continuing security for the payment and discharge of the Secured Liabilities all of its rights, title, interest and benefit from time to time in and to:

- (a) the Material Contracts;
- (b) the Insurance Policies and the Insurance Proceeds; and
- (c) the Receivables.

### 3.3 Floating Charges

Each Chargor charges and agrees to charge by way of first floating charge and with full title guarantee all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge pursuant to Clause 3.1 (*Fixed Charges*) or assigned pursuant to Clause 3.2 (*Security Assignment*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland,

((a) and (b) above together being the “**Floating Charge Property**”). The floating charge created pursuant to this Clause 3.3 shall be deferred in point of priority to all fixed security validly and effectively created by that Chargor under this Deed in favour of the Security Agent as security for the Secured Liabilities.

### 3.4 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

### 3.5 Financial Collateral

To the extent that the Charged Property constitutes Financial Collateral, each Chargor agrees that such Charged Property shall be held or designated so as to be under the control of the Security Agent (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Deed, the Security Agent shall have the right at any time after this Deed becomes enforceable, to appropriate all or any part of that Charged Property in or towards the payment or discharge of

the Secured Liabilities. The value of any Charged Property appropriated in accordance with this Clause shall be (a) in the case of cash, the amount standing to the credit of any account, together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Security Agent may select (acting reasonably). Each Chargor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

### **3.6 Implied covenants for title**

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3.1 (*Fixed Charges*), 3.2 (*Security Assignment*) or 3.3 (*Floating Charges*)
- (b) It shall be implied in respect of Clauses 3.1 (*Fixed Charges*), 3.2 (*Security Assignment*) or 3.3 (*Floating Charges*) that each Chargor is disposing of the Charged Property free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

## **4 NEGATIVE PLEDGE**

### **4.1 Security**

No Chargor shall create or permit to subsist any Security over its assets unless expressly permitted in writing by any Finance Party.

### **4.2 Disposals**

- (a) No Chargor shall:
  - (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
  - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
  - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
  - (iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (b) Clauses 4.1 and 4.2 do not apply to any Security or arrangement which is expressly permitted by any Finance Party.

## **5 CRYSTALLISATION OF FLOATING CHARGE**

### **5.1 Conversion of Floating Charge**

The Security Agent may at any time by notice in writing to a Chargor immediately convert the floating charge created by Clause 3.3 (*Floating Charges*) into a fixed charge as regards any property or assets specified in the notice if:

- (a) the Security under this Deed becomes enforceable; or
- (b) the Security Agent considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Security Agent considers that it is desirable in order to protect the priority of the security; or
- (d) any Chargor requests the Security Agent to exercise any of its powers under this Deed.

## 5.2 Automatic Conversion

- (a) If, without the prior written consent of the Security Agent:
  - (i) a Chargor creates or attempts to create any Security (other than Security which is expressly permitted in writing by a Finance Party), over any of the Charged Property;
  - (ii) a Chargor disposes of any of the Floating Charge Property other than in the ordinary course of trading on an arm's length basis; or
  - (iii) any steps are taken for any of the Charged Property to become subject to any Security in favour of any other person; or
  - (iv) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
  - (v) an Administration Event occurs;
  - (vi) a Receiver is appointed over all or any of the Charged Property;
  - (vii) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor;
  - (viii) a petition is presented for the compulsory winding-up of any Chargor;
  - (ix) a provisional liquidator is appointed to a Chargor; or
  - (x) a resolution is passed or an order is made for the dissolution or re-organisation of any Chargor or any analogous procedure or step is taken in any jurisdiction,

the floating charge created under Clause 3.3 (*Floating Charges*) by any Chargor will automatically be converted (without notice) with immediate effect into a fixed charge in respect of the relevant Floating Charge Property.

- (b) At any time after the floating charge constituted under this Deed shall have crystallised as a fixed charge over all or part of the Charged Property pursuant to this Clause 5 but before the appointment of any Receiver pursuant hereto, the said fixed charge shall upon the written consent of the Security Agent cease to attach to the assets then subject to

the fixed charge and shall again subsist as a floating charge.

### **5.3 Assets acquired after any floating charge has crystallised**

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

## **6 PERFECTION OF SECURITY**

### **6.1 Deposit of Title Documents**

(a) Unless otherwise agreed with the Security Agent, immediately following the execution of this Deed (or, if later, the date of acquisition of the relevant Charged Property), each Chargor shall deposit with the Security Agent:

- (i) all deeds and documents of title relating to the Charged Property;
- (ii) all Insurance Policies to which such Chargor is entitled to possession; and
- (iii) all certificates relating to the Investments together with stock transfer forms executed in blank and other documents as the Security Agent may from time to time require for perfecting its title to the Investments or for vesting or enabling it to vest the Investments in itself or its nominees or in any purchaser and declarations of trust in favour of such Chargor executed by all persons (other than that Chargor) in whose name the Investments are registered.

and at any time thereafter deposit with the Security Agent any further such deeds, certificates and other documents, promptly upon coming into possession of any of those items.

(b) A breach of clause 6.1(a) will not arise if there are no documents of title in respect of any part of the Charged Property.

### **6.2 Notices of Assignment**

Each Chargor shall, promptly following a request by the Security Agent:

- (a) give notice, in the form set out in Part A of Schedule 3, to each Account Bank of the charging of such Chargor's rights and interest in its bank accounts and shall procure that each Account Bank will promptly provide an acknowledgement to the Security Agent of such notice;
- (b) give notice, in the form set out in Part B of Schedule 3, to each person with whom such Chargor has entered into a Material Contract of the assignment of such Chargor's rights and interest in and under such Material Contract and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent of such notice; and
- (c) give notice, in the form set out in Part C of Schedule 3, to each insurer with whom such Chargor has an Insurance Policy of the assignment of such Chargor's rights and interest in and under such Insurance Policy and shall procure that each addressee of such notice

will promptly provide an acknowledgement to the Security Agent of such notice.

### **6.3 Registration of Intellectual Property**

Each Chargor shall, if requested by the Security Agent, execute all such documents and do all acts that the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Intellectual Property.

### **6.4 Land Registry disposal restriction**

- (a) In respect of any Real Property or part of or interest in any Real Property title to which is registered at the Land Registry (or any unregistered land subject to first registration), each Chargor shall apply or consent to an application being made to the Chief Land Registrar to enter the following restriction on the Register of Title for such Real Property:

*"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2024 in favour of TC Loans Limited (as Security Agent) referred to in the charges register or their conveyancer."*

- (b) The Security Agent shall not be liable to any party for the failure by a Chargor to perfect any Security.

### **6.5 Tacking**

The obligation on the part of the Finance Parties to make further advances to any Chargor is deemed to be incorporated in this Deed and each Chargor shall apply to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future registered Real Property.

## **7 FURTHER ASSURANCE**

### **7.1 Extension of covenant**

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in 7.2 below.

### **7.2 Further assurance**

- (a) Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- (i) to create, perfect, protect and/or maintain the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Secured Parties provided by or pursuant to this Deed or by law;
  - (ii) to confer on the Security Agent, Security over any property and assets of such



Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and, pending the conferring of such Security, hold such assets upon trust (or in any manner required by the Security Agent) for the Secured Parties; and/or

- (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created, or intended to be created, by this Deed.
- (b) Each Chargor shall promptly take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.

## **8 REPRESENTATIONS**

### **8.1 General**

Each Chargor makes the representations and warranties set out in this clause 8 to the Security Agent on the date of this Deed and on each day during the Security Period. Any representation not made on the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

### **8.2 Due incorporation**

- (a) It is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation; and
- (b) It has the power to own its assets and carry on its business as it is being conducted.

### **8.3 Powers**

It has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this Deed and the transactions contemplated by it. No limit on its powers will be exceeded as a result of the grant of Security contemplated by this Deed.

### **8.4 Ownership of Secured Assets**

It is the sole legal and beneficial owner of, and has good, valid and marketable title to, its Charged Property.

### **8.5 Non-contravention**

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

- (a) its constitutional documents;
- (b) any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
- (c) any law or regulation or judicial or official order applicable to it.

### **8.6 Authorisations**

It has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this Deed and to make it admissible in evidence in its jurisdiction of incorporation. Any such authorisations are in full force and effect.

#### **8.7 Binding obligations**

- (a) Its obligations under this Deed are legal, valid, binding and enforceable; and
- (b) This Deed creates:
  - (i) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
  - (ii) subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets referred to in this Deed,

in favour of the Security Agent having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.

#### **8.8 Information**

The information, in written or electronic format, supplied by, or on behalf of, it to the Security Agent in connection with this Deed was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of its knowledge and belief:

- (a) if it was factual information, complete, true and accurate in all material respects;
- (b) if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration;
- (c) if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
- (d) not misleading in any material respect nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, it to the Security Agent.

#### **8.9 Investments**

- (a) The Investments are fully paid and are not subject to any option to purchase or similar rights.
- (b) No constitutional document of an Issuer, nor any other agreement:
  - (i) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
  - (ii) contains any rights of pre-emption in relation to the Investments.
- (c) Each Chargor has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

- (d) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

#### **8.10 Centre of Main Interests**

For the purposes of the EU Regulation, its centre of main interests (as that expression is used in Article 3(1) of the EU Regulation, is situated in England and Wales and it has no other “establishment” (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction.

### **9 UNDERTAKINGS**

Each Chargor undertakes to the Security Agent in accordance with this clause 9. The undertakings in this clause 9 shall remain in force during the Security Period.

#### **9.1 Lease covenants**

Each Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

- (a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or (if the lessee) on the lessee; and
- (b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

#### **9.2 Real Property**

Each Chargor shall:

- (a) notify the Security Agent within 14 days of receipt of every material notice, order or proposal given, or made in relation to, the Real Property by any competent authority and (if required by the Security Agent) immediately provide it with a copy of the same and either:
  - (i) comply with such notice, order or proposal; or
  - (ii) make such objections to the same as the Security Agent may require or approve;
- (b) duly and punctually pay all rates, rents and other outgoings owed by it in respect of the Real Property;
- (c) comply with all material covenants and obligations affecting any of the Real Property or the manner of use of any of it;
- (d) not, except with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any of the Real Property;
- (e) not do, cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Real Property;

- (f) maintain all buildings and erections forming part of the Real Property in a good state of repair and condition;
- (g) not carry out any development within the meaning of section 55 of the Town and Country Planning Act 1990 without first obtaining such permissions as may be required under applicable legislation and, in the case of development involving a substantial change in the structure of or a substantial change in use of, any part of the Real Property, without first obtaining the written consent of the Security Agent;
- (h) notify the Security Agent promptly upon the entry into any contract, conveyance, transfer or other disposition for the acquisition by that Chargor (or its nominee(s)) of any Real Property;
- (i) not, except with the prior written consent of the Security Agent confer on any person:
  - (i) any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
  - (ii) any right or licence to occupy any land or buildings forming part of the Real Property; or
  - (iii) any licence to assign or sub-let any part of the Real Property;
- (j) not do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined;
- (k) provide the Security Agent with all information which it may reasonably request in relation to the Real Property;
- (l) authorise the Security Agent to make any application which the Security Agent deems appropriate for the designation of this Deed and/or any other document entered into between a Chargor and a Finance Party and/or any other document as exempt information documents under rule 136 of the Land Registration Rules 2003 and use its best endeavours to assist with any such application made by or on behalf of the Security Agent;
- (m) notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed or any other document, following its designation as an exempt information document and not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of such document as an exempt information document;
- (n) notify the Security Agent immediately upon the acquisition of any Real Property;
- (o) permit the Security Agent and any person nominated by any of them at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it;
- (p) grant the Security Agent on request all reasonable facilities within the power of such Chargor to allow the Security Agent (or its lawyers) to carry out (at that Chargor's expense) investigations of title to the Real Property and to make all enquiries in relation

to any part of the Real Property which a prudent mortgagee might carry out;

- (q) immediately upon demand by the Security Agent, provide the Security Agent with a report as to title of such Chargor to the Real Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature;
- (r) in respect of any Real Property which is acquired after the date of this Deed, title to which is registered at the Land Registry or which is required to be so registered:
  - (i) give written notice of this Deed to the Land Registry and procure that notice of this Deed is clearly noted in the Register of Title for such Real Property; and
  - (ii) procure that no person is registered as proprietor of any such property under the Land Registration Acts 1925 to 2002 without the prior written consent of the Security Agent.

### **9.3 Entitlement to remedy**

- (a) If any Chargor fails to comply with any of the undertakings contained in Clauses 9.1 (*Lease covenants*) or 9.2 (*Real Property*), the Security Agent shall be entitled (with such agents, contractors and others as it sees fit), to do such things as the Security Agent (acting reasonably) may be required to remedy such failure and all monies spent by the Security Agent in doing so shall be reimbursed by the relevant Chargor within 5 Business Days of demand.
- (b) The exercise by the Security Agent of its powers under this Clause 9.3 shall not render the Security Agent liable to account as mortgagee in possession.

### **9.4 Plant and Machinery**

Each Chargor shall:

- (a) maintain at its own expense all Plant and Machinery, fixtures, fittings and other effects for the time being owned by it in good working order and condition;
- (b) immediately on request by the Security Agent, affix to any item of Plant and Machinery a durable notice of this Deed in such form as the Security Agent may require;
- (c) not make any material alterations or additions to any Plant and Machinery which are reasonably likely to depreciate, jeopardise or prejudice their value or marketability; and
- (d) not remove any Plant and Machinery from the Real Property except for the purpose of maintenance pursuant to the terms of this Deed.

### **9.5 Insurance**

Each Chargor shall:

- (a) If requested by the Security Agent, cause each Insurance Policy held in the name of that Chargor to contain (in form and substance satisfactory to the Security Agent) an endorsement naming the Security Agent as the sole loss payee in respect of all claims arising under such policy or policies until such time as the Security Agent notifies the

insurer(s) to the contrary subject to the de minimis provisions of clause 9.5(b) below;

- (b) ensure that all monies payable under any Insurance Policy maintained by any Chargor at any time (whether or not the security constituted by this Deed has become enforceable) shall unless otherwise expressly agreed between any Chargor and a Finance Party:
  - (i) other than in respect of employer's or public liability insurance, be paid to the Security Agent where the aggregate amount is £25,000 or above, to be applied at the option of the Security Agent;
  - (ii) if paid to a Chargor and the aggregate amount is £25,000 or above, be held on trust for the Security Agent and such Chargor shall account to the Security Agent accordingly; and
  - (iii) other than in respect of employer's or public liability insurance, where the aggregate amount is less than £25,000, be applied towards making good the loss or damage in respect of which the money was received or, if the loss or damage has already been made good, in refinancing money expended in that connection.
- (c) ensure that all policies in relation to the Charged Property are on such terms and contain such clauses as the Security Agent may reasonably require and in particular will require the relevant insurer to inform the Security Agent of:
  - (i) any cancellation, alteration, termination or expiry of any such insurance at least 30 days before it is due to take effect;
  - (ii) any default in payment of any premium or failure to renew at least 30 days before the renewal date; or
  - (iii) any act, omission or event of which the insurer has knowledge which may make any insurance void, voidable or unenforceable (in whole or in part);
- (d) promptly pay all premiums relating to all policies of insurance;
- (e) supply to the Security Agent on request copies of each policy of insurance required to be maintained in accordance with this Deed together with current premium receipts relating to it;
- (f) not do or permit to be done or omit to do anything which may render any insurance void, voidable or unenforceable (in whole or in part) nor vary, amend or terminate any policy of insurance;
- (g) if it defaults at any time in effecting or maintaining such insurances or in producing any policy or receipt to the Security Agent on demand, authorise the Security Agent to take out or renew such policies of insurance in any sum which the Security Agent may reasonably think expedient. All moneys which are expended by the Security Agent in so doing shall be deemed to be properly paid by the Security Agent and shall be reimbursed by such Chargor on demand;
- (h) notify the Security Agent if any claim arises or may be made under the insurances;
- (i) give the Security Agent the sole right to conduct or settle any insurance claim; and

- (j) authorise the Security Agent to give any discharge for insurance and to direct the application of all moneys received or receivable under any insurances either in making good the loss or damage in respect of which the same have been received or in or towards the discharge of the Secured Liabilities.

## **9.6 Intellectual Property**

Each Chargor shall:

- (a) observe and comply with all material obligations and laws to which it is subject in its capacity as registered proprietor, beneficial owner, user, licensor or licensee of its Intellectual Property or any part of it;
- (b) duly register in such register(s), or with such authorities as may be available for the purpose and in such name(s) as may be required by the law and practice of the place or registration, such of its material Intellectual Property (and all assignments, licences and mortgages of it) as may be capable of registration in such places;
- (c) not change the specification referred to in any of its registrations of material Intellectual Property or permit any disclaimer, condition, restriction, memorandum or other thing to be entered on the registration of any of the trade marks comprised within such material Intellectual Property, the effect of which will be to materially and adversely affect the value of such trade marks;
- (d) not grant any licence to any person to use its material Intellectual Property in any manner which will materially and adversely affect the value of such material Intellectual Property; and
- (e) maintain a comprehensive, detailed and up-to-date centralised record of all its material Intellectual Property (including details of agents engaged in relation to registrations of it) and, when reasonably requested by the Security Agent, immediately provide to the Security Agent a copy of such record and/or a summary of all its Intellectual Property created or acquired since the date of this Deed or the date of last notification.

## **9.7 Receivables**

Each Chargor shall:

- (a) deal with the Receivables in accordance with any directions given in writing from time to time by the Security Agent and, in the absence of such directions, hold the Receivables on trust for the benefit of the Security Agent;
- (b) after the security constituted by this Deed becomes enforceable, comply with any notice served by the Security Agent on such Chargor prohibiting such Chargor from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, except with the prior written consent of the Security Agent;
- (c) if called upon so to do by the Security Agent, execute a legal assignment of the Receivables to the Security Agent in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Receivables are due, owing or incurred; and

- (d) deliver to the Security Agent such information as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require.

## **9.8 Investments**

Each Chargor shall:

- (a) promptly pay all calls or other payments which may become due in respect of the Investments;
- (b) promptly send to the Security Agent copies of all notices, circulars, reports, accounts and other documents which are sent to the holders of any Investments;
- (c) at the request of the Security Agent, procure all consents, waivers and approvals which are necessary, under the articles of association of any Issuer or otherwise, for the transfer of the Investments to the Security Agent or its nominee or to a purchaser upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of each Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer;
- (d) if so requested by the Security Agent:
  - (i) instruct any clearance system to transfer any Investment held by it for such Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system; and
  - (ii) take whatever action the Security Agent may request for the dematerialisation or re-materialisation of any Investment held in a clearance system;
- (e) without prejudice to the above, permit the Security Agent, at the expense of such Chargor, to take whatever action it deems necessary for the dematerialisation or re-materialisation of any Investment;
- (f) until the Security constituted by this Deed becomes enforceable, be entitled to:
  - (i) receive and retain all dividends, distributions and other moneys paid on or derived from the Investments; and
  - (ii) exercise all voting and other rights and powers attaching to the Investments provided that it must not do so in a manner which is prejudicial to the interests Security Agent under this Deed;
- (g) after the Security constituted by this Deed becomes enforceable:
  - (i) hold all dividends, distributions and other moneys paid on or derived from the Investments on trust for the Security Agent; and
  - (ii) comply and procure that its nominees comply with any directions from the Security Agent concerning the exercise of all voting and other rights and powers attaching to the Investments;
- (h) at any time after the Security constituted by this Deed becomes enforceable, permit the Security Agent to complete the instrument(s) of transfer for the Investments on behalf of



such Chargor in favour of itself or such other person as it may select.

## **9.9 Material Contracts**

Each Chargor shall:

- (a) not, without the prior written consent of the Security Agent, amend or waive any term of any Material Contract, terminate any Material Contract or release any other party from its obligations under any Material Contract;
- (b) duly perform its obligations under each Material Contract, notify the Security Agent of any material default by it or any other party under any Material Contract and not take any action which would reduce or impede recoveries in respect of any Material Contract; and
- (c) provide to the Security Agent, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Material Contract.

## **9.10 Centre of Main Interests**

No Chargor shall, without the prior written consent of the Security Agent, change its centre of main interest (as that expression is used in Article 3(1) of the EU Regulation) to somewhere other than England and Wales, nor will it have any establishment (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction.

## **9.11 Goodwill**

Each Chargor shall:

- (a) not, except with the prior written consent of the Security Agent, grant any franchise, licence or other authority to any person to use its Chargor name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of such Chargor;
- (b) where the prior written consent of the Security Agent had been given under Clause 9.11(a), comply with Clause 9.7 (*Receivables*) in relation to any income or monies receivable in respect of such franchise, licence or authority as if such income or monies were Receivables.

## **9.12 Uncalled capital**

Each Chargor shall:

- (a) not call up, or receive in advance of its due date, any uncalled capital; and
- (b) promptly apply any paid capital towards the repayment, in full or in part, of the Secured Liabilities.

# **10 ENFORCEMENT OF SECURITY**

## **10.1 Enforcement**

The Security constituted by this Deed shall become immediately enforceable:

- (a) on the occurrence of an Event of Default;
- (b) at any time after the Security Agent has demanded payment of the Secured Liabilities;
- (c) at any time any step is taken (including the making of an application or the giving of any notice) by a Chargor or any other person to wind up or dissolve that Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of that Chargor or any part of its undertaking or assets;
- (d) at any time upon the occurrence of an Administration Event;
- (e) if a Chargor breaches any of the provisions of this Deed;
- (f) following a request from a Chargor to the Security Agent that it exercises any of its powers under this Deed; or
- (g) any other event occurs which has been agreed by any Chargor and the Security Agent as an event which makes this Deed enforceable.

## **10.2 Powers on enforcement**

At any time after the security created under this Deed becomes enforceable, the Security Agent may, without notice to any Chargor or prior authorisation from any court and whether or not it has appointed a Receiver, in its absolute discretion:

- (a) secure and perfect its title to all or any part of the Charged Property;
- (b) enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property (and any assets of the relevant Chargor which, when got in, would be part of the Charged Property) at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration);
- (c) exercise all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (d) exercise all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and
- (e) exercise all or any of the powers conferred by this Deed.

## **10.3 No Liability as Mortgagee in Possession**

Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property for which a mortgagee in possession might otherwise be liable.

# **11 POWERS OF THE SECURITY AGENT**

## **11.1 Extension of Powers**

The power of sale conferred on the Security Agent and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.

#### **11.2 Restrictions**

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

#### **11.3 Power of Leasing**

At any time after the security created by this Deed becomes enforceable, the Security Agent may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925. For the purposes of sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither section 99(18) nor section 100(12) of the Law of Property Act 1925 will apply.

#### **11.4 Discretion**

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Agent or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

#### **11.5 Delegation**

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent or the Receiver itself or any subsequent delegation or revocation thereof.

#### **11.6 Investigations**

If any Event of Default in any agreement between a Finance Party and a Chargor occurs then, the Security Agent may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of a Chargor which it considers necessary to ascertain the financial position of such Chargor. All fees and expenses incurred by the Security Agent in connection with such investigations shall be payable by such Chargor and such Chargor consents to the provision by the Security Agent of all information in relation to such Chargor which the Security Agent provides to any person in relation to the preparation of any such report.

#### **11.7 Power to Remedy**

If at any time a Chargor does not comply with any of its obligations under this Deed, the Security Agent may (but shall not be obliged to) rectify such default and such Chargor irrevocably authorises the Security Agent, its employees and agents, at such Chargor's expense, to do all such things as are necessary or desirable to rectify such default.

#### **11.8 Statutory powers**

The powers conferred by this Deed on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Deed) and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Property. In the case of any conflict between the statutory powers contained in any such acts and those conferred by this Deed, the terms of this Deed shall prevail.

## **12 APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **12.1 Appointment and Removal**

- (a) At any time after the security created under this Deed becomes enforceable, or if requested to do so by a Chargor, the Security Agent may (by deed or otherwise and acting through its authorised officer) without prior notice to any Chargor:
  - (i) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
  - (ii) appoint two or more Receivers of separate parts of the Charged Property;
  - (iii) remove (so far as it is lawfully able) any Receiver(s) so appointed;
  - (iv) appoint another person(s) as an additional or replacement Receiver(s); and
  - (v) appoint one or more persons to be an Administrator of that Chargor.
- (b) The Security Agent may apply to the Court for an order removing an Administrator from office and may by notice in writing in accordance with this clause appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.
- (c) Nothing in clause 12.1(a) shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- (d) Section 109(1) of the Law of Property Act 1925 shall not apply to this Deed.
- (e) Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:
  - (i) an event under this Deed which causes any floating charge created by this Deed to crystallise;
  - (ii) an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by a Chargor; or
  - (iii) a ground under this Deed for the appointment of a Receiver.

### **12.2 Capacity of Receivers**

Each Receiver shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as a Receiver;
- (b) an agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

### **13 POWERS OF RECEIVER**

#### **13.1 General Powers**

Every Receiver shall have (and be entitled to exercise) all the powers (as the same may be varied or extended by the provisions of this Deed):

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986;
- (c) all of the powers conferred on the Security Agent under this Deed;
- (d) all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which a Chargor itself could do or omit to do;
- (e) the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, a Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of a Chargor (whether under hand, or by way of deed or by utilisation of the company seal of a Chargor)); and
- (f) conferred from time to time on receivers by statute.

#### **13.2 Additional Powers**

In addition to the powers referred to in Clause 13.1 (*General Powers*) a Receiver shall have the power, at the cost of the Chargors and either in their own name or in the name of any Chargor or (with the written approval of the Security Agent) in the name of the Security Agent:

- (a) to take possession of, collect and get in all or any part of the Charged Property in respect of which the Receiver was appointed;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of such Chargor;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges

created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;

- (d) without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925, to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit and the consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments; all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Liabilities;
- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the relevant Chargor;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Chargors (all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Liabilities);
- (i) to promote the formation of subsidiaries of any Chargor for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of such Chargor and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Security Agent or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or
- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

## **14 APPLICATION OF MONEYS**

### **14.1 Application**

All monies received or recovered by the Security Agent, a Receiver or a Delegate pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Security Agent's right to recover any shortfall from a Chargor):

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Agent (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Security Agent determines; and
- (c) in payment of the surplus (if any) to the relevant Chargor or other person entitled to it.]

## **14.2 Appropriation**

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

## **14.3 Suspense Account**

Any monies received by the Security Agent, a Receiver or a Delegate under this Deed:

- (a) may, at the discretion of the Security Agent, Receiver or Delegate, be credited to a suspense account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Security Agent and the Chargors; and
- (c) may be held in that account for so long (until the Secured Liabilities have been irrevocably and unconditionally discharged and no further Secured Liabilities may arise) as the Security Agent, Receiver or Delegate thinks fit and the Security Agent may at any time and from time to time apply all or any monies held in any suspense account in or towards satisfaction of any of the monies, obligations and liabilities that are the subject of this Deed as the Security Agent, in its absolute discretion, may conclusively determine.

## **15 PROTECTION OF PURCHASERS**

### **15.1 Receipts**

The receipt of the Security Agent or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

### **15.2 Protection of Purchasers**

No purchaser or other person dealing with the Security Agent or its delegate or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the

contrary, or be concerned to see whether any such delegation by the Security Agent shall have lapsed for any reason or have been revoked.

## **16 POWER OF ATTORNEY**

### **16.1 Appointment**

Each Chargor, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably and severally appoints the Security Agent, each person to whom the Security Agent shall from time to time have delegated the exercise of the power of attorney conferred by this Clause and any Receiver jointly and severally to be its attorney (with full power of substitution and delegation) and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on that Chargor by this Deed that such Chargor has failed to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Security Agent and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

### **16.2 Ratification**

Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 16.1.

## **17 CONTINUING SECURITY**

### **17.1 Continuing Security**

The security created by or pursuant to this Deed will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Security Agent may hold at any time for the Secured Liabilities and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

### **17.2 Settlements conditional**

Any release, discharge or settlement between a Chargor and the Security Agent shall be conditional upon no security, disposition or payment to the Security Agent by such Chargor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Security Agent shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

## **18 PRIOR SECURITY INTERESTS**

### **18.1 Redemption or transfer**

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Property or in case of



exercise by the Security Agent or any Receiver of any power of sale or right of appropriation or application under this Deed, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.

## **18.2 Accounts**

The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.

## **18.3 Costs of redemption or transfer**

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand.

## **19 NEW ACCOUNTS**

If the Security Agent at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property it may open a new account or accounts with a Chargor. If the Security Agent does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed to have received such notice and as from such time all payments made to the Security Agent shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Liabilities.

## **20 RELEASE OF SECURITY**

### **20.1 Release of Security**

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of each Chargor, release and cancel the Security created by this Deed and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Agent pursuant to this Deed, in each case subject to Clause 20.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

### **20.2 Clawback**

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Deed and the Security created by it will continue and such amount will not be considered to have been irrevocably paid or credited.

## **21 SET-OFF**

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10 (*Enforcement of Security*), to set off against the Secured Liabilities any amount or other obligation owing (contingent or otherwise) by the Security Agent to any Chargor and apply any credit balance to which that Chargor is entitled on any account with the Security Agent in accordance with Clause 14 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

## 22 COSTS AND INDEMNITY

### 22.1 Costs

Each Chargor shall, within three Business Days of demand, pay to, or reimburse, any Finance Party and any Receiver, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses):

- (a) reasonably incurred by any Finance Party in connection with the preparation of this Deed (subject to any agreed fee cap in relation to legal fees) or the Secured Assets; or
- (b) incurred by any Finance Party:
  - (i) in connection with the Charged Property or this Deed (other than the preparation of this Deed), including any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this Deed, any discharge or release of this Deed and any stamping or registration of this Deed;
  - (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of a Finance Party's, a Receiver's or a Delegate's rights under this Deed; or
  - (iii) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of any Chargor) at the at the highest rate agreed in any agreement made between any Obligor and the Finance Parties.

### 22.2 Indemnity

- (a) Each Chargor shall indemnify the Finance Parties, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
  - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
  - (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
  - (iii) any default or delay by a Chargor in performing any of its obligations under this Deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 22.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

## **23 TAX GROSS UP AND INDEMNITIES**

### **23.1 Gross up**

- (a) Each Chargor shall make all payments to be made by it under this Deed without any Tax Deduction, unless a tax deduction is required by law.
- (b) The relevant Chargor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Security Agent accordingly.
- (c) If a Tax Deduction is required by law to be made by a Chargor the amount of the payment due from that Chargor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

### **23.2 Payments**

- (a) If a Chargor is required by law to make a Tax Deduction it shall make any payment required in connection with that Tax Deduction to the relevant taxing authority and supply to the Security Agent within 20 Business Days of making the Tax Deduction evidence reasonably satisfactory to the Security Agent that such payment has been made to the relevant taxing authority.
- (b) All amounts payable under this Deed by any Chargor shall be deemed to be exclusive of any VAT. If VAT is chargeable, the relevant Chargor shall pay to the Security Agent (in addition to and at the same time as paying such amount) an amount equal to the amount of the VAT.

## **24 THE SECURITY AGENT**

### **24.1 General**

- (a) The Security Agent will act as agent or trustee to the Finance Parties in respect of any agreement between a Chargor and a Finance Party.
- (b) The Finance Parties shall not have any independent power to enforce, or have recourse to, any of the Security or to exercise any right, power, authority or discretion arising under this Deed except through the Security Agent.
- (c) The Security Agent is appointed and authorised by the Finance Parties to act as their trustee and agent in connection with any assets charged or otherwise secured by or under this Deed.
- (d) The Security Agent will have the following authority, powers and discretions:
  - (i) to exercise the rights, powers, authorities and discretions given to the Security Agent under or in connection with of any agreement between a Chargor and a Finance Party, together with any other incidental rights, powers, authorities and discretions, including to act on the instructions of the Finance Parties; and
  - (ii) all those powers and discretions conferred upon trustees at law.

## 24.2 Duties

- (a) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Deed (and no others shall be implied).
- (b) Nothing in this Deed constitutes the Security Agent as an agent, trustee or fiduciary of the Borrower or any Chargor.
- (c) The Security Agent shall not be bound to account to any other Finance Party for any sum or the profit element of any sum received by it for its own account.

## 24.3 Business with the Borrower

The Security Agent may lend money to and generally engage in any kind of business with the Borrower, an Affiliate of the Borrower, a Chargor or any person otherwise connected with the Borrower.

## 24.4 Rights and discretions

- (a) The Security Agent may:
  - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
  - (ii) rely on a certificate from any person:
    - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
    - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing; and
    - (C) as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (c) The Security Agent may act in relation to this deed through its officers, employees and agents and shall not:
  - (i) be liable for any error of judgment made by any such person; or
  - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person,

unless such error or such loss was directly caused by the negligence, wilful misconduct or fraud of the Security Agent (as applicable).
- (d) Unless an agreement between a Chargor and a Finance Party expressly provides otherwise the Security Agent may disclose to any other Party any information it reasonably believes it has received as Security Agent under such documents.

- (e) Notwithstanding any other provision of any agreement between a Chargor and a Finance Party to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

## **25 MISCELLANEOUS**

### **25.1 Assignment and disclosure of information**

The Security Agent may assign and transfer all or any of its rights and obligations under this Deed. The Security Agent shall be entitled to disclose such information concerning the Chargors and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

### **25.2 Perpetuity Period**

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty-five years from the date of this Deed.

### **25.3 No Liability**

None of the Security Agent, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

### **25.4 Amendments**

- (a) Any term of this Deed may be amended or waived only with the written consent of all parties to this Deed.
- (b) The Security Agent may effect, on behalf of any and all Finance Parties, any amendment or waiver permitted by this Clause 25.4.

### **25.5 Remedies and Waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

### **25.6 Payments and currency**

- (a) All payments to be made by a Chargor under this Deed shall be made in full without set-off or counterclaim and free and clear of and without any deduction or withholding for or on account of any present or future taxes. If any deduction or withholding is required by any applicable law to be made in respect of any payment due under this Deed, the sum payable shall be increased by that Chargor to the extent necessary to ensure that, after making the deduction or withholding, the Finance Parties receive and retain a net

sum equal to the sum which it would have received had no such deduction or withholding been made.

- (b) The Security Agent may, in order to cover the obligations of an Obligor in another currency in its sole discretion, convert any sums received, recovered or realised in any currency under this Deed from their existing currency of denomination into any other currency at the Security Agent's spot rate of exchange at such time as the Security Agent thinks fit.

## **25.7 Severability**

Each provision of this Deed shall be severable and distinct from one another. If at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

## **25.8 Calculations and certificates**

- (a) Any certificate, determination or notification by an officer of any Finance Party stating the amount owing by any Chargor in connection with this Deed shall, in the absence of manifest error, be binding and conclusive on and against each Chargor for all purposes.
- (b) Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

## **26 NOTICES**

### **26.1 Delivery**

Each notice or other communication required to be given to a Party under or in connection with this Deed shall be in writing and delivered:

- (a) by hand; or
- (b) by pre-paid first-class post or other next working day delivery service; or
- (c) (in the case of any notice or other communication to be given by a Finance Party to any Chargor) by email.

### **26.2 Address**

Each notice or other communication shall be sent to:

- (a) in the case of a Chargor, at the correspondence or registered office address or email address stated in Schedule 1; or
- (b) the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England, LE65 1NF,

or to any other address or email address or department or officer as is notified in writing by one Party to the other Parties by not less than 5 Business Days' notice.

### **26.3 Receipt**

- (a) Any notice or other communication given under or in connection with this Deed shall be deemed to be received:
  - (i) if delivered by hand, at the time it is left at the relevant address;
  - (ii) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; or
  - (iii) if sent by email address, at the time of transmission.
- (b) A notice or other communication given as described in clause 26.3(a)(i) or 26.3(a)(iii) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

#### **26.4 Receipt by the Security Agent**

Any notice or other communication given to the Security Agent shall be deemed to have been received only on actual receipt.

#### **26.5 Service of proceedings**

This clause 26 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

#### **26.6 No notice by fax**

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

### **27 COUNTERPARTS**

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

### **28 GOVERNING LAW**

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

### **29 JURISDICTION**

#### **29.1 English Courts**

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

#### **29.2 Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

#### **29.3 Exclusive Jurisdiction**

This Clause 29 is for the benefit of the Security Agent only. As a result and notwithstanding Clause 29.1 (*English Courts*), it does not prevent the Security Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Agent may take concurrent proceedings in any number of jurisdictions.

**THIS DEED** has been signed on behalf of the Security Agent and **EXECUTED AS A DEED** by the Chargors and is delivered by them on the date first specified above.



**SCHEDULE 1  
THE CHARGORS**

|                                   |  |
|-----------------------------------|--|
| <b>Name:</b>                      | Core Technology Systems (U.K.) Limited               |
| <b>Place of registration:</b>     | England and Wales                                    |
| <b>Company number:</b>            | 02502866   |
| <b>Registered office address:</b> | 9th Floor 9 Appold Street, London, England, EC2A 2AP |
| <b>Email address:</b>             | david.mcgloin@core.co.uk                             |

|                                   |   |
|-----------------------------------|---|
| <b>Name:</b>                      | Velocity IT Ltd   |
| <b>Place of registration:</b>     | England and Wales   |
| <b>Company number:</b>            | 07126010  |
| <b>Registered office address:</b> | 100 Avebury Boulevard, Milton Keynes, Buckinghamshire, England, MK9 1FH |
| <b>Email address:</b>             | david.mcgloin@core.co.uk  |

**SCHEDULE 2**  
**REAL PROPERTY, INVESTMENTS AND MATERIAL CONTRACTS**

Part A  
Registered Land

| Chargor | Address | Title Number |
|---------|---------|--------------|
|         |         |              |

Part B  
Unregistered Land

|         |         | Document describing the Real Property |          |         |
|---------|---------|---------------------------------------|----------|---------|
| Chargor | Address | Date                                  | Document | Parties |
|         |         |                                       |          |         |

Part C  
Investments

| Chargor                                | Name of company in which shares are held | Class of shares held            | Number of shares held | Issued Share Capital |
|--|--|---------------------------------|-----------------------|----------------------|
| Core Technology Systems (U.K.) Limited | Company Net Limited                      | Ordinary Shares of £0.10 each   | 31,874                | £3,187.40            |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | Ordinary Shares of £1.00 each   | 10                    | £12.00               |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | A Ordinary Shares of £1.00 each | 1                     | £12.00               |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | B Ordinary Shares of £1.00 each | 1                     | £12.00               |

Part D  
Material Contracts

| Description | Parties | Date |
|-------------|---------|------|
|-------------|---------|------|

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

**SCHEDULE 3  
NOTICES OF ASSIGNMENT**

Part A - Form of Notice of Assignment Account Bank

To: [Account Bank]

Date: [ ]

Dear Sirs

We give notice that by a debenture dated [ ], we have assigned and charged to TC Loans Limited (the "**Security Agent**") all our right, title and interest in and to all sums which are now or may from time to time in the future stand to the credit of:

Account Number [ ]  
Account Holder [ ]

together with all interest accrued or accruing thereto and the debts represented by those sums (the "**Account**").

We hereby irrevocably instruct and authorise you:

- 1 to credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 to disclose to the Security Agent such information relating to the Account and the sums in the Account as the Security Agent may, at any time and from time to time, request;
- 3 to hold all sums from time to time standing to the credit of the Account to the order of the Security Agent;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of the Account in accordance with the written instructions of the Security Agent at any time and from time to time; and
- 5 to comply with the terms of any written notice or instructions in any way relating to the Account or the sums standing to the credit of the Account from time to time which you may receive at any time from the Security Agent.

Please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Security Agent.

These instructions cannot be revoked or varied without the prior written consent of the Security Agent.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF.

Yours faithfully

.....

Authorised Signatory  
for and on behalf of  
[Chargor]

[On Copy Only:]

Form of Account Bank Acknowledgement

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF  
Date: [ ]

Dear Sirs

We acknowledge receipt of a notice (the “**Notice**”) in the terms set out above and confirm that:

- 1 we have not previously received notice of any previous assignments of, charges over or trusts in respect of the Account;
- 2 we have noted the restrictions imposed upon [*insert Chargor name*] and the authority of the Security Agent in respect of the Account and will not act in such a way as to breach those restrictions or to ignore the authority of the Security Agent;
- 3 we will act in accordance with the terms of the Notice; and
- 4 we waive all rights of set-off, combination or consolidation which we may have at any time in respect of the Account.

Yours faithfully,

.....

for and on behalf of

[Account Bank]

Part B - Form of Notice of Assignment of Material Contract Counterparty

To: [Counterparty to Material Contract]

Date: [ ]

Dear Sirs

We give notice that pursuant to a debenture dated [ ] we have assigned to TC Loans Limited (the **"Security Agent"**) all our right, title and interest in and to [details of Material Contract] (the **"Contract"**) including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be held to the order of the Security Agent or as it may specify in writing from time to time;
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract and all rights to compel performance of the Contract are exercisable by the Security Agent although we shall remain liable to perform all the obligations assumed by us under the Contract;
- 4 you are authorised and instructed, without requiring further approval from us, to disclose to the Security Agent such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF as well as to us;
- 5 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Contract without the prior written consent of the Security Agent.

These instructions may not be revoked or amended without the prior written consent of the Security Agent.

This notice is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at the address set out in paragraph 4 of this notice.

Yours faithfully

.....

Authorised Signatory

for and on behalf of

[Chargor]

[On copy only:]

Form of acknowledgement from Contract Counterparty

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF

Date: [ ]

Dear Sirs

We acknowledge receipt of a notice dated [ ] (the "**Notice**") relating to the [details of Material Contract].

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that [Chargor] has assigned its rights under the Contract or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree not to exercise any right to terminate the Contract [or take any action to amend or supplement the Contract] without the prior written consent of the Security Agent.

Yours faithfully

.....  
For and on behalf of  
[Counterparty to Material Contract]

Position: [ ]

Address: [ ]

Telephone: [ ]



Part C - Form of Notice of Assignment to Insurers

To: [Insurer]

Date: [            ]

Dear Sirs

We give notice that pursuant to a debenture dated [ ] we have assigned to TC Loans Limited (the "**Security Agent**") all our right, title and interest in and to the proceeds of [insert details of relevant insurance policy] (the "**Policy**").

With effect from your receipt of this notice we irrevocably instruct you to:

- 1        comply with the terms of any written instructions received by you from the Security Agent relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions;
- 2        hold all sums from time to time due and payable by you to us under the Policy over £25,000 to the order of the Security Agent;
- 3        pay, or release, all monies to which we are entitled under the Policy over £25,000 to the Security Agent, or to such persons as the Security Agent may direct;
- 4        note the interest of the Security Agent on the Policy as first loss payee; and
- 5        disclose to the Security Agent, without further approval from us, such information regarding the Policy as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy (including all rights to compel performance) belong to and are exercisable by the Security Agent.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Security Agent.

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

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF.

Yours faithfully

.....

Authorised Signatory  
for and on behalf of

[Chargor]  
[On copy only:]

Form of acknowledgement from Insurer

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF

Date: [ ]

We acknowledge receipt of a notice dated [ ] relating to the Policy (the “**Notice**”) and confirm that we have not received notice of any previous assignments of or charges over the Policy and that we will comply with the terms of the Notice.

.....

for and on behalf of

[Insurer]

EXECUTION CLAUSES TO THE DEBENTURE

Chargors

EXECUTED AS A DEED by  
Core Technology Systems (U.K.) Limited  
acting by two directors

)  
)  
)  
)



Director

or

Director

a director in the presence of:



WITNESS SIGNATURE

NAME: Neil Cross

ADDRESS:



OCCUPATION: Managing Director

EXECUTED AS A DEED by  
Velocity IT Ltd  
acting by two directors

)  
)  
)  
)



Director

or

Director

a director in the presence of:



WITNESS SIGNATURE

NAME: Neil Cross

ADDRESS:



OCCUPATION: Managing Director

**Security Agent**

**EXECUTED AS A DEED** by **TC LOANS LIMITED** as     )  
Security Agent of the Secured Parties acting by     )  
two directors   )  
   )

.....  
Director

**or**

.....  
Director

a director in the presence of:

.....  
WITNESS SIGNATURE  
NAME:  
ADDRESS:  
  
OCCUPATION:

**Dated** 13 March **2024**

**THE COMPANIES SET OUT IN SCHEDULE 1 as Chargors**

**and**

**TC LOANS LIMITED as Security Agent**

**DEBENTURE**



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**THIS DEED** is made on 13 March 2024

(1) **THE COMPANIES** whose details are set out in Schedule 1 (the “**Chargors**” and each a “**Chargor**”);

in favour of

(2) **TC LOANS LIMITED**, a company incorporated in England and Wales with registration number 13031559 whose registered office is situate at Unit 2 & 3 Charter Point Way, Ashby-De-La-Zouch, Leicestershire, England, LE65 1NF, as trustee for the Secured Parties (the “**Security Agent**”).

## **BACKGROUND**

- (A) The Lender Members have agreed to provide the Borrower with loan facilities on a secured basis.
- (B) Under this Deed, each Chargor provides security to the Security Agent acting for and on behalf of the Secured Parties in respect of the Secured Liabilities.
- (C) The Security Agent and the Secured Parties have agreed that the Security Agent will hold the benefit of the Security created under this Deed on trust for itself and the Secured Parties.

**IT IS AGREED** as follows:

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Deed:

“**Account Bank**” means any bank or financial institution with whom a Chargor holds an account from time to time.

“**Administration Event**” means:

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor;
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an Administrator of any Chargor or the filing of such a notice with the court; or
- (c) the filing of a notice of appointment of an administrator with the Court.

“**Administrator**” means any person appointed under Schedule B1 to the Insolvency Act 1986 to manage any Chargor’s affairs, business and property.

“**Affiliate**” means, in respect of any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

“**Borrower**” means Core Technology Systems (U.K.) Limited a company incorporated in England and Wales with registration number 02502866 whose registered office is situated at 9th Floor 9 Appold Street, London, England, EC2A 2AP.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are ordinarily open in London to effect transactions of the kind and currency contemplated in this Deed.

**"Charged Property"** means all the property, assets and undertaking of a Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Agent by or pursuant to this Deed.

**"Delegate"** means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

**"EU Regulation"** means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

**"Event of Default"** means any event or circumstance specified as an event of default (howsoever described) in any Finance Document.

**"Facility Agent"** means TC Loans Limited, a company incorporated in England and Wales with registration number 13031559 whose registered office is situate at Unit 2 & 3 Charter Point Way, Ashby-De-La-Zouch, Leicestershire, England, LE65 1NF.

**"Finance Document"** means the documents governing the terms of the Secured Liabilities.

**"Finance Party"** means the Facility Agent, the Security Agent, any Lender Member or any other person who is designated by the Facility Agent as a Finance Party from time to time.

**"Financial Collateral"** shall have the same meaning as in the Financial Collateral Regulations.

**"Financial Collateral Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226).

**"Floating Charge Property"** has the meaning given in Clause 3.3 (*Floating Charges*).

**"Group"** means the Borrower and each of its Subsidiaries and any Holding Company of the Borrower for the time being and member of the Group shall be construed accordingly.

**"Holding Company"** means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

**"Insurance Policy"** means any policy of insurance and cover note in which a Chargor may from time to time have an interest.

**"Insurance Proceeds"** means all monies from time to time payable to a Chargor under or pursuant to an Insurance Policy, including the refund of any premium.

**"Intellectual Property"** means:

- (a) all present and future patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered;
- (b) the benefit of all applications and rights to use such assets; and
- (c) all Related Rights.

**"Investments"** means:

- (a) the securities specified in Part C of Schedule 2 (*Real Property, Investments and Material Contracts*);
- (b) any stocks, shares, debentures, certificates of deposit, securities or other instruments creating or acknowledging indebtedness, including alternative finance investment



bonds, whether held directly by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf; and

- (c) all Related Rights (including all rights against any such trustee, fiduciary or clearance system).

**"Investment Derivative Rights"** means all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment.

**"Issuer"** means the issuer of any Investment.

**"Lender Members"** means a Member who has agreed to make a bilateral loan available to the Borrower.

**"Material Contracts"** means:

- (a) each agreement specified in Part D of Schedule 2 (*Real Property, Investments and Material Contracts*);
- (b) any contract entered into by a Chargor that may from time to time be designated as a Material Contract by the Security Agent; and
- (c) all Related Rights.

**"Member"** means:

- (a) a financial institution; or
- (b) a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets,

which has mandated the Facility Agent and other relevant Secured Parties to act on its behalf in relation to the any agreements between any Obligor and a Finance Party.

**"Obligor"** means any Borrower or any other person who has given a guarantee or Security in favour of a Finance Party in respect of the obligations of any Borrower to the Finance Parties.

**"Party"** means a party to this Deed.

**"Plant and Machinery"** means:

- (a) all equipment, plant, machinery, computers, vehicles, furniture, fittings and all other assets of a similar nature which are now, or at any time after the date of this Deed become, the property of a Chargor; and
- (b) all Related Rights.

**"Real Property"** means a Chargor's estates or interests in all present and future freehold (including commonhold), leasehold or other immovable property (including the property, if any, specified in Part A or Part B Schedule 2 (*Real Property, Investments and Material Contracts*)), and any buildings, fixtures or fittings from time to time situated on or forming part of such property, and all Related Rights.

**"Receivables"** means:

- (a) all present and future book and other debts and monetary claims owing to a Chargor; and
- (b) all Related Rights.

**"Receiver"** means a receiver or receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law.

**"Related Rights"** means, in relation to any asset,

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of, or derived from, that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

**"Secured Liabilities"** means all present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever, owed by any Chargor to any Secured Party together with all costs, charges and expenses incurred by a Secured Party in connection with such liabilities.

**"Secured Parties"** means each Finance Party from time to time, any Receiver and any Delegate.

**"Security"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Financial Collateral Arrangement"** shall have the same meaning as in the Financial Collateral Regulations.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally satisfied in full and the Finance Parties are not under any further actual or contingent obligations to make advances or provide other financial accommodation to any Obligor.

**"Subsidiary"** means a subsidiary undertaking within the meaning of section 1162 of The Companies Act 2006.

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or any interest payable in connection with any failure to pay or delay in paying any of the same).

**"Tax Deduction"** means a deduction or withholding for or on account of Tax from a payment due to a Finance Party.

**"VAT"** means value added tax or any similar tax substituted for it from time to time.

## 1.2 Construction

- (a) In this Deed:
  - (i) the "Security Agent", "Facility Agent", a "Chargor" or any other person shall be

construed so as to include its successors in title, permitted assigns and permitted transferees;

- (ii) "**assets**" includes present and future properties, revenues and rights of every description and includes uncalled capital;
  - (iii) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
  - (iv) references to Clauses and Schedules are references to the Clauses of and Schedules to this Deed;
  - (v) references to this Deed or any other agreement or instrument shall be construed as references to that agreement or instrument as amended, novated, supplemented, extended or restated;
  - (vi) references to a person shall be construed to include that person's assigns, transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;
  - (vii) references to a provision of law are references to that provision as amended or re-enacted;
  - (viii) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
  - (ix) a reference to writing or written includes email;
  - (x) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (xi) "**Secured Liabilities**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Chargor;
  - (xii) the words "**including**" shall not be construed as limiting the generality of the words preceding it; and
  - (xiii) a reference in this Deed to any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights.
- (b) Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.

### 1.3 Joint and several

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

#### **1.4 Third Party Rights**

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Deed.

#### **1.5 Incorporation of Terms**

The terms of the documents under which the Secured Liabilities arise and of any side letters between any of the parties thereto are incorporated in this Deed to the extent required to ensure that any disposition of Real Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.6 Present and future assets**

- (a) A reference in this Deed to any Charged Property or other asset includes, unless the contrary intention appears, present and future Charged Property and other assets.
- (b) The absence of or incomplete details of any Charged Property in any Schedule shall not affect the validity or enforceability of any Security under this Deed.

#### **1.7 Separate Security**

Clauses 3.1 (*Fixed Charges*) and 3.2 (*Security Assignment*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Deed and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Deed or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

#### **1.8 Effect as a Deed**

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

#### **1.9 Finance Document**

This Deed is a Finance Document (as defined in any document under which the Secured Liabilities arise).

### **2 COVENANT TO PAY**

#### **2.1 Secured Liabilities**

Each Chargor covenants that it will, on the Security Agent's demand, pay, satisfy and discharge the Secured Liabilities to the Security Agent when they become due in accordance with their respective terms (or if they do not specify a time for payment, immediately on demand by the Security Agent).

#### **2.2 Proviso**

The covenants contained in this Clause 2 and the security created by this Deed shall not extend to or include any liability or sum which would otherwise cause such covenant or security to be unlawful or prohibited by any applicable law.

### **2.3 Interest**

Each Chargor covenants to pay interest on any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgement) at the highest rate agreed in any agreement made between any Obligor and any Finance Party.

## **3 GRANT OF SECURITY**

### **3.1 Fixed Charges**

Each Chargor with full title guarantee charges in favour of the Security Agent as continuing security for the payment and discharge of the Secured Liabilities:

- (a) by way of legal mortgage, its interest in the Real Property and all Related Rights;
- (b) by way of fixed charge:
  - (i) all of its rights, title and interest in and to all its Real Property now or at any time after the date of this Deed belonging to such Chargor (to the extent not validly and effectively charged by way of legal mortgage under Clause 3.1(a) above), together with all Related Rights;
  - (ii) all of its rights, title and interest from time to time in and to all Plant and Machinery and other fixtures and fittings attached to any Real Property and all Related Rights;
  - (iii) all present and future bank accounts, cash at bank and credit balances of each Chargor with any bank or other person and all Related Rights in relation to the accounts charged pursuant to this Clause 3.1(b)(iii);
  - (iv) all of its rights, title and interest from time to time in and to all present and future Receivables and all Related Rights, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);
  - (v) all present and future Investments, all Investment Derivative Rights and where any Investment is held in a system for the deposit and settlement of transactions in Investments, all rights against the operator of such system or any participant in respect of such Investment;
  - (vi) all of its rights, title and interest from time to time in and to all Intellectual Property and all Related Rights;
  - (vii) all of its rights, title and interest from time to time in and to any goodwill of such Chargor;
  - (viii) the uncalled capital of such Chargor;
  - (ix) all rights, interests and claims in the Insurance Policies, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);

- (x) all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under Clause 3.2 (*Security Assignment*);
- (xi) the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them; and
- (xii) all rights, interests and claims in any pension fund now or in the future.

### 3.2 Security Assignment

Each Chargor with full title guarantee assigns absolutely to the Security Agent as continuing security for the payment and discharge of the Secured Liabilities all of its rights, title, interest and benefit from time to time in and to:

- (a) the Material Contracts;
- (b) the Insurance Policies and the Insurance Proceeds; and
- (c) the Receivables.

### 3.3 Floating Charges

Each Chargor charges and agrees to charge by way of first floating charge and with full title guarantee all of its present and future:

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge pursuant to Clause 3.1 (*Fixed Charges*) or assigned pursuant to Clause 3.2 (*Security Assignment*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland,

((a) and (b) above together being the “**Floating Charge Property**”). The floating charge created pursuant to this Clause 3.3 shall be deferred in point of priority to all fixed security validly and effectively created by that Chargor under this Deed in favour of the Security Agent as security for the Secured Liabilities.

### 3.4 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

### 3.5 Financial Collateral

To the extent that the Charged Property constitutes Financial Collateral, each Chargor agrees that such Charged Property shall be held or designated so as to be under the control of the Security Agent (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Deed, the Security Agent shall have the right at any time after this Deed becomes enforceable, to appropriate all or any part of that Charged Property in or towards the payment or discharge of

the Secured Liabilities. The value of any Charged Property appropriated in accordance with this Clause shall be (a) in the case of cash, the amount standing to the credit of any account, together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Security Agent may select (acting reasonably). Each Chargor agrees that the methods of valuation provided for in this Clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

### **3.6 Implied covenants for title**

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 3.1 (*Fixed Charges*), 3.2 (*Security Assignment*) or 3.3 (*Floating Charges*)
- (b) It shall be implied in respect of Clauses 3.1 (*Fixed Charges*), 3.2 (*Security Assignment*) or 3.3 (*Floating Charges*) that each Chargor is disposing of the Charged Property free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

## **4 NEGATIVE PLEDGE**

### **4.1 Security**

No Chargor shall create or permit to subsist any Security over its assets unless expressly permitted in writing by any Finance Party.

### **4.2 Disposals**

- (a) No Chargor shall:
  - (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor or any other member of the Group;
  - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
  - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
  - (iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (b) Clauses 4.1 and 4.2 do not apply to any Security or arrangement which is expressly permitted by any Finance Party.

## **5 CRYSTALLISATION OF FLOATING CHARGE**

### **5.1 Conversion of Floating Charge**

The Security Agent may at any time by notice in writing to a Chargor immediately convert the floating charge created by Clause 3.3 (*Floating Charges*) into a fixed charge as regards any property or assets specified in the notice if:

- (a) the Security under this Deed becomes enforceable; or
- (b) the Security Agent considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Security Agent considers that it is desirable in order to protect the priority of the security; or
- (d) any Chargor requests the Security Agent to exercise any of its powers under this Deed.

## 5.2 Automatic Conversion

- (a) If, without the prior written consent of the Security Agent:
  - (i) a Chargor creates or attempts to create any Security (other than Security which is expressly permitted in writing by a Finance Party), over any of the Charged Property;
  - (ii) a Chargor disposes of any of the Floating Charge Property other than in the ordinary course of trading on an arm's length basis; or
  - (iii) any steps are taken for any of the Charged Property to become subject to any Security in favour of any other person; or
  - (iv) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
  - (v) an Administration Event occurs;
  - (vi) a Receiver is appointed over all or any of the Charged Property;
  - (vii) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor;
  - (viii) a petition is presented for the compulsory winding-up of any Chargor;
  - (ix) a provisional liquidator is appointed to a Chargor; or
  - (x) a resolution is passed or an order is made for the dissolution or re-organisation of any Chargor or any analogous procedure or step is taken in any jurisdiction,

the floating charge created under Clause 3.3 (*Floating Charges*) by any Chargor will automatically be converted (without notice) with immediate effect into a fixed charge in respect of the relevant Floating Charge Property.

- (b) At any time after the floating charge constituted under this Deed shall have crystallised as a fixed charge over all or part of the Charged Property pursuant to this Clause 5 but before the appointment of any Receiver pursuant hereto, the said fixed charge shall upon the written consent of the Security Agent cease to attach to the assets then subject to



the fixed charge and shall again subsist as a floating charge.

### **5.3 Assets acquired after any floating charge has crystallised**

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

## **6 PERFECTION OF SECURITY**

### **6.1 Deposit of Title Documents**

(a) Unless otherwise agreed with the Security Agent, immediately following the execution of this Deed (or, if later, the date of acquisition of the relevant Charged Property), each Chargor shall deposit with the Security Agent:

- (i) all deeds and documents of title relating to the Charged Property;
- (ii) all Insurance Policies to which such Chargor is entitled to possession; and
- (iii) all certificates relating to the Investments together with stock transfer forms executed in blank and other documents as the Security Agent may from time to time require for perfecting its title to the Investments or for vesting or enabling it to vest the Investments in itself or its nominees or in any purchaser and declarations of trust in favour of such Chargor executed by all persons (other than that Chargor) in whose name the Investments are registered.

and at any time thereafter deposit with the Security Agent any further such deeds, certificates and other documents, promptly upon coming into possession of any of those items.

(b) A breach of clause 6.1(a) will not arise if there are no documents of title in respect of any part of the Charged Property.

### **6.2 Notices of Assignment**

Each Chargor shall, promptly following a request by the Security Agent:

- (a) give notice, in the form set out in Part A of Schedule 3, to each Account Bank of the charging of such Chargor's rights and interest in its bank accounts and shall procure that each Account Bank will promptly provide an acknowledgement to the Security Agent of such notice;
- (b) give notice, in the form set out in Part B of Schedule 3, to each person with whom such Chargor has entered into a Material Contract of the assignment of such Chargor's rights and interest in and under such Material Contract and shall procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent of such notice; and
- (c) give notice, in the form set out in Part C of Schedule 3, to each insurer with whom such Chargor has an Insurance Policy of the assignment of such Chargor's rights and interest in and under such Insurance Policy and shall procure that each addressee of such notice

will promptly provide an acknowledgement to the Security Agent of such notice.

### **6.3 Registration of Intellectual Property**

Each Chargor shall, if requested by the Security Agent, execute all such documents and do all acts that the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Intellectual Property.

### **6.4 Land Registry disposal restriction**

- (a) In respect of any Real Property or part of or interest in any Real Property title to which is registered at the Land Registry (or any unregistered land subject to first registration), each Chargor shall apply or consent to an application being made to the Chief Land Registrar to enter the following restriction on the Register of Title for such Real Property:

*"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2024 in favour of TC Loans Limited (as Security Agent) referred to in the charges register or their conveyancer."*

- (b) The Security Agent shall not be liable to any party for the failure by a Chargor to perfect any Security.

### **6.5 Tacking**

The obligation on the part of the Finance Parties to make further advances to any Chargor is deemed to be incorporated in this Deed and each Chargor shall apply to the Chief Land Registrar for a note of such obligation to be entered on the Register of Title of all present and future registered Real Property.

## **7 FURTHER ASSURANCE**

### **7.1 Extension of covenant**

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in 7.2 below.

### **7.2 Further assurance**

- (a) Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- (i) to create, perfect, protect and/or maintain the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Secured Parties provided by or pursuant to this Deed or by law;
  - (ii) to confer on the Security Agent, Security over any property and assets of such

Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and, pending the conferring of such Security, hold such assets upon trust (or in any manner required by the Security Agent) for the Secured Parties; and/or

- (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created, or intended to be created, by this Deed.
- (b) Each Chargor shall promptly take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Deed.

## **8 REPRESENTATIONS**

### **8.1 General**

Each Chargor makes the representations and warranties set out in this clause 8 to the Security Agent on the date of this Deed and on each day during the Security Period. Any representation not made on the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

### **8.2 Due incorporation**

- (a) It is a duly incorporated limited liability company validly existing under the law of its jurisdiction of incorporation; and
- (b) It has the power to own its assets and carry on its business as it is being conducted.

### **8.3 Powers**

It has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of this Deed and the transactions contemplated by it. No limit on its powers will be exceeded as a result of the grant of Security contemplated by this Deed.

### **8.4 Ownership of Secured Assets**

It is the sole legal and beneficial owner of, and has good, valid and marketable title to, its Charged Property.

### **8.5 Non-contravention**

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

- (a) its constitutional documents;
- (b) any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
- (c) any law or regulation or judicial or official order applicable to it.

### **8.6 Authorisations**

It has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this Deed and to make it admissible in evidence in its jurisdiction of incorporation. Any such authorisations are in full force and effect.

#### **8.7 Binding obligations**

- (a) Its obligations under this Deed are legal, valid, binding and enforceable; and
- (b) This Deed creates:
  - (i) valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and
  - (ii) subject to registration pursuant to Part 25 of the Companies Act 2006 and, in the case of real property, registration at the Land Registry, perfected Security over the assets referred to in this Deed,

in favour of the Security Agent having the priority and ranking expressed to be created by this Deed and ranking ahead of all (if any) Security and rights of third parties, except those preferred by law.

#### **8.8 Information**

The information, in written or electronic format, supplied by, or on behalf of, it to the Security Agent in connection with this Deed was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of its knowledge and belief:

- (a) if it was factual information, complete, true and accurate in all material respects;
- (b) if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration;
- (c) if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and
- (d) not misleading in any material respect nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, it to the Security Agent.

#### **8.9 Investments**

- (a) The Investments are fully paid and are not subject to any option to purchase or similar rights.
- (b) No constitutional document of an Issuer, nor any other agreement:
  - (i) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
  - (ii) contains any rights of pre-emption in relation to the Investments.
- (c) Each Chargor has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.

- (d) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

#### **8.10 Centre of Main Interests**

For the purposes of the EU Regulation, its centre of main interests (as that expression is used in Article 3(1) of the EU Regulation, is situated in England and Wales and it has no other “establishment” (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction.

### **9 UNDERTAKINGS**

Each Chargor undertakes to the Security Agent in accordance with this clause 9. The undertakings in this clause 9 shall remain in force during the Security Period.

#### **9.1 Lease covenants**

Each Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

- (a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or (if the lessee) on the lessee; and
- (b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

#### **9.2 Real Property**

Each Chargor shall:

- (a) notify the Security Agent within 14 days of receipt of every material notice, order or proposal given, or made in relation to, the Real Property by any competent authority and (if required by the Security Agent) immediately provide it with a copy of the same and either:
  - (i) comply with such notice, order or proposal; or
  - (ii) make such objections to the same as the Security Agent may require or approve;
- (b) duly and punctually pay all rates, rents and other outgoings owed by it in respect of the Real Property;
- (c) comply with all material covenants and obligations affecting any of the Real Property or the manner of use of any of it;
- (d) not, except with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any of the Real Property;
- (e) not do, cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Real Property;

- (f) maintain all buildings and erections forming part of the Real Property in a good state of repair and condition;
- (g) not carry out any development within the meaning of section 55 of the Town and Country Planning Act 1990 without first obtaining such permissions as may be required under applicable legislation and, in the case of development involving a substantial change in the structure of or a substantial change in use of, any part of the Real Property, without first obtaining the written consent of the Security Agent;
- (h) notify the Security Agent promptly upon the entry into any contract, conveyance, transfer or other disposition for the acquisition by that Chargor (or its nominee(s)) of any Real Property;
- (i) not, except with the prior written consent of the Security Agent confer on any person:
  - (i) any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
  - (ii) any right or licence to occupy any land or buildings forming part of the Real Property; or
  - (iii) any licence to assign or sub-let any part of the Real Property;
- (j) not do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined;
- (k) provide the Security Agent with all information which it may reasonably request in relation to the Real Property;
- (l) authorise the Security Agent to make any application which the Security Agent deems appropriate for the designation of this Deed and/or any other document entered into between a Chargor and a Finance Party and/or any other document as exempt information documents under rule 136 of the Land Registration Rules 2003 and use its best endeavours to assist with any such application made by or on behalf of the Security Agent;
- (m) notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed or any other document, following its designation as an exempt information document and not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of such document as an exempt information document;
- (n) notify the Security Agent immediately upon the acquisition of any Real Property;
- (o) permit the Security Agent and any person nominated by any of them at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it;
- (p) grant the Security Agent on request all reasonable facilities within the power of such Chargor to allow the Security Agent (or its lawyers) to carry out (at that Chargor's expense) investigations of title to the Real Property and to make all enquiries in relation

to any part of the Real Property which a prudent mortgagee might carry out;

- (q) immediately upon demand by the Security Agent, provide the Security Agent with a report as to title of such Chargor to the Real Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature;
- (r) in respect of any Real Property which is acquired after the date of this Deed, title to which is registered at the Land Registry or which is required to be so registered:
  - (i) give written notice of this Deed to the Land Registry and procure that notice of this Deed is clearly noted in the Register of Title for such Real Property; and
  - (ii) procure that no person is registered as proprietor of any such property under the Land Registration Acts 1925 to 2002 without the prior written consent of the Security Agent.

### **9.3 Entitlement to remedy**

- (a) If any Chargor fails to comply with any of the undertakings contained in Clauses 9.1 (*Lease covenants*) or 9.2 (*Real Property*), the Security Agent shall be entitled (with such agents, contractors and others as it sees fit), to do such things as the Security Agent (acting reasonably) may be required to remedy such failure and all monies spent by the Security Agent in doing so shall be reimbursed by the relevant Chargor within 5 Business Days of demand.
- (b) The exercise by the Security Agent of its powers under this Clause 9.3 shall not render the Security Agent liable to account as mortgagee in possession.

### **9.4 Plant and Machinery**

Each Chargor shall:

- (a) maintain at its own expense all Plant and Machinery, fixtures, fittings and other effects for the time being owned by it in good working order and condition;
- (b) immediately on request by the Security Agent, affix to any item of Plant and Machinery a durable notice of this Deed in such form as the Security Agent may require;
- (c) not make any material alterations or additions to any Plant and Machinery which are reasonably likely to depreciate, jeopardise or prejudice their value or marketability; and
- (d) not remove any Plant and Machinery from the Real Property except for the purpose of maintenance pursuant to the terms of this Deed.

### **9.5 Insurance**

Each Chargor shall:

- (a) If requested by the Security Agent, cause each Insurance Policy held in the name of that Chargor to contain (in form and substance satisfactory to the Security Agent) an endorsement naming the Security Agent as the sole loss payee in respect of all claims arising under such policy or policies until such time as the Security Agent notifies the

insurer(s) to the contrary subject to the de minimis provisions of clause 9.5(b) below;

- (b) ensure that all monies payable under any Insurance Policy maintained by any Chargor at any time (whether or not the security constituted by this Deed has become enforceable) shall unless otherwise expressly agreed between any Chargor and a Finance Party:
  - (i) other than in respect of employer's or public liability insurance, be paid to the Security Agent where the aggregate amount is £25,000 or above, to be applied at the option of the Security Agent;
  - (ii) if paid to a Chargor and the aggregate amount is £25,000 or above, be held on trust for the Security Agent and such Chargor shall account to the Security Agent accordingly; and
  - (iii) other than in respect of employer's or public liability insurance, where the aggregate amount is less than £25,000, be applied towards making good the loss or damage in respect of which the money was received or, if the loss or damage has already been made good, in refinancing money expended in that connection.
- (c) ensure that all policies in relation to the Charged Property are on such terms and contain such clauses as the Security Agent may reasonably require and in particular will require the relevant insurer to inform the Security Agent of:
  - (i) any cancellation, alteration, termination or expiry of any such insurance at least 30 days before it is due to take effect;
  - (ii) any default in payment of any premium or failure to renew at least 30 days before the renewal date; or
  - (iii) any act, omission or event of which the insurer has knowledge which may make any insurance void, voidable or unenforceable (in whole or in part);
- (d) promptly pay all premiums relating to all policies of insurance;
- (e) supply to the Security Agent on request copies of each policy of insurance required to be maintained in accordance with this Deed together with current premium receipts relating to it;
- (f) not do or permit to be done or omit to do anything which may render any insurance void, voidable or unenforceable (in whole or in part) nor vary, amend or terminate any policy of insurance;
- (g) if it defaults at any time in effecting or maintaining such insurances or in producing any policy or receipt to the Security Agent on demand, authorise the Security Agent to take out or renew such policies of insurance in any sum which the Security Agent may reasonably think expedient. All moneys which are expended by the Security Agent in so doing shall be deemed to be properly paid by the Security Agent and shall be reimbursed by such Chargor on demand;
- (h) notify the Security Agent if any claim arises or may be made under the insurances;
- (i) give the Security Agent the sole right to conduct or settle any insurance claim; and



- (j) authorise the Security Agent to give any discharge for insurance and to direct the application of all moneys received or receivable under any insurances either in making good the loss or damage in respect of which the same have been received or in or towards the discharge of the Secured Liabilities.

## **9.6 Intellectual Property**

Each Chargor shall:

- (a) observe and comply with all material obligations and laws to which it is subject in its capacity as registered proprietor, beneficial owner, user, licensor or licensee of its Intellectual Property or any part of it;
- (b) duly register in such register(s), or with such authorities as may be available for the purpose and in such name(s) as may be required by the law and practice of the place or registration, such of its material Intellectual Property (and all assignments, licences and mortgages of it) as may be capable of registration in such places;
- (c) not change the specification referred to in any of its registrations of material Intellectual Property or permit any disclaimer, condition, restriction, memorandum or other thing to be entered on the registration of any of the trade marks comprised within such material Intellectual Property, the effect of which will be to materially and adversely affect the value of such trade marks;
- (d) not grant any licence to any person to use its material Intellectual Property in any manner which will materially and adversely affect the value of such material Intellectual Property; and
- (e) maintain a comprehensive, detailed and up-to-date centralised record of all its material Intellectual Property (including details of agents engaged in relation to registrations of it) and, when reasonably requested by the Security Agent, immediately provide to the Security Agent a copy of such record and/or a summary of all its Intellectual Property created or acquired since the date of this Deed or the date of last notification.

## **9.7 Receivables**

Each Chargor shall:

- (a) deal with the Receivables in accordance with any directions given in writing from time to time by the Security Agent and, in the absence of such directions, hold the Receivables on trust for the benefit of the Security Agent;
- (b) after the security constituted by this Deed becomes enforceable, comply with any notice served by the Security Agent on such Chargor prohibiting such Chargor from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, except with the prior written consent of the Security Agent;
- (c) if called upon so to do by the Security Agent, execute a legal assignment of the Receivables to the Security Agent in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Receivables are due, owing or incurred; and

- (d) deliver to the Security Agent such information as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require.

## 9.8 Investments

Each Chargor shall:

- (a) promptly pay all calls or other payments which may become due in respect of the Investments;
- (b) promptly send to the Security Agent copies of all notices, circulars, reports, accounts and other documents which are sent to the holders of any Investments;
- (c) at the request of the Security Agent, procure all consents, waivers and approvals which are necessary, under the articles of association of any Issuer or otherwise, for the transfer of the Investments to the Security Agent or its nominee or to a purchaser upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of each Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer;
- (d) if so requested by the Security Agent:
  - (i) instruct any clearance system to transfer any Investment held by it for such Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system; and
  - (ii) take whatever action the Security Agent may request for the dematerialisation or re-materialisation of any Investment held in a clearance system;
- (e) without prejudice to the above, permit the Security Agent, at the expense of such Chargor, to take whatever action it deems necessary for the dematerialisation or re-materialisation of any Investment;
- (f) until the Security constituted by this Deed becomes enforceable, be entitled to:
  - (i) receive and retain all dividends, distributions and other moneys paid on or derived from the Investments; and
  - (ii) exercise all voting and other rights and powers attaching to the Investments provided that it must not do so in a manner which is prejudicial to the interests Security Agent under this Deed;
- (g) after the Security constituted by this Deed becomes enforceable:
  - (i) hold all dividends, distributions and other moneys paid on or derived from the Investments on trust for the Security Agent; and
  - (ii) comply and procure that its nominees comply with any directions from the Security Agent concerning the exercise of all voting and other rights and powers attaching to the Investments;
- (h) at any time after the Security constituted by this Deed becomes enforceable, permit the Security Agent to complete the instrument(s) of transfer for the Investments on behalf of

such Chargor in favour of itself or such other person as it may select.

## **9.9 Material Contracts**

Each Chargor shall:

- (a) not, without the prior written consent of the Security Agent, amend or waive any term of any Material Contract, terminate any Material Contract or release any other party from its obligations under any Material Contract;
- (b) duly perform its obligations under each Material Contract, notify the Security Agent of any material default by it or any other party under any Material Contract and not take any action which would reduce or impede recoveries in respect of any Material Contract; and
- (c) provide to the Security Agent, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Material Contract.

## **9.10 Centre of Main Interests**

No Chargor shall, without the prior written consent of the Security Agent, change its centre of main interest (as that expression is used in Article 3(1) of the EU Regulation) to somewhere other than England and Wales, nor will it have any establishment (as that term is used in Article 2(10) of the EU Regulation) in any other jurisdiction.

## **9.11 Goodwill**

Each Chargor shall:

- (a) not, except with the prior written consent of the Security Agent, grant any franchise, licence or other authority to any person to use its Chargor name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of such Chargor;
- (b) where the prior written consent of the Security Agent had been given under Clause 9.11(a), comply with Clause 9.7 (*Receivables*) in relation to any income or monies receivable in respect of such franchise, licence or authority as if such income or monies were Receivables.

## **9.12 Uncalled capital**

Each Chargor shall:

- (a) not call up, or receive in advance of its due date, any uncalled capital; and
- (b) promptly apply any paid capital towards the repayment, in full or in part, of the Secured Liabilities.

# **10 ENFORCEMENT OF SECURITY**

## **10.1 Enforcement**

The Security constituted by this Deed shall become immediately enforceable:

- (a) on the occurrence of an Event of Default;
- (b) at any time after the Security Agent has demanded payment of the Secured Liabilities;
- (c) at any time any step is taken (including the making of an application or the giving of any notice) by a Chargor or any other person to wind up or dissolve that Chargor or to appoint a liquidator, trustee, receiver, administrative receiver or similar officer of that Chargor or any part of its undertaking or assets;
- (d) at any time upon the occurrence of an Administration Event;
- (e) if a Chargor breaches any of the provisions of this Deed;
- (f) following a request from a Chargor to the Security Agent that it exercises any of its powers under this Deed; or
- (g) any other event occurs which has been agreed by any Chargor and the Security Agent as an event which makes this Deed enforceable.

## **10.2 Powers on enforcement**

At any time after the security created under this Deed becomes enforceable, the Security Agent may, without notice to any Chargor or prior authorisation from any court and whether or not it has appointed a Receiver, in its absolute discretion:

- (a) secure and perfect its title to all or any part of the Charged Property;
- (b) enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Property (and any assets of the relevant Chargor which, when got in, would be part of the Charged Property) at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration);
- (c) exercise all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (d) exercise all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and
- (e) exercise all or any of the powers conferred by this Deed.

## **10.3 No Liability as Mortgagee in Possession**

Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property for which a mortgagee in possession might otherwise be liable.

# **11 POWERS OF THE SECURITY AGENT**

## **11.1 Extension of Powers**

The power of sale conferred on the Security Agent and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.

#### **11.2 Restrictions**

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

#### **11.3 Power of Leasing**

At any time after the security created by this Deed becomes enforceable, the Security Agent may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925. For the purposes of sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither section 99(18) nor section 100(12) of the Law of Property Act 1925 will apply.

#### **11.4 Discretion**

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Agent or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

#### **11.5 Delegation**

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Agent or the Receiver itself or any subsequent delegation or revocation thereof.

#### **11.6 Investigations**

If any Event of Default in any agreement between a Finance Party and a Chargor occurs then, the Security Agent may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of a Chargor which it considers necessary to ascertain the financial position of such Chargor. All fees and expenses incurred by the Security Agent in connection with such investigations shall be payable by such Chargor and such Chargor consents to the provision by the Security Agent of all information in relation to such Chargor which the Security Agent provides to any person in relation to the preparation of any such report.

#### **11.7 Power to Remedy**

If at any time a Chargor does not comply with any of its obligations under this Deed, the Security Agent may (but shall not be obliged to) rectify such default and such Chargor irrevocably authorises the Security Agent, its employees and agents, at such Chargor's expense, to do all such things as are necessary or desirable to rectify such default.

#### **11.8 Statutory powers**

The powers conferred by this Deed on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Deed) and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Property. In the case of any conflict between the statutory powers contained in any such acts and those conferred by this Deed, the terms of this Deed shall prevail.

## **12 APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **12.1 Appointment and Removal**

- (a) At any time after the security created under this Deed becomes enforceable, or if requested to do so by a Chargor, the Security Agent may (by deed or otherwise and acting through its authorised officer) without prior notice to any Chargor:
  - (i) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
  - (ii) appoint two or more Receivers of separate parts of the Charged Property;
  - (iii) remove (so far as it is lawfully able) any Receiver(s) so appointed;
  - (iv) appoint another person(s) as an additional or replacement Receiver(s); and
  - (v) appoint one or more persons to be an Administrator of that Chargor.
- (b) The Security Agent may apply to the Court for an order removing an Administrator from office and may by notice in writing in accordance with this clause appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.
- (c) Nothing in clause 12.1(a) shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- (d) Section 109(1) of the Law of Property Act 1925 shall not apply to this Deed.
- (e) Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under schedule A1 to the Insolvency Act 1986 nor the doing of anything by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as:
  - (i) an event under this Deed which causes any floating charge created by this Deed to crystallise;
  - (ii) an event under this Deed which causes any restriction which would not otherwise apply to be imposed on the disposal of any property by a Chargor; or
  - (iii) a ground under this Deed for the appointment of a Receiver.

### **12.2 Capacity of Receivers**

Each Receiver shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as a Receiver;
- (b) an agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

### **13 POWERS OF RECEIVER**

#### **13.1 General Powers**

Every Receiver shall have (and be entitled to exercise) all the powers (as the same may be varied or extended by the provisions of this Deed):

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986;
- (c) all of the powers conferred on the Security Agent under this Deed;
- (d) all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which a Chargor itself could do or omit to do;
- (e) the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, a Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of a Chargor (whether under hand, or by way of deed or by utilisation of the company seal of a Chargor)); and
- (f) conferred from time to time on receivers by statute.

#### **13.2 Additional Powers**

In addition to the powers referred to in Clause 13.1 (*General Powers*) a Receiver shall have the power, at the cost of the Chargors and either in their own name or in the name of any Chargor or (with the written approval of the Security Agent) in the name of the Security Agent:

- (a) to take possession of, collect and get in all or any part of the Charged Property in respect of which the Receiver was appointed;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of such Chargor;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges

created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;

- (d) without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925, to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit and the consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments; all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Liabilities;
- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the relevant Chargor;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Chargors (all moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Liabilities);
- (i) to promote the formation of subsidiaries of any Chargor for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of such Chargor and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Security Agent or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or
- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

## **14 APPLICATION OF MONEYS**

### **14.1 Application**



All monies received or recovered by the Security Agent, a Receiver or a Delegate pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Security Agent's right to recover any shortfall from a Chargor):

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Security Agent (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Security Agent determines; and
- (c) in payment of the surplus (if any) to the relevant Chargor or other person entitled to it.]

## **14.2 Appropriation**

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

## **14.3 Suspense Account**

Any monies received by the Security Agent, a Receiver or a Delegate under this Deed:

- (a) may, at the discretion of the Security Agent, Receiver or Delegate, be credited to a suspense account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Security Agent and the Chargors; and
- (c) may be held in that account for so long (until the Secured Liabilities have been irrevocably and unconditionally discharged and no further Secured Liabilities may arise) as the Security Agent, Receiver or Delegate thinks fit and the Security Agent may at any time and from time to time apply all or any monies held in any suspense account in or towards satisfaction of any of the monies, obligations and liabilities that are the subject of this Deed as the Security Agent, in its absolute discretion, may conclusively determine.

## **15 PROTECTION OF PURCHASERS**

### **15.1 Receipts**

The receipt of the Security Agent or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

### **15.2 Protection of Purchasers**

No purchaser or other person dealing with the Security Agent or its delegate or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the

contrary, or be concerned to see whether any such delegation by the Security Agent shall have lapsed for any reason or have been revoked.

## **16 POWER OF ATTORNEY**

### **16.1 Appointment**

Each Chargor, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably and severally appoints the Security Agent, each person to whom the Security Agent shall from time to time have delegated the exercise of the power of attorney conferred by this Clause and any Receiver jointly and severally to be its attorney (with full power of substitution and delegation) and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on that Chargor by this Deed that such Chargor has failed to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Security Agent and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

### **16.2 Ratification**

Each Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 16.1.

## **17 CONTINUING SECURITY**

### **17.1 Continuing Security**

The security created by or pursuant to this Deed will be a continuing security for the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Security Agent may hold at any time for the Secured Liabilities and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

### **17.2 Settlements conditional**

Any release, discharge or settlement between a Chargor and the Security Agent shall be conditional upon no security, disposition or payment to the Security Agent by such Chargor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Security Agent shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

## **18 PRIOR SECURITY INTERESTS**

### **18.1 Redemption or transfer**

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Property or in case of

exercise by the Security Agent or any Receiver of any power of sale or right of appropriation or application under this Deed, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.

## **18.2 Accounts**

The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.

## **18.3 Costs of redemption or transfer**

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand.

## **19 NEW ACCOUNTS**

If the Security Agent at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property it may open a new account or accounts with a Chargor. If the Security Agent does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed to have received such notice and as from such time all payments made to the Security Agent shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Liabilities.

## **20 RELEASE OF SECURITY**

### **20.1 Release of Security**

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of each Chargor, release and cancel the Security created by this Deed and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Agent pursuant to this Deed, in each case subject to Clause 20.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

### **20.2 Clawback**

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Deed and the Security created by it will continue and such amount will not be considered to have been irrevocably paid or credited.

## **21 SET-OFF**

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10 (*Enforcement of Security*), to set off against the Secured Liabilities any amount or other obligation owing (contingent or otherwise) by the Security Agent to any Chargor and apply any credit balance to which that Chargor is entitled on any account with the Security Agent in accordance with Clause 14 (*Application of Moneys*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

## 22 COSTS AND INDEMNITY

### 22.1 Costs

Each Chargor shall, within three Business Days of demand, pay to, or reimburse, any Finance Party and any Receiver, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses):

- (a) reasonably incurred by any Finance Party in connection with the preparation of this Deed (subject to any agreed fee cap in relation to legal fees) or the Secured Assets; or
- (b) incurred by any Finance Party:
  - (i) in connection with the Charged Property or this Deed (other than the preparation of this Deed), including any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with this Deed, any discharge or release of this Deed and any stamping or registration of this Deed;
  - (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of a Finance Party's, a Receiver's or a Delegate's rights under this Deed; or
  - (iii) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of any Chargor) at the at the highest rate agreed in any agreement made between any Obligor and the Finance Parties.

### 22.2 Indemnity

- (a) Each Chargor shall indemnify the Finance Parties, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
  - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
  - (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
  - (iii) any default or delay by a Chargor in performing any of its obligations under this Deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 22.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

## **23 TAX GROSS UP AND INDEMNITIES**

### **23.1 Gross up**

- (a) Each Chargor shall make all payments to be made by it under this Deed without any Tax Deduction, unless a tax deduction is required by law.
- (b) The relevant Chargor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Security Agent accordingly.
- (c) If a Tax Deduction is required by law to be made by a Chargor the amount of the payment due from that Chargor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

### **23.2 Payments**

- (a) If a Chargor is required by law to make a Tax Deduction it shall make any payment required in connection with that Tax Deduction to the relevant taxing authority and supply to the Security Agent within 20 Business Days of making the Tax Deduction evidence reasonably satisfactory to the Security Agent that such payment has been made to the relevant taxing authority.
- (b) All amounts payable under this Deed by any Chargor shall be deemed to be exclusive of any VAT. If VAT is chargeable, the relevant Chargor shall pay to the Security Agent (in addition to and at the same time as paying such amount) an amount equal to the amount of the VAT.

## **24 THE SECURITY AGENT**

### **24.1 General**

- (a) The Security Agent will act as agent or trustee to the Finance Parties in respect of any agreement between a Chargor and a Finance Party.
- (b) The Finance Parties shall not have any independent power to enforce, or have recourse to, any of the Security or to exercise any right, power, authority or discretion arising under this Deed except through the Security Agent.
- (c) The Security Agent is appointed and authorised by the Finance Parties to act as their trustee and agent in connection with any assets charged or otherwise secured by or under this Deed.
- (d) The Security Agent will have the following authority, powers and discretions:
  - (i) to exercise the rights, powers, authorities and discretions given to the Security Agent under or in connection with of any agreement between a Chargor and a Finance Party, together with any other incidental rights, powers, authorities and discretions, including to act on the instructions of the Finance Parties; and
  - (ii) all those powers and discretions conferred upon trustees at law.

## **24.2 Duties**

- (a) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Deed (and no others shall be implied).
- (b) Nothing in this Deed constitutes the Security Agent as an agent, trustee or fiduciary of the Borrower or any Chargor.
- (c) The Security Agent shall not be bound to account to any other Finance Party for any sum or the profit element of any sum received by it for its own account.

## **24.3 Business with the Borrower**

The Security Agent may lend money to and generally engage in any kind of business with the Borrower, an Affiliate of the Borrower, a Chargor or any person otherwise connected with the Borrower.

## **24.4 Rights and discretions**

- (a) The Security Agent may:
  - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
  - (ii) rely on a certificate from any person:
    - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
    - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing; and
    - (C) as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- (c) The Security Agent may act in relation to this deed through its officers, employees and agents and shall not:
  - (i) be liable for any error of judgment made by any such person; or
  - (ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person,

unless such error or such loss was directly caused by the negligence, wilful misconduct or fraud of the Security Agent (as applicable).
- (d) Unless an agreement between a Chargor and a Finance Party expressly provides otherwise the Security Agent may disclose to any other Party any information it reasonably believes it has received as Security Agent under such documents.

- (e) Notwithstanding any other provision of any agreement between a Chargor and a Finance Party to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

## **25 MISCELLANEOUS**

### **25.1 Assignment and disclosure of information**

The Security Agent may assign and transfer all or any of its rights and obligations under this Deed. The Security Agent shall be entitled to disclose such information concerning the Chargors and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

### **25.2 Perpetuity Period**

The perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty-five years from the date of this Deed.

### **25.3 No Liability**

None of the Security Agent, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

### **25.4 Amendments**

- (a) Any term of this Deed may be amended or waived only with the written consent of all parties to this Deed.
- (b) The Security Agent may effect, on behalf of any and all Finance Parties, any amendment or waiver permitted by this Clause 25.4.

### **25.5 Remedies and Waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

### **25.6 Payments and currency**

- (a) All payments to be made by a Chargor under this Deed shall be made in full without set-off or counterclaim and free and clear of and without any deduction or withholding for or on account of any present or future taxes. If any deduction or withholding is required by any applicable law to be made in respect of any payment due under this Deed, the sum payable shall be increased by that Chargor to the extent necessary to ensure that, after making the deduction or withholding, the Finance Parties receive and retain a net

sum equal to the sum which it would have received had no such deduction or withholding been made.

- (b) The Security Agent may, in order to cover the obligations of an Obligor in another currency in its sole discretion, convert any sums received, recovered or realised in any currency under this Deed from their existing currency of denomination into any other currency at the Security Agent's spot rate of exchange at such time as the Security Agent thinks fit.

## **25.7 Severability**

Each provision of this Deed shall be severable and distinct from one another. If at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

## **25.8 Calculations and certificates**

- (a) Any certificate, determination or notification by an officer of any Finance Party stating the amount owing by any Chargor in connection with this Deed shall, in the absence of manifest error, be binding and conclusive on and against each Chargor for all purposes.
- (b) Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

## **26 NOTICES**

### **26.1 Delivery**

Each notice or other communication required to be given to a Party under or in connection with this Deed shall be in writing and delivered:

- (a) by hand; or
- (b) by pre-paid first-class post or other next working day delivery service; or
- (c) (in the case of any notice or other communication to be given by a Finance Party to any Chargor) by email.

### **26.2 Address**

Each notice or other communication shall be sent to:

- (a) in the case of a Chargor, at the correspondence or registered office address or email address stated in Schedule 1; or
- (b) the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England, LE65 1NF,

or to any other address or email address or department or officer as is notified in writing by one Party to the other Parties by not less than 5 Business Days' notice.

### **26.3 Receipt**



- (a) Any notice or other communication given under or in connection with this Deed shall be deemed to be received:
  - (i) if delivered by hand, at the time it is left at the relevant address;
  - (ii) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; or
  - (iii) if sent by email address, at the time of transmission.
- (b) A notice or other communication given as described in clause 26.3(a)(i) or 26.3(a)(iii) on a day which is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

#### **26.4 Receipt by the Security Agent**

Any notice or other communication given to the Security Agent shall be deemed to have been received only on actual receipt.

#### **26.5 Service of proceedings**

This clause 26 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

#### **26.6 No notice by fax**

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

### **27 COUNTERPARTS**

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

### **28 GOVERNING LAW**

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

### **29 JURISDICTION**

#### **29.1 English Courts**

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

#### **29.2 Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

#### **29.3 Exclusive Jurisdiction**

This Clause 29 is for the benefit of the Security Agent only. As a result and notwithstanding Clause 29.1 (*English Courts*), it does not prevent the Security Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Agent may take concurrent proceedings in any number of jurisdictions.

**THIS DEED** has been signed on behalf of the Security Agent and **EXECUTED AS A DEED** by the Chargors and is delivered by them on the date first specified above.

**SCHEDULE 1  
THE CHARGORS**

|                                   |  |
|-----------------------------------|--|
| <b>Name:</b>                      | Core Technology Systems (U.K.) Limited               |
| <b>Place of registration:</b>     | England and Wales                                    |
| <b>Company number:</b>            | 02502866   |
| <b>Registered office address:</b> | 9th Floor 9 Appold Street, London, England, EC2A 2AP |
| <b>Email address:</b>             | david.mcgloin@core.co.uk                             |

|                                   |  |
|-----------------------------------|--|
| <b>Name:</b>                      | Velocity IT Ltd  |
| <b>Place of registration:</b>     | England and Wales  |
| <b>Company number:</b>            | 07126010   |
| <b>Registered office address:</b> | 100 Avebury Boulevard, Milton Keynes, Buckinghamshire,<br>England, MK9 1FH |
| <b>Email address:</b>             | david.mcgloin@core.co.uk   |

**SCHEDULE 2**  
**REAL PROPERTY, INVESTMENTS AND MATERIAL CONTRACTS**

Part A  
Registered Land

| Chargor | Address | Title Number |
|---------|---------|--------------|
|         |         |              |

Part B  
Unregistered Land

|         |         | Document describing the Real Property |          |         |
|---------|---------|---------------------------------------|----------|---------|
| Chargor | Address | Date                                  | Document | Parties |
|         |         |                                       |          |         |

Part C  
Investments

| Chargor                                | Name of company in which shares are held | Class of shares held            | Number of shares held | Issued Share Capital |
|--|--|---------------------------------|-----------------------|----------------------|
| Core Technology Systems (U.K.) Limited | Company Net Limited                      | Ordinary Shares of £0.10 each   | 31,874                | £3,187.40            |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | Ordinary Shares of £1.00 each   | 10                    | £12.00               |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | A Ordinary Shares of £1.00 each | 1                     | £12.00               |
| Core Technology Systems (U.K.) Limited | Velocity IT Ltd                          | B Ordinary Shares of £1.00 each | 1                     | £12.00               |

Part D  
Material Contracts

| Description | Parties | Date |
|-------------|---------|------|
|-------------|---------|------|

|  |  |  |
|--|--|--|
|  |  |  |
|--|--|--|

**SCHEDULE 3  
NOTICES OF ASSIGNMENT**

Part A - Form of Notice of Assignment Account Bank

To: [Account Bank]

Date: [ ]

Dear Sirs

We give notice that by a debenture dated [ ], we have assigned and charged to TC Loans Limited (the "**Security Agent**") all our right, title and interest in and to all sums which are now or may from time to time in the future stand to the credit of:

Account Number [ ]

Account Holder [ ]

together with all interest accrued or accruing thereto and the debts represented by those sums (the "**Account**").

We hereby irrevocably instruct and authorise you:

- 1 to credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 to disclose to the Security Agent such information relating to the Account and the sums in the Account as the Security Agent may, at any time and from time to time, request;
- 3 to hold all sums from time to time standing to the credit of the Account to the order of the Security Agent;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of the Account in accordance with the written instructions of the Security Agent at any time and from time to time; and
- 5 to comply with the terms of any written notice or instructions in any way relating to the Account or the sums standing to the credit of the Account from time to time which you may receive at any time from the Security Agent.

Please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Security Agent.

These instructions cannot be revoked or varied without the prior written consent of the Security Agent.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF.

Yours faithfully

.....

Authorised Signatory  
for and on behalf of  
[Chargor]

[On Copy Only:]

Form of Account Bank Acknowledgement

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF  
Date: [ ]

Dear Sirs

We acknowledge receipt of a notice (the “**Notice**”) in the terms set out above and confirm that:

- 1 we have not previously received notice of any previous assignments of, charges over or trusts in respect of the Account;
- 2 we have noted the restrictions imposed upon [*insert Chargor name*] and the authority of the Security Agent in respect of the Account and will not act in such a way as to breach those restrictions or to ignore the authority of the Security Agent;
- 3 we will act in accordance with the terms of the Notice; and
- 4 we waive all rights of set-off, combination or consolidation which we may have at any time in respect of the Account.

Yours faithfully,

.....

for and on behalf of

[Account Bank]



Part B - Form of Notice of Assignment of Material Contract Counterparty

To: [Counterparty to Material Contract]

Date: [ ]

Dear Sirs

We give notice that pursuant to a debenture dated [ ] we have assigned to TC Loans Limited (the "**Security Agent**") all our right, title and interest in and to [details of Material Contract] (the "**Contract**") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be held to the order of the Security Agent or as it may specify in writing from time to time;
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract and all rights to compel performance of the Contract are exercisable by the Security Agent although we shall remain liable to perform all the obligations assumed by us under the Contract;
- 4 you are authorised and instructed, without requiring further approval from us, to disclose to the Security Agent such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF as well as to us;
- 5 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Contract without the prior written consent of the Security Agent.

These instructions may not be revoked or amended without the prior written consent of the Security Agent.

This notice is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at the address set out in paragraph 4 of this notice.

Yours faithfully

.....

Authorised Signatory

for and on behalf of

[Chargor]

[On copy only:]

Form of acknowledgement from Contract Counterparty

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF

Date: [ ]

Dear Sirs

We acknowledge receipt of a notice dated [ ] (the “**Notice**”) relating to the [details of Material Contract].

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that [Chargor] has assigned its rights under the Contract or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree not to exercise any right to terminate the Contract [or take any action to amend or supplement the Contract] without the prior written consent of the Security Agent.

Yours faithfully

.....  
For and on behalf of  
[Counterparty to Material Contract]

Position: [ ]

Address: [ ]

Telephone: [ ]

Part C - Form of Notice of Assignment to Insurers

To: [Insurer]

Date: [            ]

Dear Sirs

We give notice that pursuant to a debenture dated [ ] we have assigned to TC Loans Limited (the "**Security Agent**") all our right, title and interest in and to the proceeds of [insert details of relevant insurance policy] (the "**Policy**").

With effect from your receipt of this notice we irrevocably instruct you to:

- 1        comply with the terms of any written instructions received by you from the Security Agent relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions;
- 2        hold all sums from time to time due and payable by you to us under the Policy over £25,000 to the order of the Security Agent;
- 3        pay, or release, all monies to which we are entitled under the Policy over £25,000 to the Security Agent, or to such persons as the Security Agent may direct;
- 4        note the interest of the Security Agent on the Policy as first loss payee; and
- 5        disclose to the Security Agent, without further approval from us, such information regarding the Policy as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy (including all rights to compel performance) belong to and are exercisable by the Security Agent.

Subject to the foregoing, you may continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Security Agent.

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

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at c/o ThinCats, Unit 2/3 Charter Point Way, Ashby-de-la-Zouch, Leicestershire, England LE65 1NF.

Yours faithfully

.....

Authorised Signatory  
for and on behalf of

[Chargor]  
[On copy only:]

Form of acknowledgement from Insurer

TC Loans Limited  
c/o ThinCats  
Unit 2/3 Charter point Way  
Ashby-de-la-Zouch  
Leicestershire  
England  
LE65 1NF

Date: [ ]

We acknowledge receipt of a notice dated [ ] relating to the Policy (the “**Notice**”) and confirm that we have not received notice of any previous assignments of or charges over the Policy and that we will comply with the terms of the Notice.

.....

for and on behalf of

[Insurer]

**EXECUTION CLAUSES TO THE DEBENTURE**

**Chargors**

EXECUTED AS A DEED by

Core Technology Systems (U.K.) Limited

acting by two directors

or

a director in the presence of:

)

)

)

)

)

)

.....

Director

.....

Director

.....  
WITNESS SIGNATURE  
NAME:  
ADDRESS:  
  
OCCUPATION:

EXECUTED AS A DEED by

Velocity IT Ltd

acting by two directors

or

a director in the presence of:

)

)

)

)

)

)

.....

Director

.....

Director

.....  
WITNESS SIGNATURE  
NAME:  
ADDRESS:  
  
OCCUPATION:

Security Agent

EXECUTED AS A DEED by TC LOAMS LIMITED as )  
Security Agent of the Secured Parties acting by )  
two directors )  
)



Dan Hartley

Director



Ravi Anand

Director

or

a director in the presence of:

-----  
WITNESS SIGNATURE

NAME:

ADDRESS:

OCCUPATION: