



**Registration of a Charge**

Company Name: **HOLDAN LIMITED**

Company Number: **03157860**



XAJHP7JN

Received for filing in Electronic Format on the: **16/12/2021**

**Details of Charge**

Date of creation: **15/12/2021**

Charge code: **0315 7860 0009**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED AS SECURITY AGENT**

Brief description: **NONE.**

**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: **WE 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 CHARGING INSTRUMENT.**

Certified by: **DENTONS UK AND MIDDLE EAST LLP**



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

Company number: 3157860

Charge code: 0315 7860 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th December 2021 and created by HOLDAN LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th December 2021 .

Given at Companies House, Cardiff on 17th December 2021

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



**Companies House**



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

大成 DENTONS

## Composite Debenture

**Dated** 15 December 2021

**Midwich Limited**  
(the Company)

**The companies listed in Schedule 1**  
(together with the Company, the Original Chargors)

**HSBC Corporate Trustee Company (UK) Limited**  
(the Security Agent)

Dentons UK and Middle East LLP  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1FE  
United Kingdom

## Contents

1	Definitions and interpretation .....	3
2	Covenant to pay .....	7
3	Creation of Security .....	8
4	Nature of Security created .....	10
5	Conversion of floating charge .....	10
6	Representations and warranties .....	11
7	Positive covenants.....	13
8	Negative covenants .....	17
9	Enforcement.....	18
10	Appointment and powers of Receivers .....	19
11	Protection of purchasers.....	20
12	Protection of the Secured Parties .....	20
13	Preservation of Security .....	21
14	Tacking.....	24
15	Further assurance .....	24
16	Power of attorney .....	25
17	Currency.....	25
18	Discharge of Security .....	25
19	Additional Chargors .....	26
20	Costs and expenses .....	26
21	Notices .....	27
22	Calculations and certificates .....	29
23	Partial invalidity .....	29
24	Remedies and waivers .....	29
25	Amendments and waivers .....	30
26	Counterparts.....	30
27	Governing law and enforcement.....	30
	Schedule 1 – Original Chargors .....	31
	Schedule 2 – Shares.....	32
	Schedule 3 – Intellectual Property.....	33

Schedule 4 – HIF Contracts ..... 34

Schedule 5 – Forms of letter to and from Account Bank..... 35

Schedule 6 – Forms of Notice for Tenant/Licensee ..... 38

Schedule 7 – Forms of Notice for Insurers ..... 40

Schedule 8 – Form of Notice for HIF Contracts and Material Contracts..... 42

Schedule 9 – Form of Security Accession Deed..... 46

## Composite Debenture

**Dated** 15 December 2021

### Between

- (1) **Midwich Limited**, a company incorporated in England and Wales with registered number 01436289 (the **Company**);
- (2) The companies listed in Schedule 1 (*Original Chargors*) (together with the Company, the **Original Chargors**); and
- (3) **HSBC Corporate Trustee Company (UK) Limited** of 8 Canada Square, London, E14 5HQ as trustee for the Secured Parties (the **Security Agent**).

### Recitals

- A. The Senior Creditors have agreed to make credit facilities available on the terms of the Facility Agreement.
- B. The Original Chargors have agreed to provide Security to the Security Agent (as trustee for the Secured Parties) to secure the payment and discharge of the Secured Liabilities.

### This deed witnesses

#### 1 Definitions and interpretation

##### 1.1 Definitions

Words and expressions defined in the Facility Agreement have the same meanings in this Debenture unless they are expressly defined in it and, in addition, in this Debenture:

**Account Bank** means any bank or financial institution at which the Bank Accounts are held.

**Act** means the Law of Property Act 1925.

**Authorisation** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

**Bank Accounts** means all of the present and future bank accounts of each Chargor (whether held in its name or held in the name of another but with a Chargor as beneficial owner) and all monies standing to the credit of such bank accounts, together with interest and all associated rights and powers of recovery.

**Book Debts** means:

- (a) all of the present and future book and other debts, revenues and claims of each Chargor, including, but not limited to, choses in action which may give rise to a debt, revenue or claim, due or owing to or purchased or otherwise acquired by a Chargor from time to time; and
- (b) the proceeds of payment or realisation of them and the full benefit of all security, guarantees and other rights and remedies relating to them.

**Chargor** means each Original Chargor and each company which grants Security over its assets in favour of the Security Agent by executing a Security Accession Deed in accordance with Clause 19 (*Additional Chargors*).

**Debt Documents** has the meaning given to that term in the Intercreditor Agreement.

**Default Rate** means the rate of interest specified in, and calculated in accordance with, Clause 12.5 (*Default interest*) of the Facility Agreement.

**Derivative Contract** means, in relation to a Chargor, any master agreement, schedule, transaction, confirmation, novation or other instrument entered into by that Chargor and a counterparty from time to time in connection with protection against or benefit from fluctuation in any rate or price.

**Equipment** means, in relation to a Chargor, all its fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties.

**Facility Agreement** means the multicurrency revolving facility agreement dated 21 January 2020 as amended and restated pursuant to an amendment and restatement agreement dated on or around the date of this Debenture and made between (1) Midwich Group plc (as the Parent), (2) Midwich Limited (as the Company), (3) the Parent and its subsidiaries listed in Part 1 of Schedule 1 to it (as Original Borrowers), (4) the Parent and its subsidiaries listed in Part 2 of Schedule 1 to it (as Original Guarantors), (5) HSBC UK Bank plc as Arranger, (6) the financial institutions listed in Part 3 of Schedule 1 to it (as Original Lenders), (7) HSBC Bank plc as Agent, (8) the financial institutions listed in Part 4 of Schedule 1 to it (as Original Hedge Counterparties) and (9) HSBC Corporate Trustee Company (UK) Limited.

**HIF** means HSBC Invoice Finance (UK) Limited.

**HIF Contracts** means each contract entered into by a Chargor with HIF including, without limitation, those specified in Schedule 4 (*HIF Contracts*) (as each may be amended, restated, supplemented, varied, assigned, novated, or otherwise from time to time including pursuant to replacement schedules issued by HIF) and all rights, remedies, proceeds and claims in connection with and arising from such contracts and agreements.

**HIF Contracts Rights** means all a Chargor's rights on the occurrence of a termination event or the ending of the relevant HIF Contract.

**Insurance** means each contract or policy of insurance to which a Chargor is a party or in which it has an interest (excluding any such policies to the extent that they relate to third party liabilities).

**Intellectual Property** means:

- (a) any 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 (which may now or in the future subsist), whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Chargor (which may now or in the future subsist),

in each case including the intellectual property rights listed in Schedule 3 (*Intellectual Property*) (if any).

**Investments** means, in relation to a Chargor:

- (a) all or any of its stocks, shares (other than any Shares), bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations); and
- (b) all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of them,

and includes all dividends, interest and other distributions paid or payable on or in respect of them.

**Land** has the same meaning as it has in section 205(1) of the Act.

**Lease Documents** means all present and future lease, tenancy and rental agreements and licences in relation to Land (or any part of it) and all rights and remedies, proceeds and claims arising from such lease, tenancy or rental agreements and licences.

**Material Contracts** means any present and future contract and agreement to which a Chargor is party or in which it has an interest (other than a HIF Contract) that the Security Agent and the Company, acting reasonably, agree is material and designate as a Material Contract (as each may be amended, restated, supplemented, varied, assigned, novated, or otherwise from time to time) and all rights, remedies, proceeds and claims in connection with and arising from such material contracts and agreements.

**Receiver** means a receiver appointed pursuant to this Debenture or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Security Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver.

**Regulations** means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **Regulation** means any of them.

**Rental Income** means all present and future monies payable to or for the benefit of a Chargor in connection with the leasing, renting, licensing or usage of any Land or any part of it, including, but not limited to, all of the amounts payable to or for the benefit of a Chargor under the Lease Documents or otherwise in respect of any Land or any part of it.

**Secured Liabilities** means all present and future liabilities and obligations at any time due, owing or incurred by any Obligor to any Secured Party under or pursuant to the Debt Documents except for any liabilities which, if secured by this Debenture, would result in a contravention by a Chargor of the prohibitions in Chapter 2 (*Financial assistance for purchase of own shares*) of Part 18 of the Companies Act 2006.

**Secured Parties** has the meaning given to that term in the Intercreditor Agreement.

**Security** means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.



**Security Accession Deed** means a deed executed by a Group Company substantially in the form set out in Schedule 9 (*Form of Security Accession Deed*), with those amendments which the Security Agent may approve or reasonably require.

**Security Assets** means, in relation to a Chargor, all of its assets which are the subject of any Security created or to be created by this Debenture.

**Security Period** means the period starting on the date of this Debenture and ending on the date on which the Security Agent is satisfied that:

- (a) all of the Secured Liabilities have been fully and finally discharged; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to any Debt Documents.

**Senior Creditors** has the meaning given to that term in the Intercreditor Agreement.

**Senior Debt Documents** means the Finance Documents, the Hedging Agreements and any other agreement evidencing or setting out the terms of any Secured Liabilities.

**Shares** means:

- (a) all shares held by a Chargor in its Subsidiaries as at the date of this Debenture and as set out in Schedule 2 (*Shares*); and
- (b) any other shares held by a Chargor in any Group Company incorporated in England and Wales, Scotland or Northern Ireland owned legally or beneficially by a Chargor from time to time,

and includes all dividends, interest and other distributions paid or payable on or in respect of them.

## **1.2 Construction**

1.2.1 The principles of construction set out in Clause 1.2 (*Construction*) of the Facility Agreement apply to this Debenture, insofar as they are relevant to it and subject to any necessary changes as they apply to the Facility Agreement.

1.2.2 Unless a contrary intention appears, any reference in this Debenture to:

- (a) this **Debenture**, the **Facility Agreement** and any other **Finance Document** is a reference to this Debenture, the Facility Agreement or that other Finance Document as amended, varied, novated, supplemented and replaced from time to time;
- (b) a **Chargor**, the **Security Agent** or any other **Secured Party** includes any one or more of its assigns, transferees and successors in title (in the case of a Chargor, so far as any such is permitted);
- (c) a **Debt Document** or any other agreement or instrument is (other than a reference to a **Debt Document** or any other agreement or instrument in **original form**) a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated as permitted by this Agreement;

- (d) the **Security Agent** or any other **Secured Party** (except for the references in Clause 16 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.2.3 The liabilities of the Chargors under this Debenture are joint and several.

### **1.3 Third party rights**

1.3.1 Unless expressly provided to the contrary in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) to enforce or to enjoy the benefit of any term of this Debenture.

1.3.2 The parties to this Debenture may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Debenture without the consent of any person that is not a party (without prejudice to the terms of the other Senior Debt Documents).

1.3.3 Any Secured Party or any person described in Clauses 11 (*Protection of purchasers*) or Clause 12 (*Protection of the Secured Parties*) may, subject to this Clause 1.3 (*Third party rights*) and the Third Parties Act, rely on any Clause of this Debenture which expressly confers rights on it.

### **1.4 Effect as a deed**

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

### **1.5 Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the other Senior Debt Documents and of any side letters between any parties in relation to any Senior Debt Document are incorporated in this Debenture to the extent required to ensure that any purported disposition of an interest in Land contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

### **1.6 Chargor's agent**

Each Chargor (other than the Company) by its execution of this Debenture or a Security Accession Deed irrevocably appoints the Company (acting through one or more authorised signatories) to act on its behalf as its agent in relation to this Debenture.

### **1.7 Inconsistency between this Debenture and the Facility Agreement**

If there is any conflict or inconsistency between any provision of this Debenture and any provision of the Facility Agreement, the provision of the Facility Agreement shall prevail.

## **2 Covenant to pay**

Each Chargor covenants as primary obligor and not merely as surety with the Security Agent and the other Secured Parties that they will on demand pay and discharge the Secured Liabilities when due.

### **3 Creation of Security**

#### **3.1 Land**

- 3.1.1 Each Chargor charges by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any Land.
- 3.1.2 There shall be excluded from the charge created by Clause 3.1.1 any leasehold property held by a Chargor under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property.

#### **3.2 Shares**

Each Chargor mortgages or (if or to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge its Shares, including those held for it by any nominee.

#### **3.3 Investments**

Each Chargor mortgages or (if or to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge all its Investments, including those held for it by any nominee.

#### **3.4 Equipment**

Each Chargor charges by way of fixed charge all its Equipment.

#### **3.5 Intellectual Property**

- 3.5.1 Each Chargor charges by way of fixed charge all its Intellectual Property.
- 3.5.2 There shall be excluded from the charge created by Clause 3.5.1 any Intellectual Property in which a Chargor has an interest under any licence or other agreement which either precludes absolutely that Chargor from creating any charge over its interest in that Intellectual Property.

#### **3.6 Bank Accounts**

Each Chargor charges by way of fixed charge its Bank Accounts and all of its rights, title and interest in and relating to each Bank Account.

#### **3.7 Book Debts**

Each Chargor charges by way of fixed charge:

- (a) all its Book Debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights in relation to any item under paragraphs (a) and (b) above.

#### **3.8 Goodwill**

Each Chargor charges by way of fixed charge its goodwill.

### **3.9 Uncalled capital**

Each Chargor charges by way of fixed charge its uncalled capital.

### **3.10 Authorisations**

Each Chargor charges by way of fixed charge the benefit of all Authorisations it holds in relation to any Security Asset.

### **3.11 Derivative Contracts**

Each Chargor charges by way of fixed charge its right to receive all moneys payable under any Derivative Contract.

### **3.12 Insurances**

Each Chargor assigns absolutely (subject to a proviso for reassignment on redemption) all its rights and interests under all of the Insurances to which it is a party.

### **3.13 Material Contracts**

Each Chargor assigns absolutely (subject to a proviso for reassignment on redemption):

- (a) all its rights and interests under each Material Contract to which it is a party; and
- (b) in relation to each HIF Contract to which it is a party, all its HIF Contracts Rights.

### **3.14 Lease Documents**

Each Chargor assigns absolutely (subject to a proviso for reassignment on redemption) all its rights and interests:

- (a) under the Lease Documents to which it is a party; and
- (b) in relation to its Rental Income.

### **3.15 Other assets**

3.15.1 Each Chargor charges by way of floating charge all its present and future business, undertaking and assets which are not effectively charged by way of fixed charge or assigned under this Clause 3.

3.15.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Debenture.

### **3.16 Trust**

3.16.1 Subject to Clause 3.16.2, if or to the extent that the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, the relevant Chargor holds such Security Asset on trust for the Security Agent.

3.16.2 If the reason referred to in Clause 3.16.1 is that:

- (a) a consent or waiver must be obtained; or

(b) a condition must be satisfied,

then:

(i) subject to Clause 3.16.3, the relevant Chargor shall apply for the consent or waiver; and

(ii) that Chargor shall use all reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Debenture or, if the Security Asset is acquired after the date of this Debenture, within 14 days of the date of acquisition.

3.16.3 Where the consent or waiver is not to be unreasonably withheld, the relevant Chargor shall:

(a) use all reasonable endeavours to obtain it as soon as possible; and

(b) keep the Security Agent informed of the progress of the negotiations to obtain it.

3.16.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause 3 and, in relation to such Security Asset, the trust referred to in Clause 3.16.4 shall terminate.

## **4 Nature of Security created**

### **4.1 General**

The Security created under this Debenture is created:

- (a) as a continuing security to secure the payment and discharge of the Secured Liabilities;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Debenture) over all present and future assets of the kind described which are owned by the relevant Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Security Agent as trustee for the Secured Parties; and
- (d) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 but in each case with all covenants therein pursuant to that Act being subject to and qualified by reference to any Permitted Security. .

### **4.2 Security over Derivative Contracts**

The Security created under this Debenture over any Derivative Contract shall apply net of set-off or combination of accounts owed under, and in accordance with the terms of, that Derivative Contract.

## **5 Conversion of floating charge**

### **5.1 Conversion on notice**

Subject to Clause 5.2 (*Limitation*), the Security Agent may by notice to a Chargor at any time during the Security Period convert the floating charge created by that Chargor under this Debenture into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Security Agent considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

## **5.2 Limitation**

Clause 5.1 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

## **5.3 Automatic conversion**

The floating charge created by a Chargor under this Debenture will convert automatically into fixed charges:

- (a) if the Security Agent receives notice of an intention to appoint an administrator of that Chargor;
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor over all or any part of its assets, or if such person is appointed;
- (c) if that Chargor creates or attempts to create Security (other than Permitted Security) over all or any of the Security Assets;
- (d) on the crystallisation of any other floating charge over the Security Assets;
- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- (f) in any other circumstances prescribed by law.

## **6 Representations and warranties**

Each Chargor makes the representations and warranties set out in this Clause 6 to the Security Agent (on behalf of the Secured Parties). The Security Agent is relying on these representations when entering this Debenture.

### **6.1 Status**

- 6.1.1 It is a limited liability corporation, duly incorporated and validly existing under the laws of its Original Jurisdiction.
- 6.1.2 It has the power to sue and be sued in its own name and to own its assets and carry on its business as that business is being and will be conducted.

## **6.2 Binding obligations**

Subject to the Legal Reservations:

- (a) the obligations expressed to be assumed by it in this Debenture are legal, valid, binding and enforceable obligations; and
- (b) (without limiting the generality of paragraph (a) above), this Debenture creates the security interests which this Debenture purports to create and those security interests are valid and effective.

## **6.3 Non conflict with other obligations**

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

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

## **6.4 Power and authority**

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

## **6.5 Validity and admissibility in evidence**

- 6.5.1 All Authorisations required or desirable:
  - (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Debenture; and
  - (b) to make this Debenture admissible in evidence in each Relevant Jurisdiction,have been obtained or effected and are in full force and effect if failure to obtain or effect those Authorisations has or will have a Material Adverse Effect.

## **6.6 Governing law and enforcement**

- (a) Subject to the Legal Reservations, the choice of English law as the governing law of this Debenture will be recognised and enforced in its Relevant Jurisdictions.
- (b) Subject to the Legal Reservations, any judgment obtained in England in relation to this Debenture will be recognised and enforced in its Relevant Jurisdictions.

## **6.7 Ranking**

This Debenture has or will have first ranking priority and is not subject to any prior ranking or pari passu ranking Security.

**6.8 Legal and beneficial ownership**

It is the sole legal and beneficial owner of the respective assets over which it purports to grant Security.

**6.9 Shares**

All of the Shares and, to the extent applicable, all Investments are fully paid.

**6.10 Times when representations and warranties made**

Each Chargor makes all the representations and warranties in this Clause 6 on the date of this Debenture and on each day the Repeating Representations are deemed to be repeated in accordance with the Facility Agreement.

**7 Positive covenants**

The covenants in this Clause 7 remain in force from the date of this Debenture until the expiry of the Security Period.

**7.1 Preservation of the Security Assets**

**7.1.1 Shares and Investments**

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of its Shares and/or Investments (or, in respect of Shares of which the Security Agent is the legal owner, promptly pay to the Security Agent on demand such amounts as the Security Agent may require in order to make those payments, together with interest at the Default Rate from the date of demand by the Security Agent to the date of payment by the relevant Chargor under this Clause, both before and after judgment).
- (b) If a Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Shares and/or Investments on behalf of the relevant Chargor. The relevant Chargor must promptly on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 7.1.1(b).

**7.1.2 Each Chargor must:**

- (a) comply with any material notice served on it, under the Companies Act 2006 or pursuant to the relevant company's articles of association or any other constitutional document, in respect of or in connection with any of its Shares and will promptly provide to the Security Agent a copy of that notice;
- (b) promptly on the request of the Security Agent, provide to the Security Agent a copy of all other notices, reports, accounts and circulars in respect of or in connection with any of the Shares;
- (c) promptly notify the Security Agent if any Shares are in, or are converted into, uncertificated form and:



- (i) act on any instructions given by the Security Agent, and give such directions as the Security Agent may require in order to protect and preserve the Security Agent's security in respect of those Shares; and
  - (ii) transfer those Shares to an escrow account in respect of which it has named as escrow agent the Security Agent or any nominee or agent of the Security Agent notified to the Chargor or any other person approved in writing by the Security Agent; and
- (d) comply with all other material conditions and obligations assumed by it in respect of any of its Shares.

**7.1.3 The Security Agent is not obliged to:**

- (a) perform any obligation of a Chargor;
- (b) make any payment;
- (c) make any enquiry as to the nature or sufficiency of any payment received by it or a Chargor;
- (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Debenture; or
- (e) exercise any rights to which it or the Chargor may be entitled,

in respect of any of a Chargor's Shares.

**7.1.4 Until such time as the Security created by this Debenture has become enforceable:**

- (a) the voting rights, powers and other rights in respect of a Chargor's Shares will be exercised:
  - (i) by the relevant Chargor; or
  - (ii) if exercisable by the Security Agent, in any manner which the relevant Chargor may direct the Security Agent in writing; and
- (b) a Chargor shall be entitled to receive all dividends, distributions or other income paid or payable in relation to any of that Chargor's Shares, subject always to the terms of the Senior Debt Documents.

**7.1.5 Each Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of its Shares as permitted by this Debenture on the direction of a relevant Chargor.**

**7.1.6 After the Security created by this Debenture has become enforceable, the Security Agent may exercise (in the name of each Chargor and without any further consent or authority on the part of the each Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Share and/or Investment, any person who is the holder of the relevant Share and/or Investment or otherwise.**

**7.1.7 Required percentage of share capital**

Each Chargor covenants with the Secured Parties that the Shares held by that Chargor in a Material Company whose Original Jurisdiction is England and Wales, Scotland, Northern Ireland or Ireland will at all times represent no less than 85 per cent. of the issued share capital of the Material Company to which they relate, other than in respect of the Shares held by the Company in Midwich International Limited which will at all times represent no less than 80 per cent. of the issued share capital of Midwich International Limited.

#### **7.1.8 Other assets**

Each Chargor shall:

- (a) keep all Land, all Equipment and all other tangible assets which form part of the Security Assets in good and substantial repair, fair wear and tear excepted and permit the Security Agent free access at all reasonable times and on reasonable notice to view their state and condition;
- (b) preserve, maintain and renew as and when necessary all Intellectual Property which forms part of the Security Assets where failure to do so will have a Material Adverse Effect;
- (c) observe and perform all covenants, undertakings, laws and regulations from time to time affecting any Security Asset or its use or enjoyment where failure to do so will have a Material Adverse Effect;
- (d) pay all Tax, rents, rates, duties, fees, charges, assessments, impositions, calls, instalments and outgoings which are properly payable at any time during the Security Period in respect of any Security Asset or by the owner or occupier of it (and if it fails to pay that amount when due, the Security Agent may pay it);
- (e) notify the Security Agent of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened; and
- (f) at its own cost, defend any proceedings (including proceedings to seize, attach, charge, take possession of or sell) brought by a third party relating to any Security Asset.

#### **7.1.9 Material Contracts**

Each Chargor shall:

- (a) enforce all of its HIF Contracts Rights and do or permit to be done any action which the Security Agent may reasonably require for the purposes of enforcing its HIF Contracts Rights; and
- (b) if reasonably required by the Security Agent:
  - (i) provide to the Security Agent complete copies of each Material Contract and/or HIF Contract to which it is a party; and
  - (ii) such other information as the Security Agent may request from time to time in relation to the same.

#### **7.2 Deposit of documents**

Each Chargor shall (in the case of the Shares specified in Schedule 2 (*Shares*)) immediately after entering into this Debenture or (in the case of any other Shares) on such later date on which any Shares are issued to or otherwise acquired by the Chargor, deposit with the Security Agent (to the extent not already held by the Security Agent on the date of this Debenture), in respect of or in connection with the Shares:

- (a) all stock and share certificates and documents of or evidencing title;
- (b) signed undated transfers, completed in blank; and
- (c) any other documents which the Security Agent may from time to time reasonably require for perfecting its title, or the title of any purchaser,

all of which will be held by the Security Agent at the expense and risk of the relevant Chargor.

### **7.3 Account Banks**

After executing this Debenture, each Chargor shall, in respect of its Bank Accounts held with an Account Bank:

- (a) promptly give notice to the Account Bank in the form set out in Part 1 of Schedule 5 (*Forms of letter to and from Account Bank*); and
- (b) use its reasonable endeavours to procure that the Account Bank promptly acknowledges that notice in the form set out in Part 2 of Schedule 5 (*Forms of letter to and from Account Bank*), or in any other form agreed by the Security Agent.

### **7.4 Book Debts and Receipts**

7.4.1 Each Chargor shall promptly collect all Book Debts and, until payment into the Bank Accounts (as provided for by Clause 7.4.2), receive and hold the proceeds of collection on trust for the Security Agent.

7.4.2 Each Chargor must, except to the extent that the Security Agent agrees otherwise, pay all the proceeds of collection, made pursuant to Clause 7.4.1, into the Bank Accounts.

### **7.5 Lease Documents**

Each Chargor shall:

- (a) promptly after the execution of any Lease Document entered into by it after the date of this Debenture where the Rental Income receivable by the relevant Chargor pursuant to such Lease Document exceeds £100,000 (one hundred thousand pounds sterling) (or its equivalent) per annum, give notice to the other parties to the Lease Documents substantially in the form set out in Schedule 6 (*Form of Notice for Tenants/Licensee*) and deliver to the Security Agent a copy of each notice; and
- (b) use reasonable endeavours to procure that each party served with a notice under sub-clause (a) above countersigns and returns it to the Security Agent within 14 days of the date that the notice is given.

### **7.6 Insurances**

Each Chargor shall:

- (a) promptly after the execution of this Debenture, or (as the case may be) promptly after the entry into any Insurance after the date of this Debenture, give notice to the other parties to the Insurances substantially in the form set out in Schedule 7 (*Forms of Notice for Insurers*) and deliver to the Security Agent a copy of each notice; and
- (b) use reasonable endeavours to procure that each party served with a notice under sub-clause (a) above countersigns and returns it to the Security Agent within 14 days of the date that the notice is given.

## **7.7 HIF Contracts and Material Contracts**

- (a) Each Chargor shall:
  - (i) promptly after the execution of this Debenture, or (as the case may be) promptly after the execution of any HIF Contract entered into after the date of this Debenture, give notice to HIF substantially in the form set out in Part 1 of Schedule 8 (*Form of Notice for HIF Contracts and Material Contracts*) and deliver to the Security Agent a copy of each notice; and
  - (ii) use reasonable endeavours to procure that HIF countersigns and returns the notice served on it under sub-clause (a)(i) above to the Security Agent within 14 days of the date that the notice is given.
- (b) Each Chargor shall:
  - (i) promptly after the execution of this Debenture, or (as the case may be) promptly after the execution of any Material Contract entered into after the date of this Debenture, give notice to the counterparty to the relevant Material Contract substantially in the form set out in Part 2 of Schedule 8 (*Form of Notice for HIF Contracts and Material Contracts*) and deliver to the Security Agent a copy of each notice; and
  - (ii) use reasonable endeavours to procure that each party served with a notice under sub-clause (b)(i) above countersigns and returns the notice served on it within 14 days of the date that the notice is given.

## **8 Negative covenants**

The covenants in this Clause 8 remain in force from the date of this Debenture until the expiry of the Security Period.

### **8.1 Disposals**

- 8.1.1 No Chargor shall enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease, transfer, license, loan, or otherwise dispose of any Security Asset, or enter into an agreement to make any such disposal.
- 8.1.2 Clause 8.1.1 does not apply to any sale, lease, transfer or other disposal which is a Permitted Disposal.

### **8.2 Negative pledge**

- 8.2.1 No Chargor shall create or permit to subsist any Security over any Security Asset.

**8.2.2 No Chargor shall:**

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) 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
- (d) 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.

**8.2.3** Clauses 8.2.1 and 8.2.2 do not apply to any Security which is Permitted Security.

**8.3 Preservation of the Security Assets**

No Chargor shall without the written consent of the Security Agent (or as otherwise permitted under the Facility Agreement):

- (a) enter into any onerous obligation or restriction affecting any Security Asset;
- (b) in relation to any uncalled capital of any Chargor, call it up or receive it in advance of calls unless the Security Agent otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Liabilities or as the Security Agent otherwise directs; or
- (c) take any Security in connection with its liabilities under this Debenture from any guarantor of, or provider of Security for, any of the Secured Liabilities.

**9 Enforcement**

**9.1 When Security becomes enforceable**

The Security created by a Chargor under this Debenture shall become enforceable at any time after the occurrence of an Event of Default which is continuing.

**9.2 Powers on enforcement**

**9.2.1** At any time after the Security created by a Chargor under this Debenture has become enforceable the Security Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- (a) sell or otherwise dispose of the Security Assets, and otherwise exercise all the other powers and rights conferred on mortgagees by the Act, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the Act;
- (b) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;

- (c) to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;
- (d) subject to Clause 10.1.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- (e) appoint an administrator of any Chargor.

9.2.2 The value of any Financial Collateral appropriated pursuant to paragraph 9.2.1(c) of Clause 9.2.1 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other Financial Collateral, their market price at the time of appropriation as determined by the Security Agent (or an agent, Delegate, attorney or Receiver appointed by it) by reference to a public index or by such other process as the Security Agent (or an agent, Delegate, attorney or Receiver appointed by it) may select, including independent valuation.

In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

### **9.3 Disposal of the Security Assets**

In exercising the powers referred to in paragraph (a) of Clause 9.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### **9.4 Application of moneys**

9.4.1 The Security Agent shall apply all moneys received or recovered by it pursuant to this Debenture in accordance with the terms of the Intercreditor Agreement.

9.4.2 Clause 9.4.1 will override any appropriation made by a Chargor.

## **10 Appointment and powers of Receivers**

### **10.1 Method of appointment and removal**

10.1.1 The Security Agent may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

10.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Agent pursuant to this Debenture may be made in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the removal of an administrative receiver).

### **10.2 Powers of Receiver**

Every Receiver shall have all the powers:

- (a) of the Security Agent under this Debenture;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- (c) which are specified in Schedule 1 of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of that Act); and
- (d) in relation to any Security Asset, which he would have if he were its only absolute owner.

### **10.3 Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Debenture.

### **10.4 Receiver as agent**

Every Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

### **10.5 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent, and the maximum rate specified in section 109(6) of the Act shall not apply.

## **11 Protection of purchasers**

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound or concerned:

- (a) to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Debenture has arisen or not;
- (b) with the propriety of the exercise or purported exercise of those powers; or
- (c) with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

## **12 Protection of the Secured Parties**

### **12.1 Exclusion of liability**

None of the Security Agent, the other Secured Parties or any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;

- (b) to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- (c) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies under Clause 17 (*Currency*); or
- (d) for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargors); or
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

## **12.2 General indemnity**

12.2.1 Each Chargor shall indemnify the Security Agent, the other Secured Parties and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, and other liabilities incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Security Assets;
- (b) any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Debenture;
- (d) carrying out or purporting to carry out any of the rights, powers and discretions conferred on them by or permitted under this Debenture; and
- (e) any breach by that Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

12.2.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

## **12.3 Indemnity out of the Security Assets**

The Security Agent, the other Secured Parties and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 12.2 (*General indemnity*).

## **13 Preservation of Security**

### **13.1 Reinstatement**



If any payment by a Chargor or discharge given by the Security Agent (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

- (a) the liabilities of the Chargors and the Security created by the Chargors under this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Secured Parties shall be entitled to recover the value or amount of that Security or payment from the Chargors, as if the payment, discharge, avoidance or reduction had not occurred.

### **13.2 Waiver of defences**

Neither the Security created by this Debenture nor the obligations of any Chargor under this Debenture will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to that Chargor, the Security Agent or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- (c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Senior Debt Document or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Senior Debt Document or any other document; or
- (g) any insolvency, liquidation, administration or similar procedure.

### **13.3 Chargor intent**

Without prejudice to the generality of Clause 13.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Debenture shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Senior Debt Documents and/or any facility or amount made available under any of the Senior Debt Documents for the purposes of or in connection with any of the following:

- (a) acquisitions of any nature;
- (b) increasing working capital;

- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (i) any fees, costs and/or expenses associated with any of the foregoing.

#### **13.4 Immediate recourse**

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargors under this Debenture. This waiver applies irrespective of any law or any provision of a Senior Debt Document to the contrary.

#### **13.5 Appropriations**

During the Security Period any Secured Party may:

- (a) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 9.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of the Secured Liabilities.

#### **13.6 Deferral of Chargor's rights**

During the Security Period, and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or the enforcement of the Security created by this Debenture:

- (a) to receive or claim payment from, or be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Senior Debt Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Senior Debt Document or of any guarantee or Security taken pursuant to, or in connection with, the Senior Debt Documents by any Secured Party;
- (d) to exercise any right of set-off against any Obligor; and/or

- (e) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

### **13.7 Additional Security**

This Debenture is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

### **13.8 New accounts**

If any Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts in the name of a Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by or on behalf of the Chargor to that Secured Party:

- (a) shall be credited or be treated as having been credited to the new account; and
- (b) shall not operate to reduce the Secured Liabilities at the time when the Secured Party received or was deemed to have received such notice.

## **14 Tacking**

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Borrowers on the terms and subject to the conditions of the Senior Debt Documents.

## **15 Further assurance**

### **15.1 Registration at Companies House**

Each Chargor consents to the registration of this Debenture at Companies House pursuant to Part 25 of the Companies Act 2006.

### **15.2 Further action**

Each Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Agent may require in order to:

- (a) give effect to the requirements of this Debenture;
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to this Debenture;
- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to this Debenture with any other Security over any assets of any Chargor; or
- (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Agent, any Receiver or any administrator in connection with all or any of the Security Assets,

and any such document may disapply section 93 of the Act.

### **15.3 Deposit of documents**

Each Chargor covenants that, on the date of this Debenture and at all times during the Security Period as soon as it receives them (and in any event as soon as the Security Agent so requests), it shall deposit with the Security Agent, in respect of or in connection with the Security Assets:

- (a) all deeds, certificates and other documents of or evidencing title; and
- (b) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser.

### **15.4 Law of Property (Miscellaneous Provisions) Act 1994**

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 15.

## **16 Power of attorney**

Each Chargor irrevocably and by way of security appoints each of:

- (a) the Security Agent;
- (b) any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Agent; and
- (c) any Receiver,

jointly and severally as that Chargor's attorney, in that Chargor's name, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit following the occurrence of an Event of Default which is continuing or following the failure by the relevant Chargor to comply with a request from the Security Agent, to take any action and sign or execute any further documents which that Chargor is required to take, sign or execute in accordance with this Debenture. Each Chargor agrees, promptly on the request of the Security Agent or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

## **17 Currency**

### **17.1 The Spot Rate**

In this Clause 17, the **Spot Rate** means, in relation to the Agent or any other Secured Party, the spot rate of exchange of the Agent or that Secured Party for the purchase of any currency with any other currency in the London foreign exchange market.

### **17.2 Conversion of moneys received**

The Security Agent or any other Secured Party may convert any moneys received, recovered or realised in any currency under this Debenture (including the proceeds of any previous conversion under this Clause 17) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate.

## **18 Discharge of Security**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities, unless any third party has any subrogation or other rights in respect of the Security created by this Debenture at that time and in relation to any Security Asset which is subject to a Permitted Disposal, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:

- (a) release the Security Assets from this Debenture;
- (b) re-assign to the relevant Chargor those Security Assets that have been assigned to the Security Agent under Clause 3 (*Creation of Security*); and
- (c) return all documents or deeds of title delivered to it under this Debenture

Section 93 of the Act shall not apply to this Debenture.

## **19 Additional Chargers**

### **19.1 Delivery of Security Accession Deed**

19.1.1 The Company may request that any other Group Company (the **New Chargor**) becomes a Chargor in accordance with the terms of the Senior Debt Documents.

19.1.2 The New Chargor shall become a Chargor if:

- (a) the Company and the New Chargor deliver to the Security Agent a duly completed and executed Security Accession Deed; and
- (b) any other conditions applicable to the accession of a New Chargor as a Chargor in any Senior Debt Document are satisfied.

### **19.2 Repetition of representations**

Delivery of a Security Accession Deed constitutes confirmation by the New Chargor that the representations in Clause 6 are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

## **20 Costs and expenses**

### **20.1 Transaction expenses**

The Company shall promptly on demand pay the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing and execution of this Debenture.

### **20.2 Amendment costs**

20.2.1 If any Chargor requests an amendment, waiver or consent of or in relation to this Debenture, the Company shall, within three Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

20.2.2 If any Chargor requests a release of or in relation to this Debenture, the Company shall, within three Business Days of demand, reimburse the Security Agent for the amount of all

costs and expenses (including legal fees) incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

### **20.3 Enforcement costs**

The Company shall, within three Business Days of demand, pay to the Security Agent or any Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by the Security Agent or any Receiver or Delegate in connection with the enforcement of, or the preservation of any rights under, this Debenture or the investigation of any possible Default.

## **21 Notices**

### **21.1 Communications in writing**

Any communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, may be made by fax or letter.

### **21.2 Addresses**

21.2.1 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Debenture is that identified with its name below or any substitute address, fax number or department or officer as either party may notify to the other by not less than five Business Days' notice.

21.2.2 The addresses referred to in Clause 21.2.1 are:

(a) The Chargors:

(i) Midwich Group plc

Vinces Road, Diss, Norfolk IP22 4YT

Attention: Stephen Fenby/Stephen Lamb

Fax: [REDACTED]

(ii) Midwich Limited

Vinces Road, Diss, Norfolk IP22 4YT

Attention: Stephen Fenby/Stephen Lamb

Fax: [REDACTED]

(iii) Invision UK Ltd

Vinces Road, Diss, Norfolk IP22 4YT

Attention: Stephen Fenby/Stephen Lamb

Fax: [REDACTED]

(iv) Holdan Limited

Midwich Limited, Vinces Road, Diss, Norfolk IP22 4YT

Attention: Stephen Fenby/Stephen Lamb

Fax: [REDACTED]

(v) Sound Technology Limited

Vinces Road, Diss, Norfolk IP22 4YT

Attention: Stephen Fenby/Stephen Lamb

Fax: [REDACTED]

(b) The Security Agent:

8 Canada Square, London, E14 5HQ

Attention: ISV Trustee Services Administration

Fax: None

### **21.3 Delivery**

21.3.1 Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective:

- (a) if by way of fax, when received in legible form; or
- (b) if by way of letter, (i) when it has been left at the relevant address or (ii) two Business Days (or, in the case of airmail, five Business Days) after being deposited in the post postage prepaid (or, as the case may be, airmail postage prepaid), in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 21.2 (*Addresses*), if addressed to that department or officer.

21.3.2 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified in Clause 21.2.2 (or any substitute department or officer as the Security Agent shall specify for this purpose).

### **21.4 English language**

21.4.1 Any notice given under or in connection with this Debenture must be in English.

21.4.2 All other documents provided under or in connection with this Debenture must be:

- (a) in English; or
- (b) if not in English, and if so required by the Security Agent accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

## **22 Electronic communication**

22.1.1 Any communication to be made between any two Parties under or in connection with this Debenture may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

- (a) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
- (b) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

22.1.2 Any such electronic communication as specified in paragraph 22.1.1 above made between a Chargor and a Secured Party may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

22.1.3 Any such electronic communication as specified in paragraph 22.1.1 above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.

22.1.4 Any electronic communication which becomes effective, in accordance with paragraph 22.1.3 above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Debenture shall be deemed only to become effective on the following day.

22.1.5 Any reference in this Debenture to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 22.

## **23 Calculations and certificates**

### **23.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Debenture, the entries made in the accounts maintained by the Security Agent or any other Secured Party are *prima facie* evidence of the matters to which they relate.

### **23.2 Certificates and determinations**

Any certification or determination by the Security Agent or any other Secured Party of a rate or amount under this Debenture is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **24 Partial invalidity**

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

## **25 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 Debenture shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.

## **26 Amendments and waivers**

Any term of this Debenture may be amended or waived only with the written consent of the Chargors and the Security Agent.

## **27 Counterparts**

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

## **28 Governing law and enforcement**

### **28.1 Governing law**

English law governs this Debenture, its interpretation and any non-contractual obligations arising from or connected with it.

### **28.2 Jurisdiction**

28.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a **Dispute**).

28.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

28.2.3 Notwithstanding Clause 28.2.1, neither the Security Agent nor any other Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent and the other Secured Parties may take concurrent proceedings in any number of jurisdictions.

**Executed** as a deed and delivered on the date appearing at the beginning of this Debenture.

## **Schedule 1 – Original Chargors**

<b>Name of Chargor</b>	<b>Registered number (or equivalent, if any)</b>
Midwich Group plc	08793266
Midwich Limited	01436289
Invision UK Ltd	04799073
Holdan Limited	03157860
Sound Technology Limited	01454050
Midwich International Limited	13021874

## Schedule 2 – Shares

Name of Chargor	Number and description of shares	Name of issuing company
Midwich Limited	100,000 A ordinary shares of £1.00 each	Sound Technology Limited
Midwich Limited	20,000 B ordinary shares of £1.00 each	Sound Technology Limited
Midwich Limited	1,734 B ordinary shares of £1.00 each	Holdan Limited
Midwich Limited	1,427 A ordinary shares of £1.00 each	Holdan Limited
Midwich Limited	4,926 A ordinary shares of £1.00 each	Holdan Limited
Midwich Limited	72 ordinary shares of £1.00 each	True Colours Distribution Limited
Midwich Limited	100 ordinary shares of £1.00 each	Invision UK Ltd
Midwich Limited	800 ordinary shares of £1.00 each	Midwich International Limited
Midwich Group plc	3,046 ordinary shares of £1.00 each	Midwich Limited

### **Schedule 3 – Intellectual Property**

None.

## Schedule 4 – HIF Contracts

HIF Contract		Parties
Agreement for the Purchase of Debts dated 20 December 2013 as amended pursuant to a deed of amendment dated 12 April 2016	(1)	Midwich Limited
	(2)	HSBC Invoice Finance (UK) Limited
Agreement for the Purchase of Debts dated 15 February 2019	(1)	Sound Technology Limited
	(2)	HSBC Invoice Finance (UK) Limited
Agreement for the Purchase of Debts dated 31 July 2019	(1)	Holdan Limited
	(2)	HSBC Invoice Finance (UK) Limited

## **Schedule 5 – Forms of letter to and from Account Bank**

### **Part 1 – Notice to Account Bank regarding the Bank Accounts**

To:                   \*\*                   *[insert name and address of Account Bank]*

Date:               \*\*

Dear Sirs

**Account number \*\*                   *[insert account number and sort code of the Bank Account]* (the Account)**

We refer to our above account with you, as it may from time to time be re-designated or re-numbered.

We give you notice that by a debenture dated \*\*                   between, among others, us and HSBC Corporate Trustee Company (UK) Limited (the **Security Agent**) we have charged by way of fixed charge in favour of the Security Agent (as trustee for itself and certain other banks and financial institutions) all amounts standing to the credit of the Account from time to time (the **Deposit**) and all of our right, title and interest in, and relating to, the Account.

Regardless of any previous authorisations or instructions which we may have given you and without making any enquiry as to the justification for the matter, we irrevocably authorise and instruct you:

- (a)     to disclose to the Security Agent any information relating to us, the Account and the Deposit which the Security Agent may from time to time request you to disclose to it; and
- (b)     to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to the Account or the Deposit which you may receive from the Security Agent (which, for the avoidance of doubt, may only be served by the Security Agent following the occurrence of an Event of Default which is continuing (each term as defined in and/or construed in accordance with the Debenture)).

We are permitted to withdraw the Deposit (in whole or in part) from the Account for any purpose unless and until you receive a notice from the Security Agent to the contrary in accordance with (b) above stating that we are no longer permitted to withdraw any amount from the Account without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from the Account without the prior written consent of the Security Agent.

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

The instructions and authorisations contained in this letter may not be revoked or varied without the written agreement of the Security Agent.

This letter is governed by English law.

Please acknowledge and confirm the above to the Security Agent in the form attached with a copy to us.

Yours faithfully,

.....

for and on behalf of \*\* [Chargor]

copy: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8  
Canada Square, London, E14 5HQ

## Part 2 – Form of acknowledgement and confirmation from Account Bank

To: HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (the **Security Agent**)

Attention: ISV Trustee Services Administration

Date: \*\*

Dear Sirs

**Account number \*\*** *[insert account number and sort code of the Bank Account]* (the **Account**)

We acknowledge receipt of a notice (the **Notice**) from \*\* (the **Chargor**) dated \*\* that under the Debenture referred to in the Notice it has charged by way of fixed charge in favour of the Security Agent (as trustee for itself and certain other banks and financial institutions) all amounts standing to the credit of the Account from time to time (the **Deposit**) and all of its right, title and interest in, and relating to, the Account (the **Security**).

We confirm that:

- (a) we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- (b) we have not received notice of:
  - (i) any other assignment of or encumbrance over the Deposit or the Account; or
  - (ii) any interest, claim or right in or to either of them by any third party,and we shall but without incurring any liability in respect of the obligation promptly give you notice of any such actual, potential or asserted assignment, encumbrance, interest, claim or right of which we become aware;
- (c) we do not, and will not, hold or otherwise have the benefit of any security interest or other encumbrance over the Account or the Deposit;
- (d) we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the Account or the Deposit; and
- (e) we will comply with any notice we may receive from the Security Agent in accordance with paragraph (b) of the Notice in respect of the Account from time to time.

We are aware that you are relying on this letter in connection with your rights under the Security.

This letter is governed by English law.

Yours faithfully,

.....  
for and on behalf of \*\* *[Account Bank]*  
copy: *[Chargor]*



## Schedule 6 – Forms of Notice for Tenant/Licensee

To: [Tenant]

Copy: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (as **Security Agent** as defined below)

Date: \*\*

Dear Sirs

### Notice of assignment

- 1 We refer to the \*\* [specify the relevant Lease Document] dated \*\* between us and you (the **Lease[/Licence]**)
- 2 We notify you that:
  - (a) under a debenture dated \*\* 2021 between us and HSBC Corporate Trustee Company (UK) Limited (the **Security Agent**) (the **Debenture**) we have assigned absolutely (subject to a proviso for reassignment on redemption) to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Lease[/Licence] as security for certain obligations owed to the Secured Parties;
  - (b) until you receive written notice to the contrary from the Security Agent (which, for the avoidance of doubt, may only be served by the Security Agent following the occurrence of an Event of Default which is continuing (each term as defined in and/or construed in accordance with the Debenture)), you may continue to deal with us in relation to the Lease[/Licence] and credit all rent and other moneys payable by you under the Lease[/Licence] to such account(s) as we may notify you from time to time. After receipt of a notice from the Security Agent confirming an Event of Default is continuing we will cease to have any right to deal with you in relation to the Lease[/Licence] and from that time you should deal only with the Security Agent; and
  - (c) you are authorised to disclose information relating to the Lease[/Licence] to the Security Agent on the Security Agent's request.
- 3 We confirm that:
  - (a) we will remain liable under the Lease[/Licence] to perform all the obligations assumed by us under the Lease[/Licence]; and
  - (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Lease[/Licence].
- 4 We request that you, after receipt of written notice in accordance with paragraph 22(b), ensure that all moneys to which we are entitled under the Lease[/Licence] are credited to the account of the Security Agent specified in that notice (and are not paid to us);

- 5 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:
- (a) agree to the terms of this notice and to act in accordance with its provisions;
  - (b) have not received notice that we have assigned our rights under the Lease[/Licence] to a third party (other than the Security Agent) or created any other interest (whether by way of security or otherwise) in the Lease[/Licence] in favour of a third party (other than the Security Agent); and
  - (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Lease[/Licence].
- 6 The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....  
for and on behalf of  
[*insert name of Chargor*]

[*On acknowledgement copy*]

To: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (**Security Agent**)

Copy to: [*insert name and address of the Chargor*]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 5.

.....  
for and on behalf of  
[*insert name of Tenant*]

**Date:**

## Schedule 7– Forms of Notice for Insurers

To: [Insurer]

Copy: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (as **Security Agent** as defined below)

Date: \*\*

Dear Sirs

### Notice of assignment

- 1 We refer to the \*\* [specify the relevant insurance policy] dated \*\* between us and you (the **Policy**)
- 2 We notify you that:
  - (a) under a debenture dated \*\* 2021 between us and HSBC Corporate Trustee Company (UK) Limited (the **Security Agent**) (the **Debenture**) we have assigned absolutely (subject to a proviso for reassignment on redemption) to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Policy as security for certain obligations owed to the Secured Parties;
  - (b) until you receive written notice to the contrary from the Security Agent (which, for the avoidance of doubt, may only be served by the Security Agent following the occurrence of an Event of Default which is continuing (each term as defined in and/or construed in accordance with the Debenture)), you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to such account(s) as we may notify you from time to time. After receipt of a notice from the Security Agent confirming an Event of Default is continuing we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Agent; and
  - (c) you are authorised to disclose information relating to the Policy to the Security Agent on the Security Agent's request.
- 3 We request that you:
  - (a) after receipt of written notice in accordance with paragraph 2(b), ensure that all moneys to which we are entitled under the Policy are credited to the account of the Security Agent specified in that notice (and are not paid to us);
  - (b) note on the Policy the Security Agent's security interest under the Debenture; and
  - (c) give the Security Agent not less than 30 day's written notice of your terminating/giving notice to terminate the Policy or allowing the Policy to lapse.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that we have assigned our rights under the Policy to a third party (other than the Security Agent) or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party (other than the Security Agent); and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy.

5 The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....  
for and on behalf of  
**[insert name of Chargor]**

**[On acknowledgement copy]**

To: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (**Security Agent**)

Copy to: **[insert name and address of the Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....  
for and on behalf of  
**[insert name of insurance company]**

**Date:**

## Schedule 8 – Form of Notice for HIF Contracts and Material Contracts

### Part 1 – Form of Notice for HIF Contracts

To: HSBC Invoice Finance (UK) Limited

Copy: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (as **Security Agent** as defined below)

Date: \*\*

Dear Sirs

#### Agreement for the Purchase of Debts between HSBC Invoice Finance (UK) Limited and \*\* dated \*\* (the Contract)

- 1 We hereby give you notice that on \*\* 2021 we executed a debenture in favour of HSBC Corporate Trustee Company (UK) Limited (the **Security Agent**) (the **Debenture**) assigning (subject to a proviso for reassignment on redemption) in the Security Agent's favour, for the benefit of itself and certain other banks and financial institutions, the rights which arise on the occurrence of a termination event under or ending of the Contract (the **Rights**).
- 2 We understand your consent is required to such an assignment.
- 3 As a result of the assignment under the Debenture, the benefit of all the Rights are transferred to the Security Agent and any monies arising on the occurrence of a termination event under or the ending of the Contract should be paid to the Security Agent, using the following account details:  

Account name:	**
Account number:	**
Sort code:	**
- 4 We are no longer permitted to do or agree anything which may release, vary, alter, transfer, encumber or interfere with the Rights assigned to the Security Agent.
- 5 Please confirm your consent to the said assignment and acknowledge receipt of this notice by completing the duplicate enclosed and returning it to the Security Agent with a copy to us.
- 6 The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....  
for and on behalf of  
[insert name of *Chargor*]

**[On acknowledgement copy]**

To:                   FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK)  
Limited, 8 Canada Square, London, E14 5HQ (**Security Agent**)

Copy to:           **[insert name and address of the Chargor]**

We acknowledge receipt of the above notice and agree to pay the monies mentioned to the account held with HSBC Corporate Trustee (UK) Limited detailed in the notice.

.....  
for and on behalf of  
HSBC Invoice Finance (UK) Limited

**Date:**

## Part 2 – Form of Notice for Counterparties to Material Contracts

To: [Party to Material Contract]

Copy: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (as **Security Agent** as defined below)

Date: \*\*

Dear Sirs

### Notice of assignment

- 1 We refer to the \*\* [specify the relevant Material Contract] dated \*\* between us and you (the **Contract**)
- 2 We notify you that:
  - (a) under a debenture dated \*\* 2021 between us and HSBC Corporate Trustee Company (UK) Limited (the **Security Agent**) (the **Debenture**) we have assigned absolutely (subject to a proviso for reassignment on redemption) to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Contract as security for certain obligations owed to the Secured Parties;
  - (b) until you receive written notice to the contrary from the Security Agent (which, for the avoidance of doubt, may only be served by the Security Agent following the occurrence of an Event of Default which is continuing (each term as defined in and/or construed in accordance with the Debenture), you may continue to deal with us in relation to the Contract and credit all moneys to which we are entitled under the Contract to such account(s) as we may notify you from time to time. After receipt of a notice from the Security Agent confirming an Event of Default is continuing we will cease to have any right to deal with you in relation to the Contract and from that time you should deal only with the Security Agent; and
  - (c) you are authorised to disclose information relating to the Contract to the Security Agent on the Security Agent's request.
- 3 We request that you:
  - (a) after receipt of written notice in accordance with paragraph 2(b), ensure that all moneys to which we are entitled under the Contract are credited to the account of the Security Agent specified in that notice (and are not paid to us);
  - (b) note on the Contract the Security Agent's security interest under the Debenture; and
  - (c) give the Security Agent not less than 30 day's written notice of your terminating/giving notice to terminate the Contract or allowing the Contract to lapse.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that we have assigned our rights under the Contract to a third party (other than the Security Agent) or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party (other than the Security Agent); and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Contract.

5 The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....  
for and on behalf of  
**[insert name of Chargor]**

**[On acknowledgement copy]**

To: FAO ISV Trustee Services Administration, HSBC Corporate Trustee Company (UK) Limited, 8 Canada Square, London, E14 5HQ (**Security Agent**)

Copy to: **[insert name and address of the Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....  
for and on behalf of  
**[insert name of party to Material Contract]**

**Date:**



## Schedule 9 – Form of Security Accession Deed

### Security Accession Deed

#### Dated

#### Between

- (1) \*\* Limited, a company incorporated under the laws of England and Wales with registered number \*\* (the **New Chargor**);
- (2) \*\* Limited, a company incorporated under the laws of England and Wales with registered number \*\* (the **Company**) for itself and as agent for and on behalf of each of the existing Chargors; and
- (3) HSBC Corporate Trustee (UK) Limited as agent and trustee for itself and the Secured Parties (the **Security Agent**).

#### Recitals

This deed is supplemental to a debenture dated \*\* between, among others, the Company, the Chargors named in it and the Security Agent (as supplemented and amended from time to time, the **Debenture**).

#### This deed witnesses

#### 1 Definitions and interpretation

##### 1.1 Definitions

Words and expressions defined in the Debenture shall have the same meanings in this Deed.

##### 1.2 Construction

The principles of construction set out in clause 1.2 (*Construction*) of the Debenture shall apply to this Deed, insofar as they are relevant to it, as they apply to the Debenture.

#### 2 Accession of New Chargor

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor.

#### 3 Creation of Security

The New Chargor mortgages, charges and assigns to the Security Agent all its business, undertaking and assets on the terms of clause 3 (*Creation of Security*) of the Debenture provided that:

- (a) the Investments mortgaged or (if and to the extent that the mortgage does not take effect as a mortgage) charged by way of fixed charge shall include the Investments referred to in Schedule 1 (*Shares*);

- (b) the Insurances assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Insurances set out in Schedule 3 (*Insurances*); and
- (c) the Material Contracts assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Material Contracts set out in Schedule 4 (*Material Contracts*).

#### **4 Consent of existing Chargors**

The existing Chargors agree to the terms of this Deed and agree that its execution will in no way prejudice or affect the Security granted by each of them under (and covenants given by each of them in) the Debenture.

#### **5 New Chargor's agent**

Each New Chargor by its execution of this Security Accession Deed irrevocably appoints the Company (acting through one or more authorised signatories) to act on its behalf as its agent in relation to the Debenture.

#### **6 Notices**

The New Chargor confirms that its address details for notices in relation to clause 21 (*Notices*) of the Debenture are as follows:

Address: \*\*

Attention: \*\*

Fax: \*\*

#### **7 Law**

This Deed is governed by English law.

**Executed** as a deed and delivered on the date appearing at the beginning of this Deed.

#### **Schedule 1– Shares**



#### **Schedule 2 – Bank Accounts**

#### **Schedule 3 – Insurances**

#### **Schedule 4 – Material Contracts**

**Executed** as a deed by  
**Midwich Group Plc** acting by  
two directors

)  
)  
)



  
Director  
  
Director

Stephen Fenby

Stephen Lamb

**Executed** as a deed by  
**Midwich Limited** acting by  
two directors

)  
)  
)

  
Director  
  
Director

Stephen Fenby

Stephen Lamb

**Executed** as a deed by  
**Invision UK Ltd** acting by  
two directors

)  
)  
)



  
Director  
  
Director

Stephen Fenby

Stephen Lamb

**Executed** as a deed by  
**Holdan Limited** acting by  
two directors

)  
)  
)

  
Director  
  
Director

Stephen Fenby

Stephen Lamb

**Executed** as a deed by  
**Sound Technology Limited** acting by  
two directors

)  
)  
)



  
Director  
  
Director

Stephen Fenby

Mark Lowe

**Executed** as a deed by  
**Midwich International Limited** acting  
two directors

)  
)  
)


  
Director  
  
Director

Stephen Fenby

Stephen Lamb

Signed for and on behalf of  
**HSBC Corporate Trustee Company (UK) Limited**

)  
)



Andrea Fordyce