



Registration of a Charge

Company name: **SIMPLICITY MARKETING LIMITED**

Company number: **04339257**



X8DM1HL5

Received for Electronic Filing: **09/09/2019**

Details of Charge

Date of creation: **05/09/2019**

Charge code: **0433 9257 0004**

Persons entitled: **SILICON VALLEY BANK AS SECURITY AGENT**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **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 ORIGINAL
INSTRUMENT.**

Certified by:

OSBORNE CLARKE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4339257

Charge code: 0433 9257 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th September 2019 and created by SIMPLICITY MARKETING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th September 2019 .

Given at Companies House, Cardiff on 10th September 2019

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

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

Dated this 09.09.2019

Signed OSBORNE CLARKE LLP

Osborne Clarke LLP

2 Temple Back East

Temple Quay, Bristol

BS1 6EG

This Deed is subject to the terms of an Intercreditor Agreement made between, among others, the parties to this Deed and the Mezzanine Finance Parties

Debenture

- (1) SIMPLICITY MARKETING LIMITED
- (2) SILICON VALLEY BANK as Security Agent

Dated 05 September 2019

Osborne Clarke LLP

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This Deed is made on

05 September 2019

Between:

- (1) **Simplicity Marketing Limited** (Company number 04339257) of Suite 1, 3rd Floor 11-12 St. James's Square, London, United Kingdom, SW1Y 4LB (the "**Original Chargor**"); and
- (2) **Silicon Valley Bank** as security agent and trustee for the Secured Parties (as defined below) (in such capacity, the "**Security Agent**").

This Deed witnesses as follows:

1. **Definitions and interpretation**

1.1 **Definitions**

Unless otherwise defined in this Deed, (i) until the Senior Discharge Date terms defined in the Senior Facilities Agreement shall have the same meanings when used in this Deed, (ii) after the Senior Discharge Date, terms defined in the Mezzanine Facility Agreement shall have the same meanings when used in this Deed and the following definitions shall apply:

"Accession Deed" means a document substantially in the form set out in Schedule 4 (*Form of Accession Deed*) or such other form as the Security Agent may require (acting reasonably).

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

"Assigned Contract" means each contract specified in Part 4 (*Assigned Contracts*) of Schedule 2 (*Security Assets*), and (with effect from the date of the relevant Accession Deed) each contract specified as an Assigned Contract in an Accession Deed (if any).

"Blocked Accounts" means:

- (a) any Mandatory Prepayment Account and any Holding Account;
- (b) the accounts designated as SVB Blocked Accounts in Part 1 of Schedule 2 (*Security Assets*) or such other accounts as may be agreed in writing between a Chargor and the Security Agent for this purpose;
- (c) with effect from the date of an Accession Deed, any accounts specified as a Blocked Account in that Accession Deed; and
- (d) all monies standing to the credit of any account referred to in paragraph (a), (b) or (c) above and all Related Rights in respect of such account or the monies standing to the credit thereof.

"Charged Agreement" means any present or future agreement to which a Chargor is a party (or any present or future agreement in which a Chargor has a right, title or interest) which does not prohibit, either absolutely or conditionally (including requiring the consent of any third party), a Chargor from assigning its rights under, or creating a charge over its interest in, that agreement.

"Chargors" means the Original Chargor and any person that executes and delivers an Accession Deed in favour of the Security Agent after the date of this Deed.

"Debt Document" has the meaning given to that term in the Intercreditor Agreement.

"Debtor" has the meaning given to that term in the Intercreditor Agreement.

"Declared Default" means a Senior Declared Default and/or a Mezzanine Declared Default.

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

"Enforcement Notice" has the meaning given to the term in Schedule 3.

"Event of Default" means a Senior Event of Default and/or Mezzanine Event of Default.

"Finance Documents" means the Senior Finance Documents and the Mezzanine Finance Documents.

"Floating Charge Asset" means an asset charged under sub-clause 3.3 (*Floating charge*) of this Deed or sub-clause 4.1(d) (*Security*) of an Accession Deed.

"Hedging Agreement" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by a Chargor for the purpose of hedging liabilities and/or risk from time to time.

"Holding Account" means any bank account which is designated **"Holdings Account"** pursuant to the terms of the Senior Facilities Agreement and, after the Senior Discharge Date, the Mezzanine Facility Agreement.

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

"Insurances" means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, a Chargor or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors' and officers' insurance.

"Intellectual Property Rights" means:

- (a) all of the assets (if any) specified in Part 2 (*Intellectual Property Rights*) of Schedule 2 (*Security Assets*);
- (b) all of the assets (if any) described in Part 2 (*Intellectual Property Rights*) of the schedule to each Accession Deed (if any);
- (c) any patents, trademarks, service marks, designs, business names, copyrights, database rights, computer software, design rights, domain names, moral rights, inventions, confidential information, trade secrets, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered;
- (d) the benefit of all applications and rights to use those assets described in paragraphs (a) to (c) (inclusive) of a Chargor (which may now or in the future subsist); and
- (e) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (d) (inclusive).

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Deed and made between, among others, the Original Chargor, the Subordinated Creditors (as defined in the Intercreditor Agreement), the Security Agent, the Original Debtors and the Intra-Group Lenders (each as defined in the Intercreditor Agreement) as amended, novated, supplemented, extended or restated from time to time.

"Investment" means any present or future stock, share, debenture, loan stock, interest in any investment fund and any other present or future security (whether or not marketable) whether owned directly or by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf, including any Derivative Asset and any Related Rights in respect of any of the foregoing.

"LPA" means the Law of Property Act 1925.

"Mandatory Prepayment Account" means any SVB Blocked Account which is designated as a "Mandatory Prepayment Account" pursuant to the terms of the Senior Facilities Agreement and, after the Senior Discharge Date, the Mezzanine Facility Agreement.

"Mezzanine Declared Default" has the meaning given to the term **"Declared Default"** in the Mezzanine Facility Agreement.

"Mezzanine Event of Default" has the meaning given to the term **"Event of Default"** in the Mezzanine Facility Agreement.

"Mezzanine Default" has the meaning given to the term **"Default"** in the Mezzanine Facility Agreement.

"Mezzanine Facility Agreement" means the mezzanine facility agreement made between the Borrower as borrower, WESTRIVER INNOVATION LENDING FUND VIII, L.P. as lender and others dated on or about the date of this Deed as amended, novated, supplemented, extended or restated from time to time.

"Mezzanine Finance Documents" has the meaning given to the term **"Finance Documents"** in the Mezzanine Facility Agreement and in each case as amended, novated, supplemented, extended or restated from time to time.

"Mezzanine Finance Parties" has the meaning given to the term **"Finance Parties"** in the Mezzanine Facility Agreement.

"Obligor" means each Chargor and each other Obligor as defined in the Senior Facilities Agreement and/or the Mezzanine Facility Agreement.

"Other Accounts" means all each Chargor's present accounts listed in Part 1 of Schedule 2 and all future accounts (other than a Blocked Account) with any bank or other person, all monies standing to the credit of each such account and all Related Rights in respect of any such account.

"Party" means a party to this Deed.

"Plant and Machinery" means all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other similar assets (other than any assets that are deemed by law to be immoveable property), wherever they are situated, which are now, or at any time after the date of this Deed become, the property of a Chargor.

"Property" means:

- (a) all of the freehold and/or leasehold property of each Chargor described in Part 5 (*The Property*) of Schedule 2 (*Security Assets*) and Part 1 (*The Property*) of the schedule to each Accession Deed (if any);
- (b) all present and future freehold and leasehold property or immovable property of each Chargor situated in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures, fittings, plant and machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b); and

- (d) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (c) (inclusive),

and **"Properties"** shall be construed accordingly.

"Receivables" means all present and future book debts, accounts, accounts receivable, contract rights, and other obligations owed to a Chargor in connection with its sale or lease of goods (including licensing software and other technology) or provision of services, all credit insurance, guarantees, other security and all merchandise returned to or reclaimed by each Chargor and the Borrower's Books relating to any of the foregoing.

"Receiver" means a receiver or receiver and manager of the whole or any part of the Security Assets.

"Related Rights" means, where used in relation to an asset, the following:

- (a) the proceeds of sale and/or other realisation of that asset (or any part thereof or interest therein);
- (b) all Security, Authorisations, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such asset;
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such asset.

"Secured Liabilities" means:

- (a) all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor and each Chargor to any Secured Party under each Senior Finance Document; and
- (b) all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor and each Chargor to any Secured Party under each Mezzanine Finance Document.

"Secured Party" has the meaning given to that term in the Intercreditor Agreement.

"Security Assets" means:

- (a) the assets mortgaged, charged or assigned by way of security to the Security Agent by this Deed or any Accession Deed; and
- (b) any assets held on trust by a Chargor for the Security Agent.

"Security Period" means the period from the date of this Deed until the date on which the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and that no commitment is outstanding.

"Senior Discharge Date" means the first date on which:

- (c) all Senior Lender Liabilities have been fully and finally discharged to the satisfaction of the Senior Lender (acting reasonably), whether or not as the result of an enforcement; and
- (d) the Senior Lender is under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"Senior Declared Default" has the meaning given to the term **"Declared Default"** in the Senior Facilities Agreement.

"Senior Event of Default" has the meaning given to the term **"Event of Default"** in the Senior Facilities Agreement.

"Senior Default" has the meaning given to the term **"Default"** in the Senior Facilities Agreement.

"Senior Facilities Agreement" means the senior facilities agreement dated on or around the date of this Deed and made between, amongst others the Borrower and the Security Agent as amended, novated, supplemented, extended or restated from time to time.

"Senior Finance Documents" means the Finance Documents, in each case as defined in the Senior Facilities Agreement and in each case as amended, novated, supplemented, extended or restated from time to time.

"Senior Lender" has the meaning given to the term in the Intercreditor Agreement.

"Senior Lender Liabilities" has the meaning given to the term in the Intercreditor Agreement.

"Shares" means:

- (a) the shares described in Part 3 (*Shares*) of Schedule 2 (*Security Assets*) and Part 3(*Shares*) of the schedule to each Accession Deed (if any);
- (b) all Derivative Assets in relation to the shares referred to in paragraph (a); and
- (c) all Related Rights in respect of paragraphs (a) to (b) (inclusive).

"Supplemental Debenture" means a supplemental debenture to this Deed in such form as the Security Agent may require.

"SVB Blocked Accounts" means the accounts designated as SVB Blocked Accounts in Part 1 of Schedule 2 (*Security Assets*) or such other accounts as may be agreed in writing between a Chargor and the Security Agent for this purpose and all monies standing to the credit of each such account and all Related Rights in respect of each such account.

"SVB Operating Accounts" means the accounts designated as SVB Operating Accounts in Part 1 of Schedule 2 (*Security Assets*) or such other accounts as may be agreed in writing between a Chargor and the Security Agent for this purpose and all monies standing to the credit of each such account and all Related Rights in respect of each such account.

"Third Party Accounts" means the accounts designated as Third Party Accounts in Part 1 of Schedule 2 (*Security Assets*) and any future accounts of a Chargor not held with the Security Agent and all monies standing to the credit of each such account and all Related Rights in respect of each such account.

1.2 **Construction**

- (a) Unless a contrary intention appears, (i) until the Senior Discharge Date sub-clause 1.2 (*Construction*) and sub-clause 1.4 (*Third party rights*) of the Senior Facilities Agreement apply to this Deed and (ii) after the Senior Discharge Date sub-clause 1.2 (*Construction*) and sub-clause 1.4 (*Third party rights*) of the Mezzanine Facility Agreement apply to this Deed, and (as applicable) shall be deemed to be incorporated into this Deed, mutatis mutandis, as though set out in full in this Deed, with any reference to **"this Agreement"** being deemed to be a reference to **"this Deed"**, subject to any other necessary changes.
- (b) Any references to the Security Agent or any Receiver shall include its Delegate.
- (c) Unless a contrary indication appears, references to clauses and schedules are to clauses and schedules to this Deed and references to sub-clauses and paragraphs are

references to sub-clauses and paragraphs of the clause or schedule in which they appear.

- (d) References to "**this Deed**", the "**Senior Facilities Agreement**", the "**Mezzanine Facility Agreement**", any other "**Finance Document**" or any other agreement or instrument is a reference to this Deed, the Senior Facilities Agreement, the Mezzanine Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any member of the Group or provides for further advances).
- (e) "**Secured Liabilities**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any member of the Group.
- (e) If the Security Agent reasonably considers that an amount paid by any member of the Group to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such member of the Group, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 ***Law of Property (Miscellaneous Provisions) Act 1989***

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

1.4 ***Implied covenants for title***

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

1.5 ***Effect as a Deed***

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

1.6 ***Trusts***

- (a) The Security Agent holds the benefit of this Deed on trust for the Secured Parties in accordance with the terms of clause 19 (*The Security Agent*) of the Intercreditor Agreement.
- (b) The perpetuity period for any trusts created by this Deed is 125 years.

1.7 ***Finance Document***

This Deed is a Senior Finance Document and a Mezzanine Finance Document.

1.8 ***Inconsistency***

In the event of any inconsistency arising between any of the provisions of this Deed and the Senior Facilities Agreement, the provisions of the Senior Facilities Agreement shall prevail.

2. **Covenant to pay**

Each Chargor as primary obligor covenants with the Security Agent (as trustee for the Secured Parties) that it will on demand pay to the Security Agent the Secured Liabilities when the same fall due for payment.

3. **Security Assets**

3.1 ***Fixed charges***

Each Chargor, as security for the payment of the Secured Liabilities, charges in favour of the Security Agent, with full title guarantee, the following assets, from time to time owned by it or in which it has an interest:

- (a) by way of first legal mortgage, each Property; and
- (b) by way of first fixed charge:
 - (i) all Property not effectively mortgaged under sub-clause 3.1(a);
 - (ii) all fixed and permanent Plant and Machinery;
 - (iii) all Plant and Machinery not effectively charged under sub-clause 3.1(b)(ii), other than any which are for the time being part of any Chargor's stock-in-trade or work-in-progress;
 - (iv) all Shares (but in respect of shares not governed by English law, only insofar as such Chargor can validly charge the same under applicable law);
 - (v) all Receivables directed to be paid into the SVB Blocked Accounts;
 - (vi) all Receivables directed to be paid into the SVB Operating Accounts;
 - (vii) all Receivables directed to be paid into the Third Party Accounts;
 - (viii) all other Receivables;
 - (ix) the SVB Blocked Accounts;
 - (x) the SVB Operating Accounts;
 - (xi) the Third Party Accounts;
 - (xii) all Investments;
 - (xiii) all Intellectual Property Rights;
 - (xiv) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
 - (xv) any Charged Agreement;
 - (xvi) its goodwill and uncalled capital; and
 - (xvii) if not effectively assigned by way of security pursuant to sub-clause 3.2 (*Security assignment*), all its rights and interests in (and claims under) the assets described in sub-clause 3.2 (*Security assignment*).

3.2 ***Security assignment***

As security for the payment of the Secured Liabilities, each Chargor assigns, by way of security, with full title guarantee to the Security Agent all its rights, title and interest in:

- (a) the Insurances and the Insurance Proceeds;
- (b) each Assigned Contract;
- (c) any Hedging Agreement; and
- (d) all Related Rights in respect of each of the above,

subject in each case to reassignment by the Security Agent to the relevant Chargor of all such rights, title and interest upon payment or discharge in full of the Secured Liabilities and **provided in each case that**, until the Security constituted by this Deed becomes enforceable, each relevant Chargor shall be entitled (in its sole discretion) to exercise all rights, remedies, any discretion or judgements, give any waivers or consents and to receive (and apply) all sums or other proceeds in relation to such insurances, Insurance Proceeds, Assigned Contracts or Related Rights, subject to the terms of the Senior Facilities Agreement and the Mezzanine Facility Agreement.

3.3 ***Floating charge***

- (a) As further security for the payment of the Secured Liabilities, each Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clause 3.1 (*Fixed charges*) or which are effectively assigned by way of security under sub-clause 3.2 (*Security assignment*).
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Deed.

3.4 ***Conversion of floating charge by notice***

If:

- (a) the security constituted by this Deed has become enforceable; or
- (b) the Security Agent, in good faith, is of the view (acting reasonably) that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized, sold or otherwise in jeopardy, where such Floating Charge Asset is material in the context of the business of the Group,

the Security Agent may (acting reasonably), by written notice to the relevant Chargor, convert the floating charge created under this Deed into a fixed charge as regards those assets which it specifies in that notice. Each Chargor shall promptly following request by the Security Agent execute a fixed charge or legal or equitable assignment over those assets in such form as the Security Agent may require.

3.5 ***Automatic conversion of floating charge***

If, without the prior written consent of the Security Agent:

- (a) a Chargor creates any Security (other than Permitted Security) over all or any of the Security Assets or attempts to do so;
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any of the Security Assets;

- (c) a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of a Chargor; or
- (d) any formal steps are taken for the appointment of, or notice is given of intention to appoint, or a petition is filed or application is made, or a competent court makes an order for the appointment of an administrator, in relation to a Chargor,

then the floating charge created by this Deed over the Floating Charge Assets of the relevant Chargor will automatically, without notice, be converted into a fixed charge as soon as such event occurs.

3.6 ***Small company moratorium***

Notwithstanding any other provision of this Deed, the obtaining of a moratorium under section 1A of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not be an event causing any floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to be imposed on the disposal of any asset by a Chargor or a ground for the appointment of a Receiver.

4. **Nature of Security**

4.1 ***Continuing security***

- (a) The Security created by this Deed is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or any other matter or thing.
- (b) Each Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before claiming from an Obligor under a Senior Finance Document or a Mezzanine Finance Document. This waiver applies irrespective of any law or any provision of a Senior Finance Document or a Mezzanine Finance Document to the contrary.
- (c) Until the Security Period has ended, the Security Agent may refrain from applying or enforcing any other monies, Security or rights held or received by the Security Agent in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same.
- (d) Each Chargor expressly confirms that it intends that the Security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Secured Liabilities as a result of the amendment and/or restatement of the Senior Facilities Agreement and/or the Mezzanine Facility Agreement and/or any of the other Senior Finance Documents and/or Mezzanine Finance Documents and/or any additional facility or amount which is made available under any of the Senior Finance Documents or Mezzanine Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

4.2 ***Non-merger of Security***

The Security created by this Deed is to be in addition to and shall neither be merged with nor in any way exclude or prejudice or be affected by any other Security or other right which the Security Agent may now or after the date of this Deed hold for any of the Secured Liabilities,

and this Deed may be enforced against any Chargor without first having recourse to any other rights of the Security Agent.

5. Further assurances and protection of priority

5.1 HM Land Registry

- (a) In relation to each Property from time to time, each Chargor irrevocably consents to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) on the prescribed Land Registry form and in the following or substantially similar terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the debenture dated • in favour of • referred to in the charges register."

- (b) The Finance Parties and the Mezzanine Finance Parties must perform their obligations under the Senior Facilities Agreement, or as the case may be, the Mezzanine Facility Agreement (including any obligation to make available further advances). In relation to each Property, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) of the obligation to make further advances.

5.2 Register of Intellectual Property Rights

Each Chargor irrevocably authorises the Security Agent to effect such registrations, renewals, payments and notifications at the expense of such Chargor as the Security Agent may reasonably require to record the interests of the Security Agent in any registers relating to registered Intellectual Property Rights.

5.3 Notices

Each Chargor shall give notice of:

- (a) within 5 Business Days of the date of this Deed, the charge over its Blocked Accounts and Other Accounts (other than accounts maintained with the Security Agent) under this Deed to the person at which such accounts are maintained in the form set out in Part 1 (*Form of notice in relation to a Blocked Account or Other Account*) of Schedule 3 (*Form of notices*);
- (b) within ten Business Days of the date of this Deed the assignment of the Insurances under this Deed to its insurers in the form set out in Part 2 (*Form of notice to insurers*) of Schedule 3 (*Form of notices*); and
- (c) upon the occurrence of an Event of Default that is continuing, the assignment of any Assigned Contract under this Deed to each counterparty in the form set out in Part 3 (*Form of notice in relation to Contracts*) of Schedule 3 (*Form of notices*),

and, in each case, shall use all reasonable endeavours (not involving the payment of money or incurrance of any external expenses), to procure that each person on whom a notice is served, executes and delivers to the Security Agent an acknowledgement of that notice in the relevant form scheduled to this Deed or in such other form as the Security Agent may reasonably require.

5.4 Enforcement Notices

The Security Agent shall not, prior to the occurrence of Declared Default, serve an Enforcement Notice.

6. **Representations and warranties**

Each Chargor makes the representations and warranties listed below in favour of each of the Secured Parties.

6.1 **Security Assets**

Schedule 2 (*Security Assets*) identifies:

- (i) all the freehold and leasehold property situated in England and Wales;
- (ii) all the registered patents, designs and trade marks, and applications in respect of the same; and
- (iii) all the shares in respect of companies incorporated in England and Wales, beneficially owned by each Chargor at the date of this Deed.

6.2 **Investments and Shares**

- (a) All Investments and the Shares are fully paid and none are subject to any option to purchase or similar rights.
- (b) It has not appointed any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.
- (c) The constitutional documents of any company whose shares are the subject of the Security created by this Deed do not and could not restrict or prohibit any transfer of those shares on creation or on enforcement of that Security.

6.3 **Repetition**

- (a) The representations in this clause are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date this Deed and each day on which the representations and warranties contained in the Senior Facilities Agreement are repeated.
- (b) After the Senior Discharge Date, the representations in this clause 6 are deemed to be made by each Chargor by reference to the facts and circumstances then existing on each day on which the representations and warranties contained in the Mezzanine Facility Agreement are repeated.

7. **Undertakings**

7.1 **Duration of undertakings**

Each Chargor undertakes to the Security Agent in the terms of this clause for the duration of the Security Period.

7.2 **General undertakings**

- (a) *Negative pledge and disposal restrictions*

It will not:

- (i) create or agree to create or permit to subsist or arise any Security over all or any part of the Security Assets; or

- (ii) sell, transfer, lease out, lend or otherwise dispose of all or any part of the Security Assets (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or agree or attempt to do the same,

except as permitted by the Senior Facilities Agreement and the Mezzanine Facility Agreement or with the prior written consent of the Security Agent.

(b) *Deposit of documents or title deeds*

It will deposit with the Security Agent:

- (i) to the extent that the relevant documents have not been deposited with a clearance system, settlement system or custodian acceptable to the Security Agent, all deeds, stock and share certificates or other documents of title (or documents evidencing title or the right to title) and agreements relating to a Security Asset (including, without limitation, all deeds and documents of title relating to the Property);
- (ii) any stock transfer forms or other instruments of transfer duly completed to the Security Agent's satisfaction;
- (iii) to the extent reasonably requested by the Security Agent from time to time:
 - (A) certified copies of all the Assigned Contracts;
 - (B) certified copies of all Hedging Agreements;
 - (C) all deeds and documents of title (if any) relating to the Debts; and
 - (D) details of all bank accounts; and
- (iv) any other document which the Security Agent may reasonably require for the purposes of perfecting the Security created by this Deed.

(c) *Information*

The Security Agent may retain any documents delivered to it under Clause 7.2(b) above or otherwise only until such time as the security created under this Deed is released.

(d) *Insurance*

Each Chargor shall:

- (i) duly and punctually pay all premiums and any other monies necessary for maintaining its insurance policies in full force and effect. If a Chargor at any time fails to pay any such premiums or other monies, the Security Agent may pay such premiums and other monies and that Chargor shall reimburse the Security Agent for the amount of such premiums and other monies within 3 Business Days of demand; and
- (ii) apply any monies received by virtue of any insurance relating to the whole or any part of the Security Assets in accordance with the terms of the Senior Finance Documents and the Mezzanine Finance Document.

7.3 ***Investments and Shares***

(a) *Exercise of rights*

- (i) Prior to the occurrence of a Declared Default, it may exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or

exercisable by the legal or beneficial owner of the Investments or the Shares unless such exercise or refrain from exercising (or direction to do the same):

- (A) breaches any term of the Senior Facilities Agreement or the Mezzanine Facility Agreement; or
- (B) would, or might reasonably be expected to, have a materially adverse effect on the value of any of the Security Assets or otherwise prejudice any Transaction Security; or
- (C) would, or might reasonably be expected to, materially affect any rights or powers of that Chargor arising from its legal or beneficial ownership of the Investment or the Shares.

- (ii) At any time after the occurrence of a Declared Default, it shall not, without the prior written consent of the Security Agent, exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments or the Shares.

(b) *Registration of transfers*

If requested by the Security Agent at any time following the occurrence of a Declared Default, it shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Security Agent or its nominee once a transfer relating to those Investments and Shares is presented for that purpose.

(c) *Clearance systems etc*

If requested by the Security Agent at any time following the occurrence of a Declared Default, it shall instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for its or some nominee's account to the account of the Security Agent (or its nominee) with such clearance system (or as otherwise required by the Security Agent).

(d) *Acquisition and calls*

It shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments or Shares and, for the avoidance of doubt, no Secured Party shall incur any liability in respect of any amounts due from a Chargor in respect of any Investments or Shares.

(e) *Dividends*

Prior to the occurrence of a Declared Default it shall be entitled to receive and retain all dividends, distributions and other monies paid on or derived from its Shares and Investments.

At any time after the occurrence of a Declared Default, it shall immediately pay all dividends or other monies received by it in respect of the Investments and the Shares to the Security Agent, or as the Security Agent may direct from time to time.

(f) *Nominees*

It shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.

7.4 **Receivables**

- (a) *Prior to the Senior Discharge Date*, each Chargor shall:

- (i) (x) direct all its customers and other debtors to pay the proceeds of all Receivables into the SVB Blocked Accounts and (y) pay into an SVB Blocked Account all monies it may otherwise receive in respect of such Receivables;
- (ii) hold the proceeds of such collection and realisation of the Receivables upon trust for the Security Agent pending payment of such proceeds into an SVB Blocked Account;
- (iii) not at any time without the prior written consent of the Senior Lender deal with the Receivables or other monies relating thereto otherwise than by getting in the same and making payment thereof into an SVB Blocked Account. Without prejudice to the generality of the foregoing, no Chargor shall at any time factor or discount any of such debts or claims or enter into any agreement for such factoring or discounting; and
- (iv) if called upon so to do by the Senior Lender, execute a legal assignment of the Receivables to the Security Agent in such terms as the Lender in its discretion may require, give such notice of that legal assignment to the debtors from whom the Receivables are due, owing or incurred and take any such other step as the Senior Lender in its discretion may require to perfect such legal assignment.

(b) *Blocked Accounts*

Prior to the Senior Discharge Date, no Chargor shall, except with the prior written consent of the Senior Lender, withdraw or attempt or be entitled to withdraw from an SVB Blocked Account all or any monies standing to the credit of an SVB Blocked Account.

(c) *Other Bank Accounts*

After the security created by this Deed has become enforceable, if the Senior Lender has served written notice on a Chargor requiring the same, that Chargor shall not, except with the prior written consent of the Senior Lender, withdraw or attempt or be entitled to withdraw from any of its bank accounts (including the SVB Operating Accounts and the Third Party Accounts but excluding the SVB Blocked Accounts) all or any monies standing to the credit of such bank accounts. Prior to the service of such written notice (which may not be served prior to a Declared Default), each Chargor may withdraw all or any monies standing to the credit of any of its bank accounts (other than the SVB Blocked Accounts) at any time at its discretion.

7.5 ***Power to remedy***

If a Chargor fails to comply with any covenant set out in sub-clause 7.2 (*General undertakings*) to sub-clause 7.4 (*Receivables*) (inclusive), and that failure is not remedied within any remedy period permitted in the Senior Facilities Agreement it will allow (and irrevocably authorises) the Security Agent or any Receiver to take any action on its behalf which the Security Agent or the Receiver deems necessary or desirable to ensure compliance with those covenants. Each Chargor shall reimburse to the Security Agent and/or any Receiver, on demand, all amounts expended by the Security Agent or any Receiver in remedying such failure together with interest in accordance with clause 10.3 (*Default Interest*) of the Senior Facilities Agreement from the date of payment by the Security Agent or Receiver (as the case may be) until the date of reimbursement.

8. **Enforcement and powers of the Security Agent**

8.1 ***Enforcement***

At any time after the occurrence of a Declared Default, the Security created pursuant to this Deed shall be immediately enforceable and the Security Agent may in its absolute discretion and without notice to a Chargor or any of them or the prior authorisation of any court:

- (a) enforce all or any part of the Security created by this Deed and take possession of or dispose of all or any of the Security Assets in each case at such times and upon such terms as it sees fit; and
- (b) whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
 - (i) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
 - (ii) granted to a Receiver by this Deed or from time to time by law.

8.2 ***Power of sale, leasing and other powers***

- (a) For the purpose of all rights and powers implied or granted by law, the Secured Liabilities are deemed to have fallen due on the date of this Deed. The power of sale and other powers conferred by section 101 LPA and all other enforcement powers conferred by this Deed shall be immediately exercisable at any time after the occurrence of Declared Default.
- (b) The Security Agent may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 LPA.
- (c) In the exercise of the powers conferred by this Deed, the Security Agent may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and it may apportion any rent or other amount without the consent of that relevant Chargor.

8.3 ***Statutory restrictions***

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the LPA shall not apply to the Security constituted by this Deed.

8.4 ***Appropriation***

- (a) In this Deed, "**financial collateral**" has the meaning given to that term in the Financial Collateral Arrangements (No.2) Regulations 2003.
- (b) At any time after the occurrence of a Declared Default, the Security Agent may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Liabilities.
- (c) The Parties agree that the value of any such Security Assets appropriated in accordance with sub-clause 8.4(b) shall be the market price of such Security Assets at the time the right of appropriation is exercised as determined by the Security Agent by reference to such method or source of valuation as the Security Agent may reasonably select, including by independent valuation. The Parties agree that the methods or sources of valuation provided for in this sub-clause or selected by the Security Agent in accordance with this sub-clause shall constitute a commercially reasonable manner of valuation for the purposes of the Financial Collateral Arrangements (No.2) Regulations 2003.

- (d) The Security Agent shall notify the relevant Chargor, as soon as reasonably practicable, of the exercise of its right of appropriation as regards such of the Security Assets as are specified in such notice.

9. Appointment of a Receiver or Administrator

9.1 Appointment

- (a) At any time after the occurrence of the Declared Default, or at the request of a Chargor or its directors, the Security Agent may, without prior notice to any Chargor, in writing (under seal, by deed or otherwise under hand) appoint:
 - (i) a Receiver in respect of the Security Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his place; or
 - (ii) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (b) Nothing in sub-clause 9.1(a) shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- (c) Section 109(1) LPA shall not apply to this Deed.

9.2 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

9.3 Remuneration of Receiver

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it from time to time. For the purpose of this sub-clause, the limitation set out in section 109(6) LPA shall not apply.

9.4 Liability of the Security Agent for actions of a Receiver or Administrator

- (a) Each Receiver shall be the agent of each relevant Chargor which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. No Secured Party shall be responsible for any misconduct, negligence or default of a Receiver.
- (b) No Secured Party shall have any liability for the acts or omissions of an Administrator.

10. Powers of a Receiver

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

- (a) all of the specific powers set out in Schedule 7 (*Powers of Receiver*);
- (b) all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;

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

11. **Application of monies**

11.1 ***Order of application***

All amounts from time to time received or recovered by the Security Agent pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security created by this Deed (for the purposes of this sub-clause, the "**Recoveries**") shall be held by the Security Agent on trust to apply the same at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this sub-clause), in the following order, after the payment of any preferential debts ranking in priority to the Secured Liabilities:

- (a) in discharging any sums owing to the Security Agent or any Receiver or Administrator;
- (b) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Security created by this Deed;
- (c) in payment of any Secured Liabilities; and
- (d) the balance of any Recoveries, after all amounts due under sub-clauses 11.1(a) to 11.1(c) have been paid in full, to the relevant Chargor.

The provisions of this sub-clause will override any appropriation made by a Chargor.

11.2 ***Prospective liabilities***

After the occurrence of Declared Default, the Security Agent may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later application under sub-clause 11.1 (*Order of application*) in respect of:

- (a) any sum to a Secured Party; and
- (b) any part of the Secured Liabilities,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

11.3 ***Investment of proceeds***

Prior to the application of the proceeds of the Recoveries in accordance with sub-clause 11.1 (*Order of application*) the Security Agent may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) pending the application from time to time of those

monies in the Security Agent's discretion in accordance with the provisions of sub-clause 11.1 (*Order of application*).

11.4 **Currency conversion**

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any monies received or recovered by the Security Agent from one currency to another, at a market rate of exchange.
- (b) The obligations of each Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

11.5 **Permitted deductions**

The Security Agent shall be entitled, in its discretion:

- (a) to set aside by way of reserve, amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Senior Finance Documents or Mezzanine Finance Document or otherwise (other than in connection with its remuneration for performing its duties under this Deed).

12. **Protection of third parties**

12.1 **No obligation to enquire**

No purchaser from, or other person dealing with, a Secured Party shall be obliged or concerned to enquire whether:

- (a) the right of the Secured Party to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Liabilities remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

12.2 **Receipt conclusive**

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

13. **Protection of the Secured Parties**

13.1 **No liability**

No Secured Party shall be liable in respect of any of the Security Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by that Secured Party's gross negligence, wilful default or material breach of any of its material obligations under the Finance Documents.

13.2 **Possession of Security Assets**

Without prejudice to sub-clause 13.1 (*No liability*), if a Secured Party enters into possession of the Security Assets, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

13.3 **No proceedings**

No Party (other than the Security Agent, a Receiver or a Delegate in respect of its own officers, employees or agents) may take any proceedings against any officer, employee or agent of a Secured Party in respect of any claim it might have against a Secured Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Senior Finance Document or Mezzanine Finance Document or any Security Asset and any officer, employee or agent of a Secured Party may rely on this sub-clause subject to sub-clause 1.4 (*Third party rights*) of the Senior Facilities Agreement and the provisions of the Third Parties Act.

14. **Cumulative powers and avoidance of payments**

14.1 **Cumulative powers**

The powers which this Deed confers on the Security Agent and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

14.2 **Amounts avoided**

If any amount paid by a Chargor in respect of the Secured Liabilities is reasonably likely to be avoided or set aside on the liquidation or administration of that Chargor or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid. No interest shall accrue on any such amount, unless and until such amount is so avoided or set aside.

14.3 **Discharge conditional**

Any settlement or discharge between a Chargor and the Security Agent shall be conditional upon no security or payment to the Security Agent by that Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Security Agent under this Deed) the Security Agent shall be entitled to recover from that Chargor the value which the Security Agent has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

15. **Ruling-off accounts**

If the Security Agent receives notice of any subsequent Security or other interest affecting any of the Security Assets (except as permitted by the Senior Facilities Agreement or, after Senior Discharge Date, Mezzanine Facility Agreement) it may open a new account for the relevant Chargor in its books. If it does not do so then (unless it gives written notice to the contrary to that Chargor or any of them), as from the time it receives that notice, all payments made by a Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

16. **Power of attorney**

Each Chargor, by way of security, irrevocably and severally appoints each of the Security Agent and any Receiver as its attorney (with full power of substitution and delegation) in its name and

on its behalf and as its act and deed to, whilst an Event of Default is continuing, execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Chargor covenants with each of the Security Agent and any Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

17. **Delegation**

17.1 A Secured Party may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by or pursuant to this Deed.

17.2 That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that that Secured Party may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

18. **Redemption of prior charges**

The Security Agent may redeem any prior Security on or relating to any of the Security Assets or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Chargor. Each Chargor will on demand pay to the Security Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

19. **Miscellaneous**

19.1 **Assignment**

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed. The Security Agent may assign and transfer all or any part of its rights and obligations under this Deed.

19.2 **Counterparts**

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

19.3 **Covenant to release**

At the end of the Security Period, the Security Agent shall, at the request and cost of a Chargor, release the Security Assets from the security constituted by this Deed (including any assignment by way of security) by executing a release substantially in the form set out in Schedule 5 (*Form of Deed of Release*) with such amendments as the Security Agent may agree or taking any other action which may be necessary to release the Security Assets from the Security constituted by this Deed.

20. **Governing law**

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

21. **Jurisdiction**

21.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination

of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **"Dispute"**).

- 21.2 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.
- 21.3 This clause is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

In witness this Deed is executed on the date appearing at the head of page 1.

Schedule 1

Not used.

Schedule 2

Security Assets

Part 1

The Bank Accounts

SVB Blocked Accounts

Currency	Account number	Sort Code	Account Holder	IBAN
USD	██████		Simplicity Marketing Limited	████████████████████
Euro	██████		Simplicity Marketing Limited	████████████████████
Sterling	██████		Simplicity Marketing Limited	████████████████████


Other Accounts

Third Party Bank	Account Number	Sort Code	Branch Address	Chargor & Reference/designation
Santander UK plc	██████	██████	Bridle Road, Bootle, Merseyside, L30 4GD	Simplicity Marketing Limited

Part 2

Intellectual Property

Trade marks

Chargor	Trade mark number	Jurisdiction	Classes	Trade mark text	Image
SIMPLICITY MARKETING LIMITED	Reg 4855231	USA	42	ENSEMBLE ATTRIBUTION	

Patents

None as at the date of this deed.

Designs

None as at the date of this deed.

Part 3

Shares

None as at the date of this Deed.

Part 4

Assigned Contracts

None as at the date of this deed.

Part 5

Property

None as at the date of this Deed.

Schedule 3

Form of notices

Part 1

(Form of notice in relation to a Third Party Account)

To: [Bank]

[Address]

(the "**Account Bank**")

Dated: [] 201[•]

Dear Sirs

We refer to the following accounts of [] Limited of [] (the "**Chargor**" with you:

Account Number	Sort Code	Account Name

We give you notice that, by a debenture dated [•] 2019 the Chargor has charged to Silicon Valley Bank as a security agent (the "**Security Agent**") by way of fixed charge its interest in and to the money from time to time standing to the credit of the accounts referred to above (the "**Charged Accounts**") and to all interest (if any) accruing on the Charged Accounts.

Each Chargor irrevocably authorises and instructs you to disclose to the Security Agent any information relating to the Chargor and the Charged Accounts which the Security Agent may from time to time request you to provide.

The Security Agent confirms that, until you receive written notice from the Security Agent to the contrary (an "**Enforcement Notice**"), you are authorised to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Accounts without first obtaining the consent in writing of the Security Agent.

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

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Security Agent at the following address:

Silicon Valley Bank
Alphabeta,
14-18 Finsbury Square,
London EC2A 1BR
For the attention of: Mr Jim Watts

Yours faithfully

[] Limited

(Acknowledgement from Third Party Bank)

To:

Silicon Valley Bank
Alphabeta
14-18 Finsbury Square
London EC2A 1BR
For the attention of: Mr Jim Watts

[] 201[●]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [●] 201[●] and addressed to us by [●] Limited (the "**Chargo**"). Expressions defined in such notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Security Agent notifies us in writing that the notice is revoked;
2. we have not received notice that any third party has any interest in the Charged Accounts.

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit.

Yours faithfully

Part 2

(Form of notice to insurers)

To: •[insert name and address of insurer]

Dated: •

Dear Sirs

Re: [identify the relevant insurance policy[ies]] (the "Policy[ies]")

We notify you that we have assigned, by way of security, to Silicon Valley Bank (the "**Security Agent**") all our right, title and interest in the Policy[ies] as security for certain obligations owed by us to the Security Agent.

We further notify you that:

- 1 you may continue to deal with us in relation to the Policy[ies] until you receive written notice to the contrary from the Security Agent (an "**Enforcement Notice**"). Thereafter, we will cease to have any right to deal with you in relation to the Policy[ies] and therefore from that time you should deal only with the Security Agent;
- 2 you are authorised to disclose information in relation to the Policy[ies] to the Security Agent on their request; and
- 3 the provisions of this notice may only be revoked or amended with the prior written consent of the Security Agent.

We will remain liable to perform all our obligations under the Policy[ies] and the Security Agent is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy[ies].

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you will not amend, waive or release any right, interest or benefit in relation to the Policy[ies] (or agree to do the same) without the prior written consent of the Security Agent;
- (c) the interest of the Security Agent as assignee has been noted against the Policy[ies] ;
- (d) after receipt of written notice in accordance with paragraph 1, you will pay all monies to which we are entitled under the Policy[ies] direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing;
- (e) you will notify the Security Agent if you propose to repudiate, rescind or cancel any Policy[ies], to treat [it/them] as avoided in whole or in part, to treat [it/them] as expired due to non-payment of premium or otherwise decline any valid claim under [it/them] by or on behalf of any insured party ;
- (f) you have not received notice that we have assigned or charged our rights under the Policy[ies] to a third party or created any other interest in the Policy[ies] in favour of a third party; and

- (g) you 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[ies].

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
[*the relevant Chargor*]

[On acknowledgement copy]

To: Silicon Valley Bank

Copy to: •[*the relevant Chargor*]

We acknowledge receipt of the above notice and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs (a) to (g) (inclusive) of that notice.

.....

for and on behalf of
•[*insert name of insurer*]

Dated: •

Part 3

(Form of notice in relation to Contracts)

To: [insert name and address of counterparty]

Dated: ●

Dear Sirs

Re: [identify the relevant agreement] (the "Agreement")

We notify you that we have assigned, by way of security to Silicon Valley Bank (the "**Security Agent**") all our right, title and interest in the Agreement as security for certain obligations owed by us to the Security Agent.

We further notify you that:

- 1 you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Agreement and therefore, from that time, you should deal only with the Security Agent;
- 2 you are authorised to disclose information in relation to the Agreement to the Security Agent on request;
- 3 after receipt of written notice in accordance with paragraph 1, you must pay all monies to which we are entitled under the Agreement direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing; and
- 4 the provisions of this notice may only be revoked or amended with the prior written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) after the service of an Enforcement Notice you will not amend in any way, waive or release any rights, interest or benefit in relation to the Agreement or terminate the Agreement without the prior written consent of the Security Agent;
- (c) you have not received notice that we have assigned or charged our rights under the Agreement to a third party or created any other interest in the Agreement in favour of a third party; and
- (d) you 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 Agreement.

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
[*the relevant Chargor*]

[On acknowledgement copy]

To: Silicon Valley Bank

Copy to: [*the relevant Chargor*]

We acknowledge receipt of the above notice and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs (a) to (d) (inclusive) of that notice.

.....

for and on behalf of
[*insert name of counterparty*]

Dated: ●

Schedule 4

Form of Accession Deed

This Accession Deed is made on

20●●

Between:

- (1) ● **Limited** (company number: ●) whose registered office is at ● (the "**New Chargor**"); and
- (2) **Silicon Valley Bank** as agent and trustee for the Secured Parties (the "**Security Agent**"),

and is supplemental to a Debenture granted by Simplicity Marketing Limited in favour of the Security Agent on ● 20●● (the "**Debenture**").

This Accession Deed witnesses as follows:

1 Definitions and interpretation

1.1 Unless a contrary intention appears, words and expressions defined in the Debenture shall have the same meaning in this Accession Deed and sub-clause 1.2 (*Construction*) of the Debenture shall apply to this Accession Deed.

1.2 In this Deed, unless the context otherwise requires, the following definitions shall apply:

"Accession Shares" means:

- (a) the shares described in Part 3 (*Shares*) of the schedule to this Accession Deed;
- (b) all Derivative Assets in relation to the shares referred to in paragraph (a); and
- (c) all Related Rights in respect of paragraphs (a) to (b) (inclusive).

"Assigned Contract" means each contract specified in Part 4 (*Assigned Contracts*) of the schedule to this Accession Deed.

"Blocked Accounts" means [*insert description*].

2 Confirmation

The New Chargor confirms it has read and understood the content of the Debenture.

3 Accession

With effect from the date of this Accession Deed, the New Chargor becomes a party to, and will be bound by the terms of, and assume the obligations and duties of a Chargor under, the Debenture as if it had been an Original Chargor .

4 Security

4.1 Without prejudice to the generality of clause 3 (*Accession*), the New Chargor with full title guarantee in favour of the Security Agent:

- (a) charges by way of legal mortgage, all of the Property described in Part 1 (*The Property*) of the schedule to this Accession Deed;
- (b) charges by way of first fixed charge:

- (i) all Property not effectively mortgaged by sub-clause 4.1(a);
 - (ii) all fixed and permanent Plant and Machinery;
 - (iii) all Plant and Machinery not effectively charged by sub-clause 4.1(b)(ii);
 - (iv) all Accession Shares (but in respect of shares not governed by English law, only insofar as such Chargor can validly charge the same under applicable law);
 - (v) all Receivables directed to be paid into the SVB Blocked Accounts;
 - (vi) all Receivables directed to be paid into the SVB Operating Accounts;
 - (vii) all Receivables directed to be paid into the Third Party Accounts;
 - (viii) all other Receivables;
 - (ix) the SVB Blocked Accounts described in Part 1 of the Schedule to this Accession Deed;
 - (x) the SVB Operating Accounts described in Part 1 of the Schedule to this Accession Deed;
 - (xi) the Third Party Accounts described in Part 1 of the Schedule to this Accession Deed;
 - (xii) all Investments not effectively charged by sub-clause 4.1(b)(iv);
 - (xiii) all Intellectual Property Rights described in Part 2 (*Intellectual Property Rights*) of the schedule to this Accession Deed;
 - (xiv) all Intellectual Property Rights not effectively charged by sub-clause 4.1(b)(ix);
 - (xv) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
 - (xvi) its goodwill and uncalled capital;
 - (xvii) any Charged Agreements; and
 - (xviii) if not effectively assigned by sub-clause 4.1(c), all its rights and interests in (and claims under) the assets described in sub-clause 4.1(c);
- (c) by way of assignment by way of security:
- (i) all Insurances and Insurance Proceeds;
 - (ii) any Assigned Contract; [and]
 - (iii) any Hedging Agreement; [and]
 - (iv) [*describe any other assets which are expressly stated to be assigned*]; and
- (d) by way of first floating charge, all its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clauses 4.1(a) or 4.1(b) or which are effectively assigned by way of security under sub-clause 4.1(c).

- 4.2 The floating charge created by sub-clause 4.1(d) (*Security*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.

5 **Construction**

Save as specifically varied in respect of the New Chargor only, the Debenture shall continue and remain in full force and effect and this Accession Deed shall be read and construed as one with the Debenture so that all references to "**this Deed**" in the Debenture shall include reference to this Accession Deed.

6 **Governing Law**

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

In witness this Accession Deed is executed on the date appearing at the head of page 1.

[Add signature blocks after Schedule]

Schedule to Accession Deed

Part 1

Property

Chargor	Address or Description of Property	Title Number (if registered)

Part 2

Intellectual Property Rights

Trade marks					
Chargor	Trade number	mark	Jurisdiction	Classes	Trade mark text

Patents			
Chargor	Patent number	Jurisdiction	Description

Designs			
Chargor	Design number	Jurisdiction	Description

Part 3

Shares

Chargor	Issuer of shares	Number and class of shares	Details of nominees (if any) holding legal title to shares

Part 4

Assigned Contracts

Name of Chargor	Date of contract	Parties to contract	Details of contract

Part 5

Keyman Policies

Chargor	Policy date	Keyman name	Policy number	Policy amount

Part 5

Accounts

Schedule 5

Form of Deed of Release

This Deed of Release is made on

20●●

Between:

- (1) **Silicon Valley Bank** as agent and trustee for the Secured Parties (the "**Security Agent**"); and
- (2) ● (company number ●) whose registered office is at ● (the "**Chargor[s]**").

It is agreed as follows:

- 1 Capitalised terms used but not otherwise defined in this Deed have the meaning ascribed to them by the debenture granted by the Chargor[s] to the Security Agent on ● (the "**Debenture**").
- 2 The Security Agent releases all and any Security (including any assignment by way of security) created by, or evidenced in, the Debenture (together the "**Security Interests**").
- 3 The Security Agent confirms that it is entering into this Deed on behalf of the Secured Parties.
- 4 The Security Agent agrees, subject to its costs for so doing being fully indemnified by the Chargor[s], to execute such other documents for the release of the Security Interests as the Chargor[s] may reasonably require, including, without limitation, notices of reassignment and Land Registry Forms.
- 5 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English Law.

In witness this Deed is executed on the date appearing at the head of page 1.

[Add signature blocks]

NOTE: this deed of release is intended to provide a simple template for the Security Agent to execute on redemption of the secured liabilities without needing to take additional legal advice at such time should it choose not to. It cannot therefore be negotiated until the time of release, at which point the Security Agent will consider any proposed amendments from the Chargor.

Schedule 6

Not used.

Schedule 7

Powers of Receiver

1 Possession

Take immediate possession of, get in and collect the Security Assets or any part thereof.

2 Carry on business

Carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit.

3 Protection of assets

- (a) Manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;
- (b) commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Property;
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.

4 Realisation of assets

Sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he in his discretion may think fit. Without prejudice to the generality of the foregoing, he may do any of these things for any valuable consideration, whether full market value or otherwise, including, without limitation, cash, shares, stock, debentures or other obligations. Any such consideration may be payable in a lump sum or by instalments spread over such period as he in his discretion may think fit.

5 Let, hire or lease

- (a) Let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- (b) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets;
- (c) exchange or concur in exchanging the Security Assets;

in each such case in such manner and generally on such terms as he may in his discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

6 Registration

Use a Chargor's name to effect any registration or election for tax or other purposes.

7 **Insurances**

Effect, review or vary insurances.

8 **Borrowing**

For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, to raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.

9 **Lending**

Lend money to any person.

10 **Advance credit**

Advance credit, in the ordinary course of a Chargor's business, to any person.

11 **Make calls**

Make, or require the directors of any Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his direction may think fit) or otherwise.

12 **Compromise**

- (a) Settle or compromise any claim by, adjust any account with, refer to arbitration any dispute with, and deal with any question or demand from, any person who is, or claims to be, a creditor of any Chargor, as he may in his discretion think fit; and
- (b) settle or compromise any claim, adjust any account, refer to arbitration any dispute and deal with any question or demand relating in any way to the Security Assets, as he in his discretion may think fit.

13 **Proceedings**

In the name of any Chargor, bring, prosecute, enforce, defend or abandon all such actions, suits and proceedings in relation to the Security Assets as he in his discretion may think fit.

14 **Subsidiaries**

- (a) Promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and

- (c) arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit;

15 **Employees**

Appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he in his discretion may think fit.

16 **Receipts**

Give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.

17 **Delegation**

Delegate any or all of his powers in accordance with this Deed.

Signatories to Debenture

Original Chargor

Executed as a deed by

Simplicity Marketing Limited
acting by a director
in the presence of:

Director

Signature of witness:

Name:

ZACHARY SOBACH

Address:

Occupation:

AR/AP SPECIALIST

Notice details

Address: Suite 1, 3rd Floor 11-12 St. James's Square, London, United Kingdom, SW1Y 4LB
Fax:
Attention:

Security Agent

Signed by _____)
authorised signatory)
for and on behalf of)
Silicon Valley Bank)
)

Notice Details

Address: Alphabeta, 14-18 Finsbury Square, London EC2A 1BR
Facsimile: +44 (0) 207 600 9556
Email: jwatts2@svb.com
Attention: Mr. Jim Watts

Signatories to Debenture

Original Chargor

Executed as a deed by

Simplicity Marketing Limited
acting by a director
in the presence of:

Director

Signature of witness:

Name:

Address:

Occupation:

Notice details

Address: Suite 1, 3rd Floor 11-12 St. James's Square, London, United Kingdom, SW1Y 4LB
Fax:
Attention:

Security Agent

Signed by )
authorised signatory)
for and on behalf of)
Silicon Valley Bank)
)

Notice Details

Address: Alphabeta, 14-18 Finsbury Square, London EC2A 1BR
Facsimile: +44 (0) 207 600 9556
Email: jwatts2@svb.com
Attention: Mr. Jim Watts