



Registration of a Charge

Company name: **LAB 21 LIMITED**

Company number: **05382262**



X5866816

Received for Electronic Filing: **31/05/2016**

Details of Charge

Date of creation: **13/05/2016**

Charge code: **0538 2262 0014**

Persons entitled: **KREOS CAPITAL V (UK) LIMITED (THE "CHARGE")**

Brief description: **THE CHARGOR CHARGES BY WAY OF LEGAL MORTGAGE ALL PRESENT AND FUTURE RIGHT, TITLE AND INTEREST IN ALL FREEHOLD, LEASEHOLD OR OTHER IMMOVABLE PROPERTY INCLUDING PARK HOUSE, WINSHIP ROAD, CAMBRIDGE, CB24 6PP AND UNITS 3B, 3C AND 29 DREADNOUGHT TRADING ESTATE, DORSET, DT6 5BU. FIRST FIXED CHARGE OVER ALL THE CHARGOR'S BENEFIT OF ALL INTELLECTUAL PROPERTY. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CHARLES RUSSELL SPEECHLYS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5382262

Charge code: 0538 2262 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th May 2016 and created by LAB 21 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st May 2016 .

Given at Companies House, Cardiff on 1st June 2016

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

13 May

2016

(1) LAB 21 LIMITED

(2) KREOS CAPITAL V (UK) LIMITED

DEBENTURE

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

Charles Russell Speechlys

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CHARLES RUSSELL SPEECHLYS LLP
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31/05/2016

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THIS DEBENTURE is dated

13 May

2016

BETWEEN:

- (1) **LAB 21 LIMITED** a company incorporated in England and Wales under number 05382262 whose registered office is at Park House Winship Road, Milton, Cambridge, Cambridgeshire, CB24 6BQ (the **Chargor**); and
- (2) **KREOS CAPITAL V (UK) LIMITED** a company incorporated in England and Wales under registered number 09728300 whose registered office is at 25 Old Burlington Street, London, W1S 3AN (the **Chargee**).

RECITAL:

Under the terms of the Loan Agreement (as defined below), the Chargee has agreed to subscribe to an issue of bonds by the Parent (as defined below) up to EUR 3,000,000 in accordance with the terms of the Bonds Issue Agreement (as defined below), on condition, inter alia, that the Chargor will execute and deliver to the Chargee this Debenture to secure the payment of the Secured Obligations.

AGREED PROVISIONS:

1. INTERPRETATION

- 1.1 In this Debenture, the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

Bonds Issue Agreement the bonds issue agreement between the Parent as issuer and the Chargee as subscriber dated on around the date of this Debenture, as amended, restated, supplemented or replaced from time to time;

Business Day a day on which clearing banks are open for business in the City of London and/or Paris;

Debenture this Debenture including its recitals;

Event of Default shall have the meaning given to this term under the Bonds Issue Agreement;

Initial Property means:

- (a) any freehold, leasehold or immovable property specified in Schedule 1 (*Initial Property*) in

which that Chargor has an interest;

- (b) any buildings, fixtures, fittings, fixed plant and machinery from time to time situated on or forming part of that property (but excluding any fixtures, fittings or fixed plant and machinery which a tenant would be entitled to remove from the property at the expiration of any occupational lease or sooner); and
- (c) the benefit of any covenants for title given by any predecessor in title of the Chargor in respect of that property and any money paid in relation to those covenants;

Insurance Policy

means the insurance policy set out in Schedule 5;

Intellectual Property

all subsisting intellectual property rights presently or in the future, owned by the Chargor in any part of the world including patents and rights of a similar nature, applications for patents and such rights, divisions, prolongations, renewals, extensions, supplementary protection certificates and continuations of such applications for patents, registered and unregistered trademarks or trade names, registered and unregistered service marks, registered and unregistered designs, utility models (in each case for their full period and all extensions and renewals of them), applications for any of them and the right to apply for any of them in any part of the world, inventions, processes, software, formulae, technology (whether patentable or not) data, specifications, business or trade secrets, technical information, confidential information, know-how, business names, trade names, brand names, domain names, database rights, copyright and rights in the nature of database rights and copyright, design rights, and any uniform resource identifier and any similar rights existing in any country and all legal equitable and other rights in any of them owned by the Chargor; and the benefit (subject to the burden) of any and all agreements, arrangements and licences (where such agreements and licences permit the creation of security without prior consent) including without limitation the intellectual property

specified on Schedule 2;

Issue Documents	has the meaning given to the same term in the Loan Agreement;
Loan Agreement	the venture loan agreement between the Parent as Issuer and the Chargee as subscriber dated on around the date of this Debenture, as amended, restated, supplemented or replaced from time to time;
Parent	Novacyt S.A., a limited company (société anonyme) incorporated under the laws of France, with a share capital of EUR 447,514.86 having its registered office at 13, avenue Morane Saulnier – 78140 Vélizy Villacoublay, France, registered under single identification number 491 062 527 RCS Versailles, listed on the Alternext market of Euronext Paris under ISIN code FR0010397232 (ALNOV);
Permitted Security	<ul style="list-style-type: none">(i) security created in favour of the Chargee under the Issue Documents;(ii) the Rent Deposit Deeds; and(iii) any security permitted by the Chargee in writing from time to time;

Real Property

means:

- (d) the Initial Property;
- (e) any freehold, leasehold or immovable property now or in the future belonging to the Chargor including but not limited to the Initial Property;
- (f) any buildings, fixtures, fittings (including trade fittings and machinery) and fixed plant and machinery from time to time situated on or forming part of that property (but excluding any fixtures, fittings or fixed plant and machinery which a tenant would be entitled to remove from the property at the expiration of any occupational lease or sooner),

and includes all Related Rights;

Receivables

all present and future book debts and other debts, rentals, fees, VAT and monetary claims and all other amount at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (i) the benefit of all rights, guarantees, securities and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar association rights); and
- (ii) all proceeds of any of the foregoing;

Receiver

as defined in clause 9.1;

Rent Deposit Deeds

a rent deposit deed dated 19 May 2009 securing an amount of £3,187.50 and a rent deposit deed dated 2 February 2009 an amount of £11,634.37, both in favour of Michael John Fowler and Metella Fowler;

Related Rights	with respect to the Chargor and as regards any Secured Asset, all present and future: <ul style="list-style-type: none"> (i) money and proceeds of any nature paid or payable to the Chargor in relation to the Secured Asset, including sale proceeds and money paid by way of damages, award or judgment made in connection with that Secured Asset; and (ii) rights and interests of any nature attaching to, deriving from or exercisable as a result of such Chargor's interest in or ownership or operation of the Secured Asset;
Secured Obligations	all indebtedness, liabilities and obligations which are now or may at any time in the future be due, owing or incurred by the Parent to the Chargee in any manner whatsoever whether under the Issue Documents or otherwise;
Secured Party	means the Chargee or a Receiver;
Securities	shall have the meaning given to that term in clause 4.1.2(f);
Security Assets	all property and assets (and all Related Rights relating to such property and assets) from time to time charged or assigned (or expressed to be charged or assigned) by or pursuant to this Debenture;
Specified Account	the bank accounts set out in Schedule 3, as renumbered or re-designated from time to time, each replacement or sub-account relating to it, all money from time to time standing to the credit of that account and all interest accruing in relation to it; and

1.2 In this Debenture unless the context requires otherwise:

- 1.2.1 Capitalized terms not defined in this Debenture shall have the respective meanings given to those terms in the Loan Agreement;
- 1.2.2 any reference to a clause, Schedule or appendix (other than a Schedule to a statutory provision) is a reference to a clause of or Schedule or appendix to this Debenture and the Schedule and appendices form part

of and are deemed to be incorporated in and in references to this Debenture;

- 1.2.3 references to this Debenture and to any provisions of this Debenture or to any other document or agreement shall be construed as references to this Debenture or that document or agreement in force for the time being and as amended, varied, supplemented, substituted or novated from time to time;
- 1.2.4 words importing the singular number only shall include the plural number and vice versa; and words importing the masculine gender only shall include the feminine gender;
- 1.2.5 references to persons includes a reference to firms, corporations, unincorporated associations or personal representatives;
- 1.2.6 references to any person are to be construed to include that person's assigns or transferees or successors in title, whether direct or indirect;
- 1.2.7 references to any statutory provision means that statutory provision as amended, supplemented, re-enacted or replaced from time to time (whether before or after the date of this Debenture) and are to include any orders, regulations, instruments or other subordinate legislation made under the relevant statutory provision except to the extent that any amendment, supplement, re-enactment or replacement coming into force after the date of this Debenture would increase or extend the liability of the parties to one another;
- 1.2.8 the rule known as the ejusdem generis rule shall not apply and general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of acts, matters or things;
- 1.2.9 clause headings are for ease of reference only and are not to affect the interpretation of this Debenture;
- 1.2.10 the terms of the Loan Agreement are incorporated into this Debenture to the extent required to ensure that any disposition of the Real Property contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- 1.2.11 an Event of Default is '**continuing**' if it has not been remedied to the Chargee's satisfaction (acting reasonably) or waived by the Chargee in writing; and

- 1.2.12 it is intended by the parties to this Debenture that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document underhand.
- 1.3 In the event of a conflict between the terms of this Debenture and the terms of the Bonds Issue Agreement, the terms of the Bonds Issue Agreement shall prevail.
- 1.4 In the event of a conflict between the terms of this Debenture and the terms of the Loan Agreement, the terms of the Loan Agreement shall prevail.
- 2. COVENANT TO PAY**
- 2.1 The Chargor covenants (when the same shall be or become due) on demand to pay and discharge to the Chargee the Secured Obligations.
- 2.2 Any amount which is not paid under this Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which that amount is unconditionally and irrevocably paid and discharged in full at the rate and in the manner specified in the Loan Agreement.
- 3. NATURE OF SECURITY**
- 3.1 All mortgages, charges, assignments and other security made or created under this Debenture are made or created:
- 3.1.1 in favour of the Chargee;
- 3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- 3.1.3 as a continuing security for the payment or discharge of all Secured Obligations hereby covenanted to be paid or discharged by the Chargor.
- 3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).
- 4. SECURITY**
- 4.1 The Chargor charges and agrees to charge all the present and future right, title and interest of the Chargor in and to the following assets which are at any time owned by the Chargor or in which the Chargor from time to time has an interest:
- 4.1.1 by way of first legal mortgage all freehold, leasehold or other immovable property now vested in or charged to the Chargor, including the Initial Property;

4.1.2 by way of first fixed charge:

- (a) all the Real Property (to the extent they are not charged by clause 4.1.1);
- (b) all plant and machinery now or in the future belonging to the Chargor other than fixed plant and machinery charged under clauses 4.1.1 and 4.1.2(a);
- (c) all computers, vehicles, office equipment and other equipment;
- (d) all cash of the Chargor and all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person;
- (e) all Receivables;
- (f) all stocks, shares, loan capital, bonds and other securities now or in the future belonging to the Chargor (either legally or beneficially) together with all dividends and all other rights deriving from them (the **Securities**);
- (g) the goodwill of the Chargor and its uncalled capital both present and future;
- (h) the benefit of all Intellectual Property; and
- (i) all policies and contracts of insurance issued or entered into for the benefit of or by the Chargor and all rights, claims and interests which the Company has from time to time in any such policy or contract including the Insurance Policy.

4.2 The Chargor assigns and agrees to assign absolutely to the Chargee (to the fullest extent assignable or capable of assignment without first infringing any contractual provision restricting the same (unless any applicable consent or waiver to any such consent has been granted)) and subject to a proviso for reassignment on redemption in accordance with clause 19, the benefit of all its right, title and interest to, in and under all present and future:

4.2.1 the Receivables;

4.2.2 goodwill of the Chargor and its uncalled capital both present and future;

4.2.3 Intellectual Property; and

4.2.4 policies and contracts of insurance issued or entered into for the benefit of or by the Chargor and all rights, claims and interests which the Company has from time to time in any such policy or contract including the Insurance Policy.

- 4.3 If so requested by the Chargee following an Event of Default which is continuing, the Chargor shall (within ten Business Days) in respect of any of the assets assigned under clause 4.2, deliver a duly completed notice of assignment to each of the other parties to the relevant contract (if applicable).
- 4.4 To the extent not validly and effectively charged by way of first mortgage pursuant to clause 4.1.1 or fixed charge pursuant to clause 4.1.2 or effectively assigned pursuant to clause 4.2, the Chargor by way of first floating charge charges the whole of the Chargor's undertaking and all its property and assets whatsoever and wheresoever present and future.
- 4.5 The Chargee may at any time following an Event of Default which is continuing convert the floating charge by notice in writing to the Chargor into a fixed charge as regards all the property and assets which for the time being are the subject of such floating charge or, as the case may be, such of the said property and assets as are specified by such notice.
- 4.6 The floating charge created by this Debenture shall unless otherwise agreed in writing by the Chargee automatically, immediately and without notice be converted into a fixed charge in the event that (i) the Chargor shall create or permit to subsist any security interest as described in clause 5.1.1 other than Permitted Security; (ii) if any third party levies any distress, attachment, execution or other legal process against any asset charged by this floating charge; (iii) a receiver is appointed over all or any of the Security Assets that are subject to the floating charge or (iv) the Chargee receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Chargor.
- 4.7 A reference in this Debenture to a mortgage, assignment or charge of any freehold or leasehold property includes all buildings and fixtures on the property, the proceeds of sale of any part of that property, any licence, agreement for sale or agreement for lease in relation to that property and the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants.
- 4.8 The security from time to time constituted by or pursuant to this Debenture shall be in addition to and shall not prejudice, determine or affect any other security which the Chargee may from time to time hold for or in respect of all or any part of the Secured Obligations hereby secured. No prior security held by the Chargee over the property charged by this Debenture or any part of it shall merge in the security created hereby or pursuant to this Debenture which will remain in full force and effect as a continuing security until discharged by the Chargee.
- 4.9 There shall be excluded from the charge created by clause 4.1 and from the operation of clause 16 any leasehold property held by the Chargor under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its leasehold interest in

that property (each an **Excluded Property**) until the relevant condition or waiver has been satisfied or obtained.

- 4.10 For each Excluded Property, the Chargor undertakes to apply for the relevant consent or waiver of prohibition or condition within 14 days of the date of this Debenture and, in respect of each Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use all reasonable endeavours to obtain that consent as soon as possible and to keep the Chargee informed of the progress of its negotiations.
- 4.11 Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Chargee under clause 4.1. If required by the Chargee at any time following receipt of that waiver or consent, the Chargor will forthwith execute a valid legal mortgage in such form as the Chargee shall reasonably require.

5. RESTRICTIONS ON DEALING

- 5.1 Other than as set out at clause 5.2, the Chargor shall not without the prior written consent of the Chargee:
- 5.1.1 create or permit to subsist any mortgage, charge, pledge, hypothecation, lien or other security interest on any of its assets other than this Debenture and Permitted Security;
 - 5.1.2 save in the normal course of trading, transfer, lease, lend or otherwise dispose of the whole or any part of its undertaking or of its assets (whether by a single transaction or a number of transactions and whether related or not) or enter into any agreement or grant any option for any such sale, transfer, lease, loan or other disposal;
 - 5.1.3 part with possession of any freehold or leasehold property unless the term of the interest of the Chargor expires (including the Real Property), grant or agree to grant any option or any licence tenancy or other right of occupation to any person or exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by sections 99 and 100 of the Law of Property Act 1925 provided that such restrictions shall not be construed as a limitation on the powers of any receiver appointed under this Debenture and being an agent of the Chargor and the Chargee may grant or accept surrenders of leases without restriction.
- 5.2 Nothing in this Debenture shall prevent the continuing existence or enforcement of Permitted Security.

6. COVENANTS BY THE CHARGOR

6.1 The Chargor shall:

- 6.1.1 keep and maintain all buildings and all plant, machinery, fixtures and fittings in good repair and condition and permit any person or persons nominated by the Chargee free access upon reasonable notice to view the state and condition of them;
- 6.1.2 maintain adequate risk protection through insurances on and in relation to its business and assets to the extent reasonably required on the basis of good business practice taking into account, inter alia, its financial position and nature of operations.
- 6.1.3 apply any insurance proceeds in making good the loss or damage or at the Chargee's option in or towards the discharge of the Secured Obligations;
- 6.1.4 punctually pay all rents, taxes, duties, assessments and other outgoings and observe and perform all restrictive and other covenants under which any of the property subject to this Debenture is held;
- 6.1.5 permit the Chargor's bank to furnish directly to the Chargee from time to time upon request full statements and particulars of all the Chargor's accounts with bank and such other financial statements information respecting the assets and liabilities of the Chargor as are from time to time available to bank;
- 6.1.6 if so requested following an Event of Default which is continuing, deposit with the Chargee all deeds certificates and documents constituting or evidencing title to the property or any part of the property charged by this Debenture and all Insurance Policies;
- 6.1.7 comply with the provisions of all present or future law, regulations, instruments and directives and every notice, order or direction made under any of the foregoing and any requirements of any competent authority and all other licences, approvals and consents;
- 6.1.8 provide the Chargee with all financial and other information with respect to the assets, liabilities and affairs of the Chargor and its subsidiaries and associated companies (if any) that the Chargee may from time to time require.
- 6.1.9 notify the Chargee within ten Business Days of receipt of every material notice, order or proposal given or made in relation to the Security Assets by any competent authority, and (if required by the Chargee) immediately provide it with a copy of the same and either (1) comply with

- the same or (2) make any objections which the Chargee may require or approve;
- 6.1.10 comply with all covenants and obligations affecting any of the Security Assets (or the manner of use of any of them);
- 6.1.11 not, except with the prior written consent of the Chargee, enter into any onerous or restrictive obligation affecting any of the Security Assets;
- 6.1.12 not do, cause or permit to be done anything which may be in any way materially depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Security Assets or the effectiveness of the security created by this Debenture (or make any omission which has such an effect);
- 6.1.13 without prejudice to clause 5.1.1 but in addition to the restrictions in that clause, not sell, assign, charge, factor or discount or in any other manner deal with any of the Receivables and all licence fees, royalties and other monies deriving from its Intellectual Property without the prior written consent of the Chargee and must collect all Receivables and all licence fees, royalties and other monies deriving from its Intellectual Property promptly in the ordinary course of trading as agent for the Chargee;
- 6.1.14 notify the Chargee if it intends to acquire any estate or any interest in any freehold or leasehold property and will further notify the Chargee promptly in writing of the actual acquisition by it of any such freehold or leasehold land;
- 6.1.15 promptly on becoming aware of any of the same, give the Chargee notice in writing of any breach of this Debenture or of any other Issue Documents;
- 6.1.16 as soon as reasonably practicable following execution of this Debenture serve a notice of charge in the form of Part 1 of Schedule 4 in respect of the Specified Account and use all reasonable endeavours to procure that the relevant bank acknowledges that notice by signing and returning to the Chargee a letter of acknowledgement substantially in the form of Part 2 of Schedule 4 within 30 days of the notice of charge being served. Any instructions contained in a notice of charge sent by the Borrower pursuant to this clause may not be revoked or amended without the Chargee's prior written consent;
- 6.1.17 not, without the prior consent of the Chargee (such consent not to be unreasonably withheld), maintain any other bank account other than the Specified Account;

- 6.1.18 within five days of being requested to do so by the Chargee give notice (in the form detailed in Part 1 of Schedule 4 and use reasonable endeavours to procure that the relevant bank acknowledges that notice by signing and returning to the Chargee a letter of acknowledgement substantially in the form of Part 2 of Schedule 4 within 30 days of the notice of charge being served) to any bank or other financial institution with whom the Chargor has any other bank account, and to any other applicable third party, of the creation of the Security Interests under this Debenture;
- 6.1.19 as soon as reasonably practicable following execution of this Debenture serve a notice, substantially in the form of Part 1 of Schedule 6, on the other party to the Insurance Policy and use its reasonable endeavours to procure that such party acknowledges that notice by signing and returning to the Chargee a letter of undertaking substantially in the form of Part 2 of Schedule 6 within 30 days of the date of this Debenture or, if later, the date of entry into of the relevant Insurance Policy. Any instructions contained in any notice sent by the Chargor pursuant to this clause may not be revoked or amended without the Chargee's prior written consent;
- 6.1.20 permit the Chargee, any Receiver and any person appointed by either of them to enter on and inspect any Property on reasonable prior written notice;
- 6.1.21 duly and promptly pay all calls, instalments and other monies that may be payable from time to time in respect of the Securities. The Chargor acknowledges that the Chargee shall not be under any liability in respect of any such calls, instalments or other monies;
- 6.1.22 not, without the prior written consent of the Chargee, amend, or agree to the amendment of, the memorandum or articles of association, or any other constitutional documents, of any issuer of Securities that is not a public company, or the rights or liabilities attaching to any of the Securities, except for any amendment that could not be reasonably expected to have a material adverse effect on the Chargee's rights in relation to the Security Assets and the Chargee is given 10 Business Days prior written notice of such amendment;
- 6.1.23 ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of Securities that is not a public company shall not:
- (a) consolidate or subdivide any of its Securities, or reduce or re-organise its share capital in any way;
 - (b) issue any new shares or stock; or

- (c) refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, the Chargee or the Chargor in accordance with this Debenture;
 - 6.1.24 if so requested by the Chargee, place and maintain on each item of plant, machinery or equipment, in a conspicuous place, a clearly legible identification plate in a form approved by the Chargee specifying that such item is subject to the security created under this Debenture;
 - 6.1.25 take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including (without limitation) observing all covenants and stipulations relating to such rights, and paying all applicable renewal fees, licence fees and other outgoings;
 - 6.1.26 use all reasonable efforts to register applications for the registration of any future Intellectual Property (to the extent that they are registrable) where it is in the best interests of the business to do so, and shall keep the Chargee informed of all matters relating to each such registration;
 - 6.1.27 inform the Chargee in writing within seven days of any Intellectual Property being registered in the name of the Chargor which is not specified on Schedule 2;
 - 6.1.28 on the written request of the Chargee, provide the Chargee with copies of all licences and other agreements or documents relating to the Intellectual Property; and
 - 6.1.29 not permit any registered Intellectual Property to be abandoned, cancelled or to lapse where it is in the best interests of the business not to do so except with the prior written consent of the Chargee (such consent not to be unreasonably withheld).
- 6.2 After the security constituted by this Debenture has become enforceable:
- 6.2.1 all dividends and other distributions paid in respect of the Investments and received by the Chargor shall be held by the Chargor on trust for the Chargee and immediately paid into an account directed by the Chargee in writing or, if received by the Chargee, shall be retained by the Chargee; and
 - 6.2.2 all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, the Chargee and the Chargor shall, and shall procure that its nominees shall, comply with any directions the Chargee may give, in its absolute discretion, concerning the exercise of those rights and powers.

- 6.3 If the Chargor shall fail to perform any of its obligations under clause 6.1, then the Chargee may take such steps as it considers appropriate to procure the performance of such obligation and shall not thereby be deemed to be a mortgagee in possession and the monies reasonably expended by the Chargee shall be reimbursed by the Chargor on demand and until so reimbursed shall carry interest as mentioned in clause 2.2 from the date of payment to the date of reimbursement.

7. WARRANTIES

The Chargor warrants to the Chargee on the date of this Debenture and on each day that the Secured Obligations or any of them remain outstanding that:

- 7.1 Schedule 1 to this Debenture lists all the freehold and leasehold property beneficially owned by it as at the date of this Debenture;
- 7.2 there are no proceedings, actions, or circumstances relating to any of that property which materially and adversely affect that property's value or the Chargor's ability to use that property for the purposes for which it is currently used;
- 7.3 Schedule 2 to this Debenture lists all the Intellectual Property which is registered in its name as at the date of this Debenture;
- 7.4 the Specified Accounts are the only bank accounts in the name of the Borrower;
- 7.5 the Chargor is the legal and beneficial owner of the Security Assets;
- 7.6 the Security Assets are free from any Security Interest other than Permitted Security;
- 7.7 all premiums and other moneys payable in respect of the Insurance Policy have been duly and promptly paid in full;
- 7.8 the Insurance Policy is in full force and effect;
- 7.9 the Chargor has not has made any false declaration or misstatement in support of obtaining the Insurance Policy;
- 7.10 the Chargor has disclosed to the insurers of the Insurance Policy all material facts;
- 7.11 the Chargor has not received or acknowledged notice of any adverse claim by any person in respect of the Security Assets or any interest in them;
- 7.12 there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever, that materially and adversely affect the Security Assets;
- 7.13 there is no breach of any law or regulation that materially and adversely affects the Security Assets.

8. ENFORCEMENT

- 8.1 This Debenture shall become enforceable on the occurrence of an Event of Default which is continuing.
- 8.2 Section 103 of the Law of Property Act 1925 shall not apply and the statutory power of sale and all other powers under that or any other Act as varied or extended by this Debenture shall arise on and be exercisable at any time after the Chargee shall have demanded the payment or discharge by the Chargor of all or any of the Secured Obligations secured by this Debenture.
- 8.3 Section 93 of the Law of Property Act 1925 dealing with the consolidation of mortgages shall not apply to this Debenture.

9. RECEIVER

- 9.1 At any time after this Debenture has become enforceable or if the Chargor so requests in writing the Chargee may without further notice to the Chargor appoint by writing, under hand or under seal any one or more persons either singly, jointly, severally or jointly and severally to be a receiver, receiver and manager or administrative receiver (each a **Receiver**) of all or any part of the property charged by this Debenture and either at the time of appointment or any time after may fix his or their remuneration and except as otherwise required by statute may remove any such Receiver and appoint another or others in his or their place.
- 9.2 Any Receiver shall be the agent of the Chargor which shall be solely responsible for his acts and defaults and the payment of his remuneration.
- 9.3 Any Receiver shall have all the powers conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagors, mortgagees in possession (but without liability as such), receivers, administrative receivers and administrators appointed under those Acts which in the case of joint receivers may be exercised either jointly or severally. In addition, but without prejudice to the generality of the foregoing the Receiver shall have power (in the name of the Chargor or otherwise and in such manner and on such terms and conditions as he shall think fit) to:
- 9.3.1 take possession of, collect and get in all or any part of the property in respect of which he is appointed and for that purpose to take any proceedings;
 - 9.3.2 carry on or concur in carrying on the business of the Chargor and to raise money from the Chargee or others on the security of any property charged by this Debenture;
 - 9.3.3 purchase or acquire any land and purchase, acquire and grant any interest in or right over land;

- 9.3.4 sell or concur in selling, let or concur in letting and terminate or accept surrenders of leases or tenancies of any of the property charged by this Debenture and to carry any such transactions into effect;
- 9.3.5 sell, assign, let or otherwise dispose of or concur in selling, assigning, letting or otherwise disposing of all or any of the debts and any other property in respect of which he is appointed;
- 9.3.6 make any arrangement or compromise between the Chargor and any other person which he may think expedient;
- 9.3.7 make and effect all repairs, improvement and insurances;
- 9.3.8 purchase materials, tools, equipment, goods or supplies;
- 9.3.9 call up any uncalled capital of the Chargor with all the powers conferred by the articles of association of the Chargor in relation to calls;
- 9.3.10 employ, engage and appoint managers and other employees and professional advisers; and
- 9.3.11 do all such other acts and things as may be considered to be incidental or conducive to any other matters or powers aforesaid or to the realisation of the security constituted by this Debenture and which he lawfully may or can do.

10. APPLICATION OF PROCEEDS

- 10.1 Any monies received by the Chargee or any Receiver shall subject to the repayment of any claims having priority to the charges created by this Debenture be applied in the following order but without prejudice to the right of the Chargee to recover any shortfall from the Chargor:
 - 10.1.1 in the payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers and of all outgoings paid by him;
 - 10.1.2 in the payment of the Receiver's remuneration;
 - 10.1.3 in or towards the satisfaction of the Secured Obligations secured by this Debenture in such order as the Chargee in its absolute discretion thinks fit;
 - 10.1.4 in payment of the surplus (if any) to the person or persons entitled to it.
- 10.2 All monies received, recovered or realised by the Chargee under this Debenture may be credited at the discretion of the Chargee to any suspense or impersonal account and may be held in such account for so long as the Chargee shall think fit

pending its application from time to time in or towards the discharge of any of the Secured Obligations secured by this Debenture.

11. PROTECTION OF THIRD PARTIES

No person dealing with a Receiver or the Chargee shall be concerned to enquire whether any power which he or it is purporting to exercise has become exercisable or whether any money is due under this Debenture or as to the application of any money paid raised or borrowed or as to the propriety or regularity of any sale by or other dealing with such Receiver or the Chargee. All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 shall apply to any person purchasing from or dealing with a Receiver or the Chargee.

12. ENTRY INTO POSSESSION AND LIABILITY TO PERFORM

- 12.1 If the Chargee or any Receiver shall enter into possession of the property charged under this Debenture or any part of it, it or he may from time to time and at any time go out of such possession. Neither the Chargee nor any Receiver shall in any circumstances (either by reason of any entry into or taking of possession of any such property or for any other reason and whether as mortgagee in possession or on any other basis) be liable to account to the Chargor for anything except its or his actual receipts or be liable to the Chargor for any loss or damage arising from any realisation of the property hereby charged or from any act, default or omission in relation to that.
- 12.2 Notwithstanding anything contained in this Debenture or implied to the contrary, the Chargor remains liable to observe and perform all of the conditions and obligations assumed by it in relation to the Security Assets. The Chargee is under no obligation to perform or fulfil any of those conditions or obligations or make any payment in respect of those conditions or obligations.

13. POWER OF ATTORNEY

The Chargor irrevocably appoints the Chargee, any Receiver and any person nominated by the Chargee jointly and also severally to be the attorney of the Chargor with the power of substitution and in its name and otherwise on its behalf and as its act and deed to sign or execute all deeds instruments and documents which the Chargee or any Receiver or any person nominated by the Chargee may require or deem proper for any of the purposes of or which the Chargor ought to do under this Debenture. The Chargor agrees to ratify and confirm anything such attorney shall lawfully and properly do.

14. NEW ACCOUNTS

If the Chargee shall at any time receive actual or constructive notice of any charge or other interest affecting any part of the property of the Chargor hereby charged then the Chargee may open a new account or accounts for the Chargee and if the Chargee does not do so then the Chargee shall be treated as if it had done so at the

time when it received or was deemed to receive notice and as from that time all payments made by the Chargor to the Chargee shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Debenture at the time when the Chargee received or was deemed to receive notice.

15. PRIOR CHARGES

If there is any encumbrance over any of the property charged by this Debenture which ranks in priority to this Debenture and any proceedings or steps are taken to exercise or enforce any powers or remedies conferred by such prior encumbrance the Chargee or any Receiver appointed under this Debenture in respect of such property may (but without prejudice to any rights the Receiver may have under section 43 of the Insolvency Act 1986) redeem such prior encumbrance or procure its transfer to itself and may settle and pass the accounts of any prior mortgagee, chargee or encumbrancer. Any account so settled and passed shall be conclusive and binding on the Chargor and all the principal, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be secured on the property charged by this Debenture and all the powers conferred by any prior encumbrance upon the encumbrancer or any receiver under such encumbrance shall be exercisable by the Chargee or a Receiver in like manner as if the same were expressly included in this Debenture.

16. FURTHER ASSURANCE

16.1 The Chargor shall whenever requested by the Chargee promptly execute and sign all such deeds and documents and do all such things as the Chargee may reasonably require over any property or assets specified by the Chargee for the purpose of perfecting security to the Chargee for the payment and discharge of the Secured Obligations secured by this Debenture.

16.2 In relation to Real Property charged by way of legal mortgage under this Debenture situated in England and Wales, the Chargor hereby irrevocably consents to the Chargee applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Real Property (including any unregistered properties subject to compulsory first registration at the date of this Debenture) 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 charge dated [date] in favour of Kreos Capital V (UK) Limited referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its authorised signatory.”

16.3 Subject to the terms of the Loan Agreement, the Chargee is under an obligation to make further advances to the Chargor (which obligation is deemed to be

incorporated into this Debenture) and this security has been made for securing those further advances. In relation to Real Property charged by way of legal mortgage under this Debenture situated in England and Wales, the Chargee may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Real Property (including any unregistered properties subject to compulsory first registration at the date of this Debenture) that there is an obligation to make further advances on the security of the registered charge.

- 16.4 In respect of any part of the Security Assets title to which is registered at Land Registry, it is certified that the security created by this Debenture does not contravene any of the provisions of the memorandum or articles of association of the Chargor.

17. SET OFF

The Chargee may at any time and without notice to the Chargor combine or consolidate all or any of the Chargor's then existing accounts with and liabilities to the Chargee and set off or transfer any sums standing to the credit of any one or more of such accounts in or towards satisfaction of any of the liabilities of the Chargor to the Chargee on any other account or in any other respects. The Chargee shall notify the Chargor that such a transfer has been made.

18. AVOIDANCE OF PAYMENTS

- 18.1 No assurance, security or payment which may be avoided or adjusted under any enactment relating to bankruptcy or insolvency or Part IV of the Insolvency Act 1986 or similar legislation binding on the Chargor in a jurisdiction other than England and Wales and no release, settlement or discharge given or made by the Chargee on the faith of any such assurance, security or payment shall prejudice or affect the right of the Chargee to recover from the Chargor (including the right to recover any monies which it may have been compelled by due process of law to refund under the provisions of the Insolvency Act 1986 and any costs payable by it pursuant to or otherwise incurred in connection with such process) or to enforce the security created by or pursuant to this Debenture to the full extent of the Secured Obligations secured by this Debenture.
- 18.2 The Chargee shall, upon giving written notice to the Chargor stating reasonable grounds for believing it necessary, be at liberty to retain the security created by or pursuant to this Debenture for a period of 25 months after the Secured Obligations secured by this Debenture shall have been paid or discharged in full notwithstanding any release, settlement, discharge or termination of liability. If at any time within the period of 25 months after such payment or discharge a petition shall be presented to a competent court for an order for the winding up of the Chargor or the Chargor shall commence to be wound up or to go into administration or any analogous proceedings shall be commenced by or against the Chargor, the Chargee shall be at liberty to continue to retain such security for and during such further period as the Chargee may determine. The Chargor agrees that in such event such security shall

be deemed to have continued to have been held as security for the payment and discharge to the Chargee of all Secured Obligations secured by this Debenture.

19. RELEASE

- 19.1 Upon redemption and payment in full (in accordance with the terms of the Issue Documents) of all the Secured Obligations, the Chargee shall do all things reasonably necessary to release the assets of the Chargor from the security constituted by this Debenture provided that any release shall be subject to clause 18.
- 19.2 The Chargee may release any asset of the Chargor from the security constituted by this Debenture at any time and any release shall not in any way affect, prejudice or invalidate the security created under this Debenture over any of the remaining assets of the Chargor.

20. COSTS AND INDEMNITY

The Chargee and every Receiver, attorney or other person appointed by the Chargee under this Debenture and their respective employees shall be entitled to be indemnified on a full indemnity basis out of the property charged by this Debenture in respect of all liabilities and reasonable expenses incurred by any of them in or directly or indirectly as a result of the lawful exercise or purported exercise of any of the powers authorities or discretions vested in them under this Debenture and against all actions, proceedings, losses, costs, claims and demands in respect of any matter or thing lawfully done or omitted in any way relating to the property charged by this Debenture and the Chargee and any such Receiver may retain and pay all sums in respect of the same out of the monies received under the powers conferred by this Debenture.

21. NOTICES

- 21.1 Any notice under this Debenture shall be in writing signed by or on behalf of the party giving it in the case of a company to its registered office and in the case of an individual to the relevant address shown in the preamble to this Debenture or to such other address as shall be notified in writing for these purposes.
- 21.2 Without prejudice to any other proper method of service approved by the Courts, any such notice may be served:
- 21.2.1 by leaving it or sending it by prepaid, recorded delivery letter sent through the post; or
- 21.2.2 by facsimile (in which case it shall be deemed to have been signed by or on behalf of the party giving it) to such facsimile number as any party may from time to time notify in writing to the others. A copy of any such notice shall also be sent by first class post to the last known principal

place of business of the relevant party and to the relevant party's solicitors.

- 21.3 A notice served by post shall be deemed to have been served two Business Days after the day of posting and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted.
- 21.4 A notice served personally or by facsimile shall be deemed to have been served on the day of delivery or transmission if in the ordinary course of transmission it would first be received by the addressee on a Business Day prior to 4.00pm and otherwise on the next Business Day.

22. MISCELLANEOUS

- 22.1 The Chargee may without discharging or in any way affecting the security created by this Debenture or any remedy of the Chargee grant time or other indulgence or abstain from exercising or enforcing any remedies, securities, guarantees or other rights which it may now or in the future have from or against the Chargor and may make any arrangement, variation or release with any person or persons without prejudice either to this Debenture or the liability of the Chargor for the Secured Obligations secured by this Debenture.
- 22.2 All the provisions of this Debenture are severable and distinct from one another and if, at any time, any one or more of the provisions of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity and enforceability of the remaining provisions of this Debenture nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall be in any way affected or impaired as a result.
- 22.3 The rights and remedies of the Chargee provided by this Debenture are cumulative and are not exclusive of any rights powers or remedies provided by law and may be exercised from time to time and as often as the Chargee may deem expedient.
- 22.4 This Debenture may be executed in any number of counterparts each of which when executed and delivered is an original, but all counterparts together constitute the same document.
- 22.5 A person who is not a party to this Debenture (other than Kreos Capital V (Expert Fund) Limited) shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture. This clause does not affect any right or remedy of any person which exists, or is available, otherwise then pursuant to that Act.
- 22.6 At any time, without the consent of the Chargor, the Chargee may assign or transfer the whole or any part of its rights and obligations under this Debenture to any other person. The Chargor may not assign any of its rights, or transfer any of its obligations, under this Debenture, or enter into any transaction that would result in any of those rights or obligations passing to another person.

- 22.7 Any waiver or variation of any right or remedy by the Chargee (whether arising under this Debenture or under the general law), or any consent given under this Debenture, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision.
- 22.8 No act or course of conduct or negotiation by, or on behalf of, the Chargee shall, in any way, preclude the Chargee from exercising any right or remedy under this Debenture or constitute a suspension or variation of any such right or remedy.
- 22.9 No delay or failure to exercise any right or remedy under this Debenture shall operate as a waiver of that right or remedy.
- 22.10 No single or partial exercise of any right or remedy under this Debenture shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this Debenture.

23. GOVERNING LAW AND JURISDICTION

- 23.1 This Debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 23.2 The parties to this Debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Chargee to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction.
- 23.3 The Chargor irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this Debenture relating to service of notices. Nothing contained in this Debenture shall affect the right to serve process in any other manner permitted by law.

EXECUTED as a deed and delivered on the date above.

Schedule 1

Initial Property

Proprietor Company	Property	Landlord	Date of Lease	Term
Lab 21 Limited	Park House Winship Road, Milton, Cambridge, CB24 6PP	Iliffe Print Cambridge Limited	8 April 2014	5 years to 7 April 2019
Lab 21 Limited	Units 3b, 3c and 29 Dreadnought Trading Estate, Bridport, Dorset, DT6 5BU	Michael John Fowler and Metella Fowler	9 October 2013	5 years to 30 September 2018

Schedule 2

Registered Intellectual Property

Patents

Lab21 has in-licensed a patent family entitled "Assessment of Cervical Cells" from Smearcheck Limited.

Patent Number/ Territory	Registered Proprietor	Filing date	Grant date	Current Status	Expected lapse date
Australia: 733565	Smearcheck Limited	05/08/1997	30/08/2001	Granted and live	February 2017
Canada: 2262531	Smearcheck Limited	05/08/1997	13/03/2007	Granted and live	February 2017
Denmark: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017
Spain: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017
Finland: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017

United Kingdom: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017
Italy: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017
The Netherlands: 0935757	Smearcheck Limited	05/08/1997	13/10/2004	Granted and live	February 2017
Japan: 4190031	Smearcheck Limited	05/08/1997	26/09/2008	Granted and live	March 2017
US: 6,869,801	Smearcheck Limited	05/08/1997	22/03/2005	Granted and live	March 2017

Trademarks

LAB21	Registered in EU (registered no. 6490734, classes 1,5,9,10,16,42,44, filed 06.12.07), International Registration (no. 1024577, classes 1,5,9,10,16,42,44, filed 07.12.09) designating Australia, Switzerland and China (class 1 only), and Canada (registered no. 830344, classes 1,5,9,10,16,42,44, filed 04.06.08), Singapore (registered no. T0807404J, classes 1,5,9,10,16,42,44, filed 05.06.08) and US (registered no. 3991456, classes 1,5,10,16,42,44, filed 05.06.08).
HOW ARE YOU TOMORROW	Registered in EU (registered no. 8356974, classes 5,10,16,42,44, filed 11.06.09) and US (registered no. 4255661, classes 5,10,16,42,44, filed 07.08.09).
VASODOX	Registered in EU (registered no. 6737051, classes 5,10,16,42, 44, filed 07.03.08), Singapore (registered no. T0812154E, classes 5,10,16,42, 44, filed 05.09.08) and US (registered no. 3888460, classes 5,10,16,42, 44, filed 05.09.08). A Declaration of use is due to be filed in the US by December 2016.
CANCERPATH	Registered in EU (registered no. 9838046, classes 5,10,16,42, 44, filed 24.03.11) and US (registered no. 4469772, classes 5,10,16,42, 44, filed 29.03.11).

The following trade mark registration remains registered in the name of Myconostica Ltd. This registration was transferred to Lab21 during its acquisition of Myconostica Ltd in 2011, but was not of interest to Lab21 and therefore the transfer was not recorded.

Trade Mark	Summary
FXG	<p>Registered in EU (registered no. 6253819, classes 5,10, filed 05.09.07) and US (registered no. 3674974, classes 5,9,10, filed 05.09.07). The US Registration had a final deadline for filing Declaration of Continued Use on extension of 1 March 2016. As no Declaration was filed, the registration will shortly be deemed abandoned.</p>

Schedule 3

Specified Accounts

Account Holder	Bank	Account Number	Sort Code	Currency
Lab 21 Limited	[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Lab 21 Limited	[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Lab 21 Limited	[REDACTED] [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Schedule 4

Form of Bank Account Notice

Part 1

Notice to account bank

[On the Letterhead of the Chargor]

To: [name and address of third party bank]

Attention: []

Copy to: Kreos Capital V (UK) Limited (FAO: Maurizio Petitbon)

Date: []

Dear Sirs

Debenture dated [] 2016 (the “Debenture”) between Lab 21 Limited (the “Chargor”) and Kreos Capital V (UK) Limited (the “Chargee”)

This letter constitutes notice to you that, pursuant to the Debenture, we have charged (by way of fixed charge) in favour of the Chargee all our present and future rights and interest in and to account number [] in our name with you (the “**Account**”) together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights as defined in the Debenture.

We hereby irrevocably instruct and authorise you to:

1. credit to the Account all interest from time to time earned on the sums of money held in the Account;
2. hold all sums from time to time standing to the credit of the Account to the order of the Chargee;
3. until such time as you receive notice signed by a director of the Chargee that an Event of Default has occurred and is continuing (a “**Default Notice**”), comply with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive signed by or on behalf of the Chargor;
4. following receipt of a Default Notice: (i) you shall comply only with the terms of any written notice or instructions (including payment instructions) relating to the Account or the sums standing to the credit of the Account from time to time which you may receive from the Chargee and signed by a director of the Chargee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions; and (ii) you will not accept or

comply with any notice or instruction (including payment instructions) received from the Chargor;

5. disclose to the Chargee, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Account and the sums in the Account as the Chargee may from time to time request; and
6. send copies of all notices and communications relating to the Account to the Chargee as well as ourselves.

Please note that we are and will remain liable to perform all the obligations assumed by us under any mandate or other agreement relating to the Account and that neither the Chargee, any Receiver nor any of their agents will at any time have any liability to you regarding the Account.

We are not permitted, without the Chargee's prior written consent, to permit or agree to any variation of the terms and conditions relating to the Account or to close the Account.

The instructions in this notice may not be revoked or varied without the prior written consent of the Chargee.

This notice is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Chargee with a copy to us at the above address.

Yours faithfully

.....

[Authorised signatory of Chargor]

For and on behalf of
Lab 21 Limited

Part 2
Form of Acknowledgement

[On the letterhead of the account bank]

To: Kreos Capital V (UK) Limited

Attention: Maurizio Petitbon

Copy to: Lab 21 Limited

Date: []

Dear Sirs

Debenture dated [] 2016 (the “Debenture”) between Lab 21 Limited (the “Chargor”) and Kreos Capital V (UK) Limited (the “Chargee”)

We confirm receipt from the Chargor of a notice dated [] 2016 (the “Notice”) of the creation of a first fixed charge, pursuant to the terms of the Debenture, of all the Chargor’s present and future rights and interest in and to account number [] held with us in the name of the Chargor (the “Account”) together with all money from time to time standing to the credit of that Account, all interest accruing in relation thereto and all related rights.

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to comply with the terms of the Notice;
2. we have not received notice of the creation of any other assignment or security regarding the Account or of the creation of any third party interest in the Account or in the sums of money held in the Account or the debts represented by those sums and we will notify you promptly should we receive any such notice;
3. we do not have and will not in future create, accept or enforce any security interest or right of set-off or combination or other right in respect of the Account, the sums of money held in the Account or the debts represented by those sums; and
4. we will not amend the terms or conditions upon which the Account is operated or close the Account without your prior written consent.

This letter is governed by English law.

Yours faithfully

.....

for and on behalf of

[third party bank]

Schedule 5

Insurance Policy

Policy Holder	Insurance Company	Policy No.	Amount Insured
Lab 21 Limited	Friends Life Limited	L262939501/CTGD/001 in respect of scheme member Graham David Mullis	Critical Event Benefit - £1,500,000

Schedule 6

Form of Notice to Insurer

Part 1 : Notice to Insurer

[On the letterhead of the Chargor]

To: [name and address of insurance company]
Attention: []
Copy to: Kreos Capital V (UK) Limited (FAO: Maurizio Petitbon)
Date: []

Dear Sirs

Debenture dated [] (the “Debenture”) between Lab 21 Limited (the “Chargor”) and The Kreos Capital V (UK) Limited (the “Chargee”)

This letter constitutes notice to you that, pursuant to the Debenture, we have assigned to the Chargee by way of security all amounts payable to us under or in connection with the policies described below (the “**Policies**”), all our rights in connection with those amounts and all Related Rights. Terms used in this notice but not defined shall have the meaning given to them in the Debenture.

[Describe insurance policies]

We irrevocably authorise and instruct you to:

1. disclose to the Chargee without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Policies as the Chargee may at any time request;
2. pay any sums from time to time due and payable by you under the Policies in accordance with any written instructions given to you by the Chargee from time to time;
3. comply with the terms of any notice or instructions relating to the Policies which you receive from the Chargee (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction);
4. note on the Policies the Chargee on behalf of the Secured Parties as co-insured (and as “mortgagee” and “chargee”) with the Chargee named as loss payee for all insurance claim payments;

5. send copies of all material notices issued under the Policies to the Chargee as well as ourselves.

Please note that we are and will remain liable to perform all the obligations assumed by us under the Policies and that neither the Chargee, any Receiver nor any of their agents nor any other person will have any liability to you under the Policies.

We are not permitted to agree any amendment or supplement to or to waive any material term of the Policies or to terminate any Policy without the prior written consent of the Chargee.

The instructions in this notice may not be revoked or amended without the prior written consent of the Chargee.

Please confirm your agreement to the above by sending the attached acknowledgement to the Chargee at Kreos Capital V (UK) Limited for the attention of Maurizio Pettibon with a copy to us at the above address.

This notice is governed by English law.

Yours faithfully

.....

For and on behalf of
Lab 21 Limited

Part 2 : Form of Acknowledgement

[On the letterhead of the Insurer]

To: Kreos Capital V (UK) Limited

Attention: Maurizio Petitbon

Copy to: Lab 21 Limited

Date: []

Dear Sirs

Debenture dated [] (the “Debenture”) between Lab 21 Limited (the “Chargor”) and The Kreos Capital V (UK) Limited (the “Chargee”)

We confirm receipt from the Chargor of a notice dated [] 2016 (the “**Notice**”) of an assignment, pursuant to the terms of the Debenture, of (i) all amounts payable to the Chargor under or in connection with the Policies (ii) all the Chargor’s rights in connection with those amounts and (iii) all Related Rights. Terms defined in this Notice shall have the same meaning in this acknowledgement. We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to act in accordance with and comply with the terms of the Notice;
2. we [will note/have noted] your interest as first priority assignee of the amounts and rights referred to above and have identified you as co-insured, mortgagee, chargee and loss payee for all insurance claim payments on the Policies;
3. we will not terminate or otherwise allow any of the Policies to lapse without giving you at least 30 days’ prior written notice;
4. we have not received notice of the creation of any other assignment of or any security over rights or proceeds arising under the Policies in favour of any third party or the creation of any other third party interest in those rights or proceeds;
5. we will notify you, the Chargee, at least 30 days before the Policy is due to expire, if we have not received the Chargor’s renewal instructions in relation thereto;
6. we agree that no material term of the Policies may be amended, supplemented or waived without your prior written consent;
7. we agree to notify you if the Chargor breaches the terms of any Policy or otherwise gives us grounds to declare any Policy void or voidable and, where the breach is capable of being remedied, to allow you or your agents to remedy the relevant breach; and

8. we have not claimed or exercised, and have no outstanding right to claim or exercise any right of set-off or counterclaim, or other right, in relation to any sum paid or payable under the Policy.

All terms used in this letter have the same meaning as in the Notice.

This letter is governed by English law.

Yours faithfully

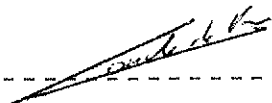
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For and on behalf of
[Name of insurance company]

EXECUTED as a DEED by LAB 21 LIMITED acting by a director in the presence of a witness:

G D Mullis
Signature of Director

GRAHAM D MULLIS
Name (block capitals) of Director

Witness signature


Witness name
(block capitals) GEOFFROY L'ORANGE DE FORVILLE

Witness address
39/39 Avenue de Friedland, 75008 Paris
France

EXECUTED as a DEED, by KREOS CAPITAL V (UK) LIMITED by a director in the presence of a witness:

Signature of Director

Name (block capitals) of Director

Witness signature

Witness name
(block capitals) _____

Witness address
