



Registration of a Charge

Company name: **TOPIA LIMITED**

Company number: **07185976**

Received for Electronic Filing: **19/10/2020**



X9G0WSQP

Details of Charge

Date of creation: **30/09/2020**

Charge code: **0718 5976 0004**

Persons entitled: **HORIZON TECHNOLOGY FINANCE CORPORATION**

Brief description: **THE DEBENTURE SECURES ALL INTELLECTUAL PROPERTY OF THE CHARGOR, INCLUDING THE REGISTERED TRADE MARKS 'TELEPORT' AND 'TOPIA' IN VARIOUS TERRITORIES, AS WELL AS PATENT 16901703 AND 13/872,730, MORE DETAILS OF WHICH ARE INCLUDED IN SCHEDULE 2 OF THE DEBENTURE DATED 30 SEPTEMBER 2020.**

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:

ERIC DARMOFAL, SENIOR ATTORNEY



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7185976

Charge code: 0718 5976 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th September 2020 and created by TOPIA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th October 2020 .

Given at Companies House, Cardiff on 20th October 2020

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

September 30, 2020

TOPIA LIMITED

(as Chargor)

- and -

HORIZON TECHNOLOGY FINANCE

CORPORATION

(as Collateral Agent)

DEBENTURE

CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL

SEEN BY ME

OCTOBER 15, 2020



ERIC DARMOFAL, SENIOR ATTORNEY, HORIZON TECHNOLOGY FINANCE
312 FARMINGTON AVE.
FARMINGTON, CT. 06032

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BETWEEN:

- (1) **TOPIA LIMITED**, incorporated in England with company number 07185976 whose registered office is at 5 New Street Square, London, England, EC4A 3TW (**Chargor**); and
- (2) **HORIZON TECHNOLOGY FINANCE CORPORATION** as Collateral Agent.

WITNESSES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless the context otherwise requires, words or expressions defined in the Loan Agreement shall have the same meanings in this Debenture and this construction shall survive the termination of the Loan Agreement. In addition, in this Debenture:

"Account Bank" means any bank or other financial institution with which any Charged Account is maintained from time to time.

"Assets" means in relation to a Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them.

"Beneficiary" means the Lender, the Collateral Agent and any Receiver or Delegate.

"Charged Accounts" means each account charged by or pursuant to this Debenture.

"Chargor" means Topia Limited and (with effect from its accession) each other company which executes a Deed of Accession and Charge and any other company which subsequently adopts the obligations of a Chargor.

"Collateral Agent" means Horizon Technology Finance Corporation acting as Collateral Agent for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Loan Documents.

"Declared Default" means that an Event of Default has occurred and as a result the Collateral Agent has taken steps to exercise their rights under Clause 9.1(a) (*Acceleration of Obligations*) of the Loan Agreement.

"Deed of Accession and Charge" means a deed of accession and charge in a form acceptable to the Collateral Agent.

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

"Derivative Rights" includes:

- (a) allotments, rights, money or property arising at any time in relation to any Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (b) dividends, distributions, interest and other income paid or payable in relation to any Investments; and
- (c) stock, shares and securities offered in addition to or in substitution for any Investments.

"Financial Collateral" in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended.

"Fixed Security Asset" means an Asset for the time being comprised within an assignment created by Clause 3.3 (*Assignments*) or within a mortgage or fixed charge created by Clause 3.1 (*Fixed security*) or arising on crystallisation of a floating charge whether under Clause 4 (*Crystallisation*) or otherwise.

"Floating Charge Asset" means an Asset for the time being comprised within the floating charge created by Clause 3.2 (*Creation of Floating Charge*).

"Group" means the Chargor and each of its respective Subsidiaries for the time being.

"Insurance Policy" means any contract or policy of insurance of any Chargor (including all cover notes) of whatever nature which are from time to time taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest at any time but excluding any liability insurance and any directors' and officers' insurance.

"Intellectual Property" means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products) anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights.

"Intellectual Property Rights" in relation to a Chargor, means all and any of its Intellectual Property and all other intellectual property rights, causes of action, interests and assets charged by it pursuant to Clauses 3.1(b)(xiii) to 3.1(b)(xviii) (*Fixed security*) inclusive.

"Investments" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Schedule 2, Part II of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investments by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise.

"Land" means freehold and leasehold (other than a leasehold interest in a property with a term of less than or equal to 7 years), and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures).

"Liability" means any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise.

"Loan Agreement" means the venture loan and security agreement dated on or around the date of this Deed between, among others, the Chargor and Horizon Technology Finance Corporation (as Lender and Collateral Agent).

"New Chargor" means a member of the Group which becomes a Chargor under this Debenture in accordance with Clause 26 (*Accession of a New Chargor*).

"Party" means a party to this Debenture.

"Receivables" in relation to a Chargor, means all sums of money receivable by it at any time consisting of or payable under or derived from any Asset described in Clause 3.1 (*Fixed security*).

"Receiver" means any receiver or receiver and manager appointed under Clause 15 (*Appointment of a Receiver or an Administrator*) including (where the context requires or permits) any substituted receiver or receiver and manager.

"Relevant System" has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether established in the United Kingdom or elsewhere) providing means for the deposit of, and clearance of transactions in, Investments.

"Restricted IP" means any Intellectual Property owned by or licensed to a Chargor which, in each case, precludes either absolutely or conditionally that Chargor from creating a charge over its interest in that Intellectual Property and in respect of which consent has not yet been obtained pursuant to Clause 3.4(b) (*Third Party Consents*).

"Restricted Land" means any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally that Chargor from creating a mortgage or charge over its leasehold interest in that property and in respect of which consent has not yet been obtained pursuant to Clause 3.4(a) (*Third Party Consents*).

"Secured Sums" shall have the same meaning as "Obligations" as defined in the Loan Agreement.

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

"Security Period" means the period commencing on the date of this Debenture and ending on the date upon which the Secured Sums have been unconditionally and irrevocably paid and discharged in full.

"Specified Intellectual Property" means the Intellectual Property and domain names listed in Schedule 2 (*Specified Intellectual Property*).

"Specified Investments" means, in relation to a Chargor, all Investments which at any time:

- (a) represent a holding in a Subsidiary of such Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Companies Act 2006 "30 per cent or more" were substituted for "a majority";
- (b) are held in the name of the Collateral Agent or its nominee or to its order; or
- (c) that Chargor has deposited certificates for with the Collateral Agent or which, if uncertificated, are held in an escrow or other account in favour of the Collateral Agent or its nominee.

1.2 Interpretation

Unless the context otherwise requires, the interpretative provisions set out in the paragraphs below shall apply in this Debenture.

- (a) References to any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees.
- (b) **"Including"** and **"in particular"** shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing".

- (c) A "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing.
- (d) "**Property**" includes any interest (legal or equitable) in real or personal property and any thing in action.
- (e) "**Variation**" includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and "**vary**" and "**varied**" shall be construed accordingly.
- (f) "**Writing**" includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and "**written**" has a corresponding meaning.
- (g) Subject to Clause 31.4 (*Variations*), references to this Debenture or to any other document (including any Loan Document) include references to this Debenture or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities made available under such other document and, in addition, references to this Debenture shall include (with effect from the date on which it comes into force) each Deed of Accession and Charge executed pursuant to it.
- (h) References to uncertificated Investments are to Investments the title to which can be transferred by means of an electronic or other entry in a Relevant System and references to certificated Investments are to Investments which are not uncertificated Investments.
- (i) The singular shall include the plural and vice versa and any gender shall include the other genders.
- (j) Clauses, paragraphs and Schedules shall be construed as references to Clauses and paragraphs of, and Schedules to, this Debenture.
- (k) Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances.
- (l) Headings in this Debenture are inserted for convenience and shall not affect its interpretation.
- (m) A Default (other than an Event of Default) is "**continuing**" for the purposes of the Loan Documents if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been remedied or waived.
- (n) "**Blank stock transfer form**" means a stock transfer form validly executed by the relevant Chargor but with the section relating to the consideration and the transferee left blank.
- (o) The terms of the Loan Agreement, each other Loan Document and any side letters between the Parties in relation to the Loan Documents are incorporated into this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any Land contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (p) This Debenture is a **Loan Document** for the purposes of the Loan Agreement.

2. COVENANT TO PAY

2.1 Covenant to pay

Each Chargor (as primary obligor and not merely as surety) covenants with the Collateral Agent (as trustee for the Beneficiaries) that it will, on the Collateral Agent's written demand, pay or discharge the Secured Sums when due at the times and in the manner provided in the relevant Loan Documents until the Security Period has ended.

2.2 Proviso

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

2.3 Demands

The making of one demand shall not preclude the Collateral Agent from making any further demands.

3. CREATION OF SECURITY

3.1 Fixed Security

Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges in favour of the Collateral Agent (as trustee for the Beneficiaries):

- (a) by way of legal mortgage, all Land in England and Wales now vested in it and registered at HM Land Registry or which will be subject to first registration at HM Land Registry upon the execution and delivery of this Debenture, in each case as described in Schedule 1 (*Registered Land to be Mortgaged*);
- (b) by way of fixed charge:
 - (i) with the exception of any Restricted Land, all other Land which is now, or in the future becomes, its property;
 - (ii) all Land which has ceased to fall within the definition of Restricted Land by virtue of receipt of the relevant landlord's consent to charge that Land, but only with effect from the date on which that consent is obtained;
 - (iii) all other interests and rights in or relating to Land or in the proceeds of sale of Land now or in the future belonging to it not effectively mortgaged or charged under the preceding provisions of this Clause 3;
 - (iv) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this Clause 3.1, and the benefit of all contracts, licences and warranties relating to the same;
 - (v) all computers, vehicles, office equipment and other equipment (not charged by Clause 3.1(iv)), and the benefit of all contracts, licences and warranties relating to the same;
 - (vi) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land;

- (vii) all Specified Investments which are now its property, including all proceeds of sale derived from them;
- (viii) all Specified Investments in which that Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them;
- (ix) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Investments;
- (x) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Investments;
- (xi) all insurance or assurance contracts or policies (other than such policies or assurance contracts relating to third parties or public indemnity) now or in the future held by or otherwise benefiting it which relate to Fixed Security Assets or which are now or in the future deposited by it with the Collateral Agent, together with all its rights and interests in such contracts and policies (including the benefit of all claims arising and all money payable under them) apart from any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) in this Debenture;
- (xii) all its goodwill and uncalled capital for the time being;
- (xiii) all Specified Intellectual Property belonging to it;
- (xiv) with the exception of any Restricted IP, all other Intellectual Property presently belonging to it, including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
- (xv) with the exception of any Restricted IP, all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others;
- (xvi) with the exception of any Restricted IP, the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world;
- (xvii) all Intellectual Property (including any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others, and the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world) which by virtue of obtaining third party consent to charge such Intellectual Property has ceased to fall within the definition of Restricted IP, but only with effect from the date on which that consent is obtained;
- (xviii) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world;
- (xix) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in sub-paragraphs (b)(xiii) to (xviii) inclusive of this Clause;
- (xx) all trade debts now or in the future owing to it;
- (xxi) all other debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group;

- (xxii) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Security Asset except to the extent that such items are for the time being effectively assigned under Clause 3.3 (*Assignments*);
- (xxiii) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Security Asset except to the extent that such rights, money or property are for the time being effectively assigned or charged by fixed charge under the foregoing provisions of this Debenture;
- (xxiv) all moneys at any time standing to the credit of any accounts with any bank, financial institution or other person at any time in the name of a Chargor, and the debt represented by any such credit balance; and
- (xxv) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them.

3.2 Creation of floating charge

Each Chargor, with full title guarantee, charges to the Collateral Agent (as trustee for the Beneficiaries) as security for the payment or discharge of all Secured Sums, by way of floating charge all its Assets, except to the extent that such Assets are for the time being charged by any fixed charge contained in Clause 3.1 (*Fixed security*) or effectively assigned by way of security by virtue of Clause 3.3 (*Assignments*), including any Assets comprised within a charge which is reconverted under Clause 4.4 (*Reconversion*), but in each case so that such Chargor shall not create any Security over any such Floating Charge Asset (whether having priority over, or ranking pari passu with or subject to, this floating charge) or take any other step referred to in Clause 7 (*Negative pledge and other restrictions*) with respect to any such Floating Charge Asset, and such Chargor shall not, without the consent of the Collateral Agent, sell, transfer, part with or dispose of any such Floating Charge Asset (except as permitted by the Loan Agreement).

3.3 Security assignments

Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Collateral Agent (as trustee for the Beneficiaries) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies.

3.4 Third Party Consents

- (a) If a Chargor has an interest in any Restricted Land, that Chargor shall:
 - (i) within 10 Business Days of its execution of this Debenture or a Deed of Accession (as the case may be), use its reasonable endeavours to obtain the consent of each landlord of such Restricted Land to the creation of the charges envisaged by Clause 3.1(b)(ii) (*Fixed Security*) (including paying the reasonable costs and any reasonable consent fee of any such landlord);
 - (ii) on request, keep the Collateral Agent informed of the progress of its negotiations with any such landlord; and
 - (iii) provide the Collateral Agent with a copy of each such consent promptly after its receipt.
- (b) If a Chargor has an interest in any Restricted IP, that Chargor shall:

- (i) within 10 Business Days of its execution of this Debenture or a Deed of Accession (as the case may be), use its reasonable endeavours to obtain the consent of each counterparty whose consent is required to the creation of the charges over such Restricted IP envisaged by sub-paragraph (b)(xvii) of Clause 3.1 (*Fixed Security*) (including paying the reasonable costs and any reasonable consent fee of any such counterparty);
- (ii) on request, keep the Collateral Agent informed of the progress of its negotiations with any such counterparty; and
- (iii) provide the Collateral Agent with a copy of each such consent promptly after its receipt.

3.5 Notices

- (a) The Chargors shall each, as soon as reasonably practicable following the date of this Debenture (or, if acceding to this Debenture, on the date of the relevant Deed of Accession):
 - (i) execute a notice of charge to the insurers of the security over the Insurance Policies and their proceeds created by this Debenture in substantially the form set out in Part 1 of Schedule 4 (*Forms of Notice of Assignment/Charge*) and, as soon as reasonably practicable, serve that notice on each such insurer and broker; and
 - (ii) in respect of its Charged Accounts:
 - (1) execute a notice of charge to each Account Bank in respect of its Charged Accounts, in substantially the form set out in Part 2 of Schedule 4 (*Forms of Notice of Assignment/Charge*) and, as soon as reasonably practicable, serve that notice on each such Account Bank; or
 - (2) enter into an account control agreement (in such form reasonably agreed with the Collateral Agent) (“**ACA**”) with the relevant Account Bank.
- (b) Each Chargor shall use all reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Collateral Agent of (i) acknowledgments by the addressees of the notices delivered to them and (ii) complete signed and dated ACAs pursuant to paragraphs 3.5(a)(i) and 3.5(a)(ii) above as soon as reasonably practicable and, in any event, within 30 days from the date of this Debenture.

3.6 Priority

- (a) Any fixed Security created by a Chargor and subsisting in favour of the Collateral Agent shall (save as the Collateral Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by Clause 3.2 (*Creation of floating charge*).
- (b) Any Security created in the future by a Chargor (except in favour of the Collateral Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture (except to the extent mandatorily preferred by law).

3.7 Application to HM Land Registry

Each Chargor:

- (a) in relation to each register of title of any present and future Land of that Chargor which is charged to the Collateral Agent under this Deed or pursuant to the further assurance undertakings in the Loan Agreement, consents to the Collateral Agent (or its solicitors) at

any time submitting to HM Land Registry any and all of the following (to the extent applicable):

- (i) a form AP1 (*application to change the register*) in respect of the security created by this Debenture;
 - (ii) a form AN1 (*application to enter an agreed notice*) in respect of the security created by this Debenture;
 - (iii) a form RX1 (*application to register a restriction*) in the following 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 [Chargee] referred to on the charges register or their conveyancer."; and
 - (iv) a form CH2 (*application to enter an obligation to make further advances*); and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by Clause 3.1 (*Fixed security*) at its own expense, immediately following its execution of this Debenture.

4. CRYSTALLISATION

4.1 Crystallisation by notice

The floating charge created by each Chargor in Clause 3.2 (*Creation of floating charge*) may, subject to Clauses 4.5 (*Moratorium Assets*) and 4.6 (*Crystallisation exceptions*), be crystallised into a fixed charge by notice in writing given at any time by the Collateral Agent to the relevant Chargor (or to the Parent on its behalf) if:

- (a) a Declared Default has occurred and is continuing;
- (b) a Default under Clause 8.13 (*Involuntary Insolvency Proceedings*) or Clause 8.15 (*Insolvency*) of the Loan Agreement has occurred and is continuing;
- (c) the Collateral Agent in good faith considers that any of the Assets expressed to be charged to the Collateral Agent by this Debenture may be in danger of being seized or sold pursuant to any form of legal process; or
- (d) a circumstance envisaged by paragraph (a) of Clause 4.2 (*Automatic Crystallisation*) occurs and the Collateral Agent in good faith considers that such crystallisation is necessary in order to protect the priority of its security.

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the relevant Chargor.

4.2 Automatic crystallisation

If, without the Collateral Agent's prior written consent:

- (a) any Chargor, in contravention of any Loan Document, resolves to take or takes any step to:
 - (i) charge or otherwise encumber any of its Floating Charge Assets;
 - (ii) create a trust over any of its Floating Charge Assets;

- (iii) dispose of any Floating Charge Asset (except by way of sale in the ordinary course of such Chargor's business to the extent that such disposal is not otherwise prohibited by any Loan Document);
- (b) any person takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process; or
- (c) an Event of Default under Clause 8.13 (Involuntary Insolvency Proceedings) or Clause 8.15 (Insolvency) of the Loan Agreement has occurred,

then the floating charge created by Clause 3.2 (*Creation of floating charge*) shall, subject to Clauses 4.5 (*Moratorium Assets*) and 4.6 (*Crystallisation exceptions*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset or, in the case of paragraph (c) above into a fixed charge over all Floating Charge Assets of the relevant Chargor.

4.3 Future Floating Charge Assets

Except as otherwise stated in any notice given under Clause 4.1 (*Crystallisation by notice*) or unless the crystallisation relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by any Chargor after crystallisation has occurred under Clause 4.1 (*Crystallisation by notice*) or Clause 4.2 (*Automatic crystallisation*) shall become subject to the floating charge created by Clause 3.2 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the specific Floating Charge Assets affected by the crystallisation.

4.4 Reconversion

Any charge which has crystallised under Clause 4.1 (*Crystallisation by notice*) or Clause 4.2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Collateral Agent to the relevant Chargor (or to the Parent on its behalf), be reconverted into a floating charge in relation to the Assets specified in such notice.

4.5 Moratorium Assets

Save as permitted by Part A1 of the Insolvency Act 1986, where a Chargor obtains a moratorium under that Part A1, and whilst the moratorium continues, the floating charge created by that Chargor in Clause 3.2 (*Creation of floating charge*);

- (a) may not be converted into a fixed charge by notice in writing under Clause 4.1 (*Crystallisation by notice*); and
- (b) shall not automatically convert into a fixed charge under Clause 4.2 (*Automatic crystallisation*).

4.6 Crystallisation Exceptions

Notwithstanding Clauses 4.1 and 4.2, and save as permitted under Part A1 of the Insolvency Act 1986, nothing done for or by a Chargor with a view to obtaining a moratorium under that Part A1 shall give rise to any right to crystallise by notice under Clause 4.1 or cause the automatic crystallisation under Clause 4.2 of the floating charge created by that Chargor under Clause 3.2 (*Creation of floating charge*).

5. TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS

5.1 Documents

Subject to the rights of any prior chargee and except as otherwise expressly agreed in writing by the Collateral Agent, each Chargor shall promptly on request by the Collateral Agent following the execution of this deed (or, if later, the date of acquisition of the relevant Asset):

- (a) deposit with the Collateral Agent, and the Collateral Agent shall be entitled to retain during the continuance of the security created by this Debenture, all deeds and documents of title relating to its Fixed Security Assets that are necessary to give effect to or to perfect the fixed security described in Clause 3.1 (*Fixed Security*), including:
 - (i) certificates of registration;
 - (ii) certificates constituting or evidencing Specified Investments and Specified Intellectual Property;
 - (iii) all deeds and documents of title relating to any Land which by virtue of receipt of the relevant landlord's consent to charge that Land pursuant to paragraph (a) of Clause 3.4 (*Third Party Consents*) has ceased to fall within the definition of Restricted Land; and
 - (iv) all deeds and documents of title relating to any Intellectual Property Right which, by virtue of obtaining third party consent pursuant to paragraph (b) of Clause 3.4 (*Third Party Consents*) has ceased to fall within the definition of Restricted IP; and
- (b) as soon as reasonably practicable, and in any event within 10 Business Days of request, execute and deliver to the Collateral Agent such documents and transfers and give such instructions and perform such other acts as the Collateral Agent may reasonably require at any time to constitute or perfect an equitable charge or legal mortgage (at the Collateral Agent's option) over its Specified Investments, including any eligible to participate in a Relevant System.

5.2 Insurance

If any default shall be made by any Chargor at any time in effecting or maintaining any insurance required by the terms of the Loan Agreement, or if any Chargor fails within 10 Business Days of demand to produce such evidence as the Collateral Agent reasonably requires to prove such compliance (including copies of insurance policies and/or premium receipts), then:

- (a) the Collateral Agent may take out or renew such insurances in such sums as the Collateral Agent reasonably considers to be necessary (at that Chargor's expense); and
- (b) all money expended by the Collateral Agent under this provision shall be recoverable by the Collateral Agent in accordance with Clause 29 (*Indemnity*) below.

6. RECEIVABLES

6.1 Restriction

No Chargor shall purport, without the Collateral Agent's prior written consent, to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery other than in relation to the commutation of Receivables with its customers in the ordinary course of trade or unless such action is permitted under the Loan Agreement.

6.2 Factoring

If the Collateral Agent releases, waives or postpones its rights in respect of any Receivable to enable a Chargor to factor or discount them to any person (the "**factor**"), the charges created by this Debenture shall in all other respects remain in full force and effect. In particular, all amounts becoming due to such Chargor from the factor and any Receivables reassigned, or due to be reassigned to such Chargor, shall be subject to the charges created by this Debenture, subject only to any defences or rights of set-off which the factor may have against such Chargor.

7. NEGATIVE PLEDGE AND OTHER RESTRICTIONS

Without the prior written consent of the Collateral Agent, except as specifically permitted by the Loan Agreement, no Chargor shall:

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets; or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Security Assets, or part with possession or ownership of them, or purport or agree to do so (save in the ordinary course of a Chargor's business).

8. RIGHT OF APPROPRIATION

8.1 Financial Collateral Arrangement

The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

8.2 Right of Appropriation

The Collateral Agent may, on or at any time after the security constituted by this Debenture becomes enforceable in accordance with its terms, by notice in writing to the relevant Chargor appropriate with immediate effect all or any of its Financial Collateral charged by this Debenture which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Collateral Agent or otherwise.

8.3 Value

The value of any Financial Collateral appropriated under Clause 8.2 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Collateral Agent by reference to a public index or other applicable generally recognised source or such other process as the Collateral Agent may reasonably select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Collateral Agent;

as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Collateral Agent.

8.4 Surplus or Shortfall

The Collateral Agent will account to the relevant Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and the Chargors shall remain liable to the Collateral Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums.

8.5 Confirmation

Each Chargor agrees that the method of valuing Financial Collateral under Clause 8.3 is commercially reasonable.

9. CONTINUING SECURITY

This Debenture shall be a continuing security for the Beneficiaries, notwithstanding any intermediate payment or settlement of accounts or other matter whatever, and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien or other rights exercisable by any Beneficiary as banker against any Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Beneficiary.

10. LAND

10.1 Positive Covenants

Each Chargor covenants that it shall:

- (a) **Compliance with lease:** punctually pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Land and, to the extent that it makes commercial sense to do so, enforce the observance and performance by the landlord or licensor of its material obligations under any such document; and
- (b) **Acquisitions:** notify the Collateral Agent promptly following its acquisition of any Land.

10.2 Negative covenants

No Chargor shall (without the prior written consent of the Collateral Agent):

- (a) **No onerous obligations:** enter into any onerous or restrictive obligation affecting its Land or create or permit to arise any overriding interest or any easement or right whatever in or over it which, in each case, would be reasonably likely to affect materially and adversely its value or the value of the Security constituted by this Debenture over it; or
- (b) **No sharing:** share the occupation of any Land with any other person (or agree to do so) to the extent that to do so would materially adversely affect (i) the value of such Land; or (ii) the interests of the Beneficiaries.

10.3 Consolidation of Mortgages

Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture.

11. INTELLECTUAL PROPERTY RIGHTS

11.1 Filings and registrations

- (a) Each Chargor shall, as soon as reasonably practicable, file and register at any relevant patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of a Material Company and including, if appropriate the European Patents Office and Office of Harmonisation for the Internal Market) in such name as may be required by the law of the place of registration, such of the following as must be filed or registered there in order to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture:
- (i) this Debenture;
 - (ii) if so requested by the Collateral Agent, all licences of Intellectual Property granted to or acquired by it; and
 - (iii) all future assignments, mortgages and/or charges of Intellectual Property Rights made pursuant to this Debenture,

and, to the extent necessary to register or perfect the Security created under this Debenture or to give notice to third parties to protect the priority of the security created by this Debenture, maintain or renew such filings and registrations where applicable.

- (b) Each Chargor irrevocably authorises the Collateral Agent to effect such registrations, renewals, payments and notifications at the expense of such Chargor as shall, in the reasonable opinion of the Collateral Agent, be necessary to register the Security created by this Debenture at any patent, trade mark or other intellectual property register or authority as may be available for the purpose (to the extent that such register or authority is located in the jurisdiction of incorporation of a Material Company and including, if appropriate, at the European Patents Office or Office of Harmonization for the Internal Market).

11.2 Negative covenants

Without the prior written consent of the Collateral Agent, no Chargor shall:

- (a) **Trade marks:** amend the specification of any registered trade mark included in its Intellectual Property Rights; or
- (b) **Patents:** amend the specification or drawings referred to in any granted patent.

12. SPECIFIED INVESTMENTS

12.1 Voting and other rights

Each Chargor undertakes not to exercise any voting powers or rights in a way which would be reasonably likely to prejudice the value of its Specified Investments or otherwise to jeopardise the Security constituted by this Debenture over them.

12.2 Before Enforcement

Unless and until the occurrence of a Declared Default:

- (a) all voting powers and rights attaching to Specified Investments (including Derivative Rights) belonging to a Chargor shall continue to be exercised by such Chargor for so long as it remains their registered owner and such Chargor shall not permit any person other than

such Chargor, the Collateral Agent or the Collateral Agent's nominee to be registered as holder of such Specified Investments or any part of them; and

- (b) if Specified Investments belonging to a Chargor are registered in the name of the Collateral Agent or the Collateral Agent's nominee, all voting powers and rights attaching to them (including Derivative Rights) shall be exercised by the Collateral Agent or the Collateral Agent's nominee in accordance with instructions in writing from time to time received from such Chargor and, in the absence of any such instructions, the Collateral Agent or the Collateral Agent's nominee shall not exercise any such rights.

12.3 After Enforcement

At any time after the occurrence of a Declared Default:

- (a) the Collateral Agent may, for the purposes of protecting its interests in relation to the Secured Sums and preserving the value of the security created by this Debenture (in each case in its absolute discretion) and/or realising the security created by this Debenture, exercise (but is not obliged to exercise) in the name of a Chargor or otherwise and without any further consent or authority on the part of any Chargor, all voting powers and rights attaching to the Specified Investments (including Derivative Rights) as it sees fit, including any rights to nominate or remove a director, as if the Collateral Agent were the sole beneficial owner of the Specified Investments;
- (b) all Derivative Rights shall, if received by a Chargor or the Collateral Agent's nominee, be held on trust for and forthwith paid or transferred to the Collateral Agent; and
- (c) each Chargor shall (and shall procure that the Collateral Agent's nominees shall) accept short notice for and attend any shareholders meetings relating to the Specified Investments, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Investments as the Collateral Agent may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Sums.

For the avoidance of doubt, unless and until the Collateral Agent takes any steps to exercise any voting powers or rights attaching to the Specified Investments after becoming entitled (but not obliged) to do so under this Clause, all such powers and rights remain with the relevant Chargor.

12.4 Negative covenant

Each Chargor covenants with the Collateral Agent that it will not, without the prior written consent of the Collateral Agent consent to its Specified Investments being consolidated, sub-divided or converted or any rights attached to them being varied.

13. OPENING OF NEW ACCOUNTS

13.1 Creation of new account

On receiving notice that any Chargor has granted Security over or otherwise encumbered or disposed of any of its Assets in contravention of any Loan Document, a Beneficiary may rule off all its accounts and open new accounts with such Chargor.

13.2 Credits to new account

If a Beneficiary does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to that Beneficiary shall be treated as having been credited to a new account and shall not

operate to reduce the amount owing from the Chargor to such Beneficiary at the time when it received such notice.

14. POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS

14.1 Section 103 of the LPA

Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Collateral Agent shall not exercise such power of sale until this Debenture has become enforceable.

14.2 Powers of sale extended

The statutory powers of sale, leasing and accepting surrenders exercisable by the Collateral Agent by virtue of this Debenture are extended so as to authorise the Collateral Agent (whether in its own name or that of the Chargor concerned) to:

- (a) grant a lease of any Land vested in a Chargor or in which it has an interest on such terms and conditions as the Collateral Agent shall think fit; and
- (b) sever any fixtures from Land vested in a Chargor and sell them separately.

15. APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR

15.1 Appointment

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after:

- (a) the occurrence of a Declared Default;
- (b) in relation to any Chargor, a step or proceeding is taken, or a proposal made, for the appointment of an administrator or for a voluntary arrangement under Part I of the Insolvency Act 1986; or
- (c) a request has been made by the Parent and/or a Chargor to the Collateral Agent for the appointment of a Receiver or an administrator over its Assets or in respect of a Chargor,

then this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between such Chargor and any Beneficiary, the Collateral Agent may (unless precluded by law) appoint in writing any person or persons to be a receiver or a receiver and manager (or receivers or receivers and managers) of all or any part of the Assets of such Chargor or, an administrator or administrators of such Chargor, as the Collateral Agent may choose in its entire discretion.

Notwithstanding anything to the contrary in this Deed, neither the obtaining of a moratorium by a Chargor under Part A1 of the Insolvency Act 1986 nor the doing of anything for or by a Chargor with a view to obtaining such a moratorium (including any preliminary decision or investigation) shall be, or be construed as, a ground under this Deed for the appointment of a Receiver save where such an appointment would be permitted under that Part A1.

15.2 Power to act separately

Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Collateral Agent shall specify to the contrary.

15.3 Receiver's remuneration

The Collateral Agent may from time to time determine the remuneration of a Receiver.

15.4 Removal of Receiver

The Collateral Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver.

15.5 Further appointments of a Receiver

Such an appointment of a Receiver shall not preclude:

- (a) the Collateral Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act; or
- (b) the appointment of an additional Receiver to act while the first Receiver continues to act.

15.6 Receiver's agency

The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults and remuneration save in respect of any fraud, gross negligence or wilful default on the part of such Receiver) unless and until such Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Collateral Agent or any other Beneficiary.

16. POWERS OF A RECEIVER

The Receiver may exercise, in relation to each Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others:

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the relevant Chargor, without the need to observe any of the provisions of Sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Investments or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of such Chargor;
- (b) promote the formation of a Subsidiary of the relevant Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of such Chargor;
- (c) sever any fixtures from Land and/or sell them separately;
- (d) exercise all voting and other rights attaching to Investments owned by the relevant Chargor;
- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of the relevant Chargor by any Subsidiary contemplated by paragraph (b) above on a basis whereby the consideration may be for cash, Investments, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit;
- (f) make any arrangement or compromise with any Beneficiary or others as he shall think fit;

- (g) make and effect all repairs, renewals and improvements to the Assets of the relevant Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit;
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine;
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver;
- (j) pay the proper administrative charges of any Beneficiaries in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the relevant Chargor;
- (k) commence and/or complete any building operations upon any Land of the relevant Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit;
- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of the relevant Chargor's Intellectual Property Rights; and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets.

17. POWER OF ATTORNEY

17.1 Appointment of attorney

Each Chargor, by way of security and to more fully secure the performance of its obligations under the Transaction Security Documents, hereby irrevocably appoints the Collateral Agent and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to:

- (a) do anything which that Chargor is obliged to do (but has not done within 5 Business Days of being notified by the Collateral Agent of such failure and being requested to comply) in accordance with the terms of any Transaction Security Document, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) enable the Collateral Agent or any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by any Transaction Security Document or by statute in relation to that Transaction Security Document or the Assets charged, or purported to be charged, by it.

17.2 Ratification

Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to his appointment under this clause.

17.3 Sums recoverable

All sums expended by the Collateral Agent, any nominee and/or any Receiver under this Clause 17 shall be recoverable from each Chargor under the terms of Clause 29 (*Indemnity*) below.

18. OTHER POWERS EXERCISABLE BY THE COLLATERAL AGENT

18.1 Receiver's powers

All powers of a Receiver conferred by this Debenture may be exercised by the Collateral Agent after this Debenture has become enforceable. In that event, paragraph (i) of Clause 16 (*Powers of Receiver*) shall be read and construed as if the words "be charged on the Assets of the relevant Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver".

18.2 Receipt of debts

Following the occurrence of a Declared Default, the Collateral Agent, its nominee or any manager, officer or agent of the Collateral Agent is hereby irrevocably empowered to:

- (a) receive all trade debts and other debts and claims which may be assigned to the Collateral Agent pursuant to this Debenture and/or under any other Transaction Security Document;
- (b) on payment give an effectual discharge for them and on non-payment to take and institute (if the Collateral Agent in its sole discretion so decides) all steps and proceedings either in the name of the relevant Chargor or in the name of the Collateral Agent for their recovery; and
- (c) agree accounts and make allowances and give time to any surety.

Each Chargor ratifies and confirms whatever the Collateral Agent or any manager or officer of the Collateral Agent shall do or purport to do under this clause.

18.3 Collateral Agent's powers

The Collateral Agent shall have no liability or responsibility to any Chargor arising out of the exercise or non-exercise of the powers conferred on it by this Clause 18, except for gross negligence or wilful default.

18.4 No duty of enquiry

The Collateral Agent need not enquire as to the sufficiency of any sums received by it in respect of any debt or claim or make any claim or take any other action to collect in or enforce them.

19. APPLICATION OF MONEY RECEIVED BY THE COLLATERAL AGENT OR A RECEIVER

19.1 Order of priority

Any money received or realised under the powers conferred by this Debenture shall be paid or applied in accordance with the terms of the Loan Agreement.

19.2 Suspense account

Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Collateral Agent may place and keep to the credit of a suspense account any money received from or realised in respect of any Chargor's liability under this Debenture. The Collateral Agent shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums other than where such money is sufficient to discharge the Secured Sums in full in

which case it shall be immediately applied in settlement of the same. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Collateral Agent in good faith to be a fair market rate.

19.3 Discretion to apply

Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Collateral Agent may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion.

20. PROTECTION OF THIRD PARTIES

20.1 No duty to enquire

No purchaser from, or other person dealing with, the Collateral Agent, its nominee or any Receiver or administrator appointed under this Debenture shall be concerned to enquire whether any of the powers which the Collateral Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Collateral Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

20.2 Receipt

The receipt of the Collateral Agent shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Collateral Agent.

21. PROTECTION OF THE COLLATERAL AGENT, ANY NOMINEE AND RECEIVER

21.1 Limitation

Neither the Collateral Agent nor any nominee nor Receiver shall be liable in respect of any Liability which arises out of the exercise or the purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and in so far as such Liability results from its own gross negligence or wilful default.

21.2 Entry into possession

Without prejudice to the generality of Clause 21.1 (*Limitation*), neither the Collateral Agent, any nominee nor any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Collateral Agent, or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession.

22. COLLATERAL AGENT

22.1 Collateral Agent as trustee

The Collateral Agent declares itself to be a trustee of this Debenture (and any other Security created in its favour pursuant to this Debenture) for the Beneficiaries.

22.2 Trustee Act 2000

The Parties agree that the Collateral Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

22.3 No partnership

Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Beneficiaries and the Collateral Agent.

23. INTEREST ON OVERDUE AMOUNTS

Any amount not paid in accordance with this Debenture when due shall carry interest at the rate and in accordance with the terms contained in the relevant Loan Document in relation to overdue sums or at such other rate as may be agreed between the relevant Chargor and Beneficiary from time to time.

24. SET-OFF BY COLLATERAL AGENT

After the occurrence of an Event of Default which is continuing, the Collateral Agent may (but is not obliged to) retain any money it is holding (in any capacity) standing to the credit of any Chargor in any currency upon any account or otherwise (whether or not in such Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to such Chargor set off all or any of such money against all or such part of the Secured Sums due, owing or incurred by that Chargor as the Collateral Agent may select. If the obligations are in different currencies, the Collateral Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

25. TRANSFER BY A BENEFICIARY

- (a) Any Beneficiary may at any time assign and transfer all or any of its rights in relation to this Debenture to any person or otherwise grant an interest in them to any person to the extent that it is permitted to transfer its rights under the terms of the Loan Agreement.
- (b) The Collateral Agent may assign and transfer all of its rights and obligations under this Debenture to any replacement Collateral Agent. Upon such assignment and transfer becoming effective, the replacement Collateral Agent shall be, and be deemed to be, acting as agent and trustee for each of the Beneficiaries (including itself) for the purposes of this Debenture in replacement of the previous Collateral Agent.

26. ACCESSION OF A NEW CHARGOR

26.1 Method

Any member of the Group may at any time, with the prior written approval of the Collateral Agent, become a party to this Debenture by delivering to the Collateral Agent in form and substance satisfactory to it:

- (a) a Deed of Accession and Charge; and
- (b) certified extracts from the minutes of a meeting of its Board of Directors evidencing the due authorisation and execution of the Deed of Accession and Charge and any other conditions precedent required by the Loan Documents.

26.2 New Chargor bound

The New Chargor shall become a Chargor under this Debenture with effect from the time when the Deed of Accession and Charge takes effect, at which point:

- (a) the New Chargor shall become bound by all the terms of this Debenture and shall assume the same obligations as "Chargor" as if it were an original Party to this Debenture; and
- (b) the other Chargors shall assume the same obligations in respect of the New Chargor as if it were an original Party to this Debenture.

27. RELEASE OF SECURITY

27.1 Redemption

Subject to Clause 27.2 (*Avoidance of Payments*), if all Secured Sums have been irrevocably paid in full and none of the Beneficiaries are under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Loan Document, the Collateral Agent will (at the request and cost of the Chargors), execute and do all such reasonable acts as may be necessary to release the Assets from the Security constituted by this Debenture.

27.2 Avoidance of Payments

If the Collateral Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of each Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

28. THIRD PARTY RIGHTS

28.1 Directly enforceable rights

Pursuant to the Contracts (Rights of Third Parties) Act 1999:

- (a) the provisions of Clause 24 (*Set-off*), and Clause 25 (*Transfer by a Beneficiary*) shall be directly enforceable by a Beneficiary;
- (b) the provisions of Clause 15 (*Appointment of a Receiver or an Administrator*) to Clause 21 (*Protection of the Collateral Agent and Receiver*) inclusive shall be directly enforceable by any nominee or Receiver; and
- (c) the provisions of Clause 20 (*Protection of third parties*) shall be directly enforceable by any purchaser.

28.2 Exclusion of Contracts (Rights of Third Parties) Act 1999

Save as otherwise expressly provided in Clause 28.1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a Party, to enforce any term (express or implied) of this Debenture.

28.3 Rights of the Parties to vary

The Parties (or the Parent, on behalf of the Chargors, and the Collateral Agent (on behalf of the Beneficiaries)) may by agreement vary any term of this Debenture (including this Clause 28) without the necessity of obtaining any consent from any other person.

29. INDEMNITY

The Collateral Agent and every Receiver and Delegate may, in priority to any payment to the Beneficiaries, indemnify itself out of the Collateral in respect of, and pay and retain, all sums necessary to give effect to any indemnity in their favour from the Chargors under a Loan Document (as defined in the Loan Agreement) and shall have a lien on the Collateral and the proceeds of the enforcement of the Collateral for all moneys payable to it.

30. JOINT AND SEPARATE LIABILITY

All covenants, agreements, representations and warranties on the part of the Chargors contained in this Debenture are given by them jointly and separately and shall be construed accordingly.

31. FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS

31.1 Delay etc

All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Beneficiary, nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them.

31.2 Severability

No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.

31.3 Illegality, invalidity, unenforceability

Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture.

31.4 Variations

No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Collateral Agent (on behalf of the Beneficiaries) and the Borrower's Representative (on behalf of the Chargors) or by all Parties.

31.5 Consents

Save as otherwise expressly specified in this Debenture, any consent of the Collateral Agent may be given absolutely or on any terms and subject to any conditions as the Collateral Agent may determine in its entire discretion.

32. COUNTERPARTS

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

33. NOTICES

33.1 Notices provision

Any communications to be made under or in connection with this Debenture shall be made in accordance with the notice provisions of the Loan Agreement.

33.2 Addresses

If no address has been provided for any Chargor under the Loan Agreement, then the address (and the officer, if any, for whose attention the communication is to be made) of each Chargor for any communication or document to be made or delivered under or in connection with the Loan Documents is that identified with its name in the Parties section above or any substitute address or department or officer as that Chargor may notify to the Collateral Agent by not less than five Business Days' notice.

34. GOVERNING LAW

This Debenture and all non-contractual obligations arising in any way whatsoever out of or in connection with this Debenture shall be governed by, construed and take effect in accordance with English law.

35. ENFORCEMENT

35.1 Jurisdiction

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any claim for set-off) or the legal relationships established by this Debenture (a "**Dispute**"), only where such Dispute is the subject of proceedings commenced by a Chargor.
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiaries, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England). If any Chargor raises a counter-claim in the context of proceedings commenced by one or more of the Beneficiaries, that Chargor shall bring such counter-claim before the court seized of the Beneficiary's claim and no other court.
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude any Beneficiary from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not.
- (d) To the extent allowed by law, each Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum.

THIS DEBENTURE has been executed by each Chargor as a deed and signed by the Collateral Agent and it has been delivered and shall take effect on the date stated at the beginning of this document.

SCHEDULE 1

Registered Land to be mortgaged

N/A

SCHEDULE 2

Specified Intellectual Property

Patent Application	Owner	Application Number	Application Date
Apparatus and Methods of Unsupervised Machine Learning Models to Identify Seasonality and Predicting Seasonally-Influenced Metric Values	Topia Limited	16901703	6/15/20
Systems and Methods of Compliance Tracking	Topia Limited	13/872,730	4/29/13

Trademark	Owner	Registration Number	Registration Date
Teleport	Topia Limited	012843371 (EU)	3/2/15
Teleport	Topia Limited	4,909,410 (US)	3/1/16
Teleport	Topia Limited	4,778,462 (US)	7/21/15
Teleport	Topia Limited	4,882,302	1/5/16
Topia	Topia Limited	017949931 (EU)	9/3/18
Topia	Topia Limited	UK00003335603 (UK)	11/23/18
Topia	Topia Limited	87/820,172 (US)	3/19/19

SCHEDULE 3

Details of Fixed Security Assets

Part 1 - Charged Accounts

Account Name	Sort Code	Account number	Account Bank
Operating Account			Silicon Valley Bank
Operating Account			Silicon Valley Bank
Operating Account			Silicon Valley Bank
Operating Account			Silicon Valley Bank
Operating Account			Silicon Valley Bank
Operating Account			National Westminster Bank plc
Operating Account			National Westminster Bank plc
Operating Account			National Westminster Bank plc

Part 2 - Specified Investments

Name	Registration number
MOVE Guides India Private Limited	U74900KA2015FTC082096
Teleport, Inc.	46-5281591
Topia Limited (Hong Kong)	2171202
Topia Mobility Inc. (Delaware)	46-2399090
Topia Mobility Inc. (Washington)	91-2099259

Part 3 - Insurances

N/A

SCHEDULE 3

Forms of Notice of Assignment/Charge

Part 1 – Form of Notice of Assignment – Insurances

Served by Recorded Delivery or By Hand

To: *[insert name and address of Insurer]*

[Date]

Dear Sir or Madam

Re: *[describe relevant policies]* dated *[date]* between (1) you and (2) *[insert name of Charging Company]*

1. We give notice that, by a debenture (the "**Debenture**") dated *[***]* made between inter alia Horizon Technology Finance Corporation (the "**Collateral Agent**") and ourselves, we have assigned by way of security to the Collateral Agent all our rights, title and interest from time to time in respect of any sums payable to us pursuant to the Policies (together with any other agreement supplementing or amending the same, the "**Policies**").
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Collateral Agent (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 Collateral Agent may from time to time request;
 - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Collateral Agent and to pay or release all or any part of those sums only in accordance with the written instructions given to you by the Collateral Agent from time to time;
 - (c) to comply with any written notice or instructions relating to the Debenture, the sums payable by you to us from time to time under the Policies (or the debts represented by them) which you may receive from the Collateral Agent (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); and
 - (d) to send copies of all notices and other information given or received under the Policies to the Collateral Agent.
3. We irrevocably instruct you to note on the relevant Policies the Collateral Agent's interest as first priority assignee of the proceeds under the Policies and the rights, remedies, proceeds and claims referred to above.
4. This notice may only be revoked or amended with the prior written consent of the Collateral Agent.

5. Please confirm by completing the enclosed copy of this notice and returning it to the Collateral Agent (with a copy to us) that you:
- (a) accept the instructions and authorisations contained in this notice and undertake to comply with this notice; and
 - (b) have not received notice of the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them.
6. This notice is governed by English law.

Yours faithfully

for and on behalf of

[Name of Chargor]

[on copy]

To: *Horizon Technology Finance Corporation*

as Collateral Agent

[address of Collateral Agent]

Copy to: *[Name of Chargor]*

Dear Sir or Madam

We acknowledge receipt of the above notice and consent and agree to its terms.

for and on behalf of

[Name of Insurer]

Dated:

Part 2 – Form of Notice of Assignment - Account Bank

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

We hereby give you notice that all our right, title and interest in and to [insert full details of the Charged Accounts] (the "**Charged Accounts**"), including all money payable to us pursuant to such accounts and any renewal or replacement of such deposit(s) and the debt(s) represented thereby (the "**Deposits**") and all interest accruing thereon, have been charged and assigned by way of security to [insert name of Collateral Agent] (as agent and trustee for certain Beneficiaries) (the "**Collateral Agent**") by a Charge over Cash Deposits deed dated [***].

We irrevocably and unconditionally authorise and instruct you (notwithstanding any previous instructions of any kind which we may have given to you) to:

1. following receipt by you of a notice from the Collateral Agent stating that a Declared Default has occurred and is continuing, hold the Deposit(s) to the order of the Collateral Agent and to comply with such instructions in relation to the Deposit(s) and/or any Charged Account as may be given to you from time to time and at any time by the Collateral Agent, without reference to or further authority from us and without any enquiry by you as to the justification or validity of such instructions; and
2. disclose to the Collateral Agent any information relating to any Charged Account requested from you by the Collateral Agent.

In the absence of any instructions to the contrary from the Collateral Agent, the Deposit(s) shall be kept separate from all other sums deposited with you (whether or not belonging to us) and may not be withdrawn without the prior written consent of the Collateral Agent.

The above authorisations and instructions may not be modified, revoked or withdrawn, without the prior written consent of the Collateral Agent or its written confirmation that the Deposit(s) have been fully re-assigned to us.

This notice is governed by English law.

Please sign, and forward to the Collateral Agent, the enclosed form of acknowledgment.

Dated

for and on behalf of
[insert name of the Chargor]

.....
[Director]

[on copy]

ACKNOWLEDGEMENT

To: [Insert name of the Collateral Agent]

We hereby acknowledge receipt of a notice dated [insert date] addressed to us by [insert name] (the "**Chargor**") (a copy of which is attached). Expressions defined in the attached notice have the same meaning in this acknowledgement.

We confirm that:

- (a) we accept the instructions contained in that notice and shall act in accordance and comply with such instructions and will not permit any amount to be withdrawn from the Charged Accounts without your prior written consent;
- (b) we do not have any claims or demands, rights of counter-claim, rights of set-off or any other equities against the Chargor in respect of the Deposit(s), and will not subsequently make any such claims or demands or exercise any such rights; and
- (c) we have not, at the date of this acknowledgement, received any notice that any third party has or will have any right or interest whatsoever in the Deposit(s), or is taking any action whatsoever against the same.

DATED

For and on behalf of

.....
[insert name of Account Bank]

EXECUTION PAGE

THE CHARGOR

Executed as deed by Shawn Farshchi for and
on behalf of **TOPIA LIMITED**, in the presence
of:



Director



Signature

Print Name: Zuleika Jimenez

Address:



THE COLLATERAL AGENT

Signed by)
for and on behalf of **HORIZON**)
TECHNOLOGY **FINANCE**)
CORPORATION:

Authorised Signatory

EXECUTION PAGE

THE CHARGOR

Executed as deed by _____ for and
on behalf of **TOPIA LIMITED**, in the presence
of:

Director



Signature

Print Name: *ROBERT D. POMEROY, JR.*

Address: *HORIZON TECHNOLOGY FINANCE CORPORATION
312 FARMINGTON AVE.
FARMINGTON, CT 06032 USA*

THE COLLATERAL AGENT

Signed by *ROBERT D. POMEROY, JR.*)
for and on behalf of **HORIZON**)
TECHNOLOGY FINANCE)
CORPORATION:

Authorised Signatory