

MR01

Particulars of a charge

13/562 904

IRIS Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page.


You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MP00

For further information, please
refer to our guidance at:
www.companieshouse.gov.uk

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

 You **must** enclose a certified copy of the instrument with this form, scanned and placed on the public record.

TUESDAY



SCT *S2NEXVJS* #72
17/12/2013
COMPANIES HOUSE

1 Company details

Company number S C 3 1 0 5 8 4

Company name in full Alba Bioscience Limited

For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 0 5 1 2 2 0 1 3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name Midcap Funding V, LLC as Agent

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security.

Continuation page

Please use a continuation page if you need to enter more details.

Description

The whole of the property (including uncalled capital) comprised in its property and undertaking whatsoever and wheresoever both present and future.

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☐ Yes

☒ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

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Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

① This statement may be filed after the registration of the charge (use form MR06).

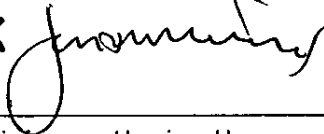
9

Signature

Please sign the form here.

Signature

Signature

X 

X

This form must be signed by a person with an interest in the charge.

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Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name

Company name

BURNESS PAULL LLP

Address 50 LOTHIAN ROAD

FESTIVAL SQUARE

Post town EDINBURGH

County/Region

Postcode

E H 3 9 W J

Country

DX ED73 EDINBURGH

Telephone 0131 473 6000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 310584

Charge code: SC31 0584 0007

The Registrar of Companies for Scotland hereby certifies that a charge dated 5th December 2013 and created by ALBA BIOSCIENCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th December 2013.

Given at Companies House, Edinburgh on 19th December 2013



Companies House



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



ALBA BIOSCIENCE LIMITED
as Chargor


in favour of

MIDCAP FUNDING V, LLC
as Agent for the Lenders

BOND AND FLOATING CHARGE

Certified a true copy

Edinburgh12/12/13.....


.....
for and on behalf of Burness Paull LLP

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BOND AND FLOATING CHARGE

by

- (1) **ALBA BIOSCIENCE LIMITED**, a company incorporated under the Companies Acts with registered number SC310584 and having its registered office at Douglas Building, Pentland Science Park, Bush Loan, Penicuik EH26 0PL (the "**Chargor**")

in favour of

- (2) **MIDCAP FUNDING V, LLC**, a company incorporated in Delaware and having its registered office at 7255 Woodmont Avenue, Suite 200, Bethesda, Maryland 20814 as Agent for the Lenders as defined in the Facility Agreement referred to below (the "**Agent**")

CONSIDERING THAT:

- (i) the Lenders have agreed to make a loan facility available under the Facility Agreement (as defined below);
- (ii) one of the conditions precedent to the availability of the facility referred to in paragraph (i) above is that the Chargor grants to the Agent this bond and floating charge.

NOW IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

1 DEFINITIONS AND INTERPRETATION

1.1 In this Instrument:

"Administrator" means any administrator appointed pursuant to this Instrument;

"Credit Party" means any Borrower, any Guarantor (as such terms are defined in the Facility Agreement under a guarantee of the Obligations or any part thereof, and any other Person (other than Agent, a Lender or a participant of a Lender), whether now existing or hereafter acquired or formed, that becomes obligated as a borrower, guarantor, surety, indemnitor, pledgor, assignor or other obligor under any Financing Document, and any Person whose equity interests or portion thereof have been pledged or hypothecated to Agent under any Financing Document; and **"Credit Parties"** means all such Persons, collectively.

"Event of Default" has the meaning given to it in the Facility Agreement;

"Facility Agreement" means the credit, guaranty and security agreement dated on or about the date of the Chargor's execution of this Instrument between (amongst others) the Chargor, the Lenders and the Agent;

"Financing Documents" means, collectively, the Facility Agreement, the Perfection Certificate, the Fee Letter(s), each note and guarantee executed by one or more Credit Parties in connection with the indebtedness governed by the Facility Agreement, and each other present or future agreement executed by one or more Credit Parties and, or for the benefit of, the Lenders and/or Agent in connection with the Facility Agreement, all as amended, restated, or otherwise modified from time to time as each such document not defined herein is defined in the Facility Agreement;

"Insolvency Proceeding" means any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief;

"Insurances" means the Chargor's interest in all contracts and policies of insurance which are from time to time taken out or effected by or on behalf of the Chargor in connection with the Secured Assets;

"Lenders" has the meaning given to it in the Facility Agreement;

"Protective Advances" means all audit fees and expenses, costs, and expenses (including reasonable attorneys' fees and expenses) of Agent and Lenders for preparing, amending, negotiating, administering, defending and enforcing the Financing Documents and the Warrants (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred by Agent or the Lenders in connection with the Financing Documents and the Warrants;

"Receiver" means any receiver or administrative receiver appointed in respect of the Secured Assets (whether pursuant to this Instrument, pursuant to any statute, by a court or otherwise) and includes joint receivers;

"Secured Assets" means the whole of the property (including uncalled capital) which is or may be from time to time while this Instrument is in force comprised in the property and undertaking of the Chargor; and

"Secured Liabilities" means all of the Chargor's obligations to pay when due any debts, principal, interest, Protective Advances, fees, indemnities and other amounts the Chargor owes the Agent or Lenders now or later, under the Facility Agreement or the other Financing Documents, including, without limitation, interest accruing after Insolvency Proceedings begin (whether or not allowed) and debts, liabilities, or obligations of the Chargor assigned to the Lenders and/or Agent, and the payment and performance of each other Credit Party's covenants and obligations under the Financing Documents; and

"Warrants" means warrants to purchase 200,000 shares of Quotient Limited's Series C Preferred Stock.

1.2 Construction

- 1.2.1 Capitalised terms defined in the Facility Agreement have, unless expressly defined in this Instrument, the same meaning in this Instrument.
- 1.2.2 A Financing Document or other document includes (without prejudice to any prohibition on amendments) all amendments however fundamental to that Finance Document or other document, including any amendment providing for any increase in the amount of a facility or any additional facility.
- 1.2.3 The term this “**Security**” means any security created by this Instrument.
- 1.2.4 An Event of Default is “continuing” if it has not been waived or cured to the satisfaction of the Agent.
- 1.2.5 A reference to any asset, unless the context otherwise requires, includes any present and future asset.
- 1.2.6 If the Agent considers that an amount paid to it or a Receiver or any Lender is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Instrument.
- 1.2.7 Unless the context otherwise requires, a reference to a Secured Asset includes the proceeds of sale of that Secured Asset.

2 BOND

- 2.1 The Chargor undertakes to the Agent for itself and as trustee for the Lenders that it will pay or discharge to the Agent all the Secured Liabilities on demand in writing when the Secured Liabilities become due for payment or discharge (whether by acceleration or otherwise).
- 2.2 Paragraph 14 of Schedule B1 to the Insolvency Act (incorporated by Schedule 16 to the Enterprise Act 2002) shall apply to this Instrument which is accordingly a qualifying floating charge.

3 FLOATING CHARGE

The Chargor as security for the payment and discharge of all the Secured Liabilities hereby grants in favour of the Agent a floating charge over the Secured Assets.

4 NEGATIVE PLEDGE AND RANKING OF FLOATING CHARGE

- 4.1 The Chargor agrees that it shall be prohibited from granting or creating subsequent to the date of execution of this Instrument any fixed security or any other floating charge

over the Secured Assets or any part or parts of them, other than in favour of the Agent or in favour of another person and with the prior written consent of the Agent.

- 4.2 Any fixed security granted by the Chargor in favour of the Agent (whether before or after the date of execution of this Instrument) shall rank in priority to this Security.
- 4.3 In the event that the Chargor grants or creates any fixed security or floating charge in breach of the prohibition in Clause 4.1 or with the consent of the Agent under Clause 4.1 but with no written agreement of the Agent as to the ranking of them, this Instrument shall rank in priority to that fixed security or floating charge.

5 UNDERTAKINGS

- 5.1 The Chargor hereby undertakes to the Agent that it shall carry on and conduct its business and affairs in a proper and efficient manner and, unless otherwise specifically permitted in the Facility Agreement, it shall:
 - 5.1.1 keep all of the Secured Assets in good and sufficient repair and all plant and machinery or other moveable property in good working order and condition, in each case fair wear and tear excepted, and, where necessary for the efficient conduct of its business, renew and replace the same as and when the same shall become obsolete, worn out or destroyed (if commercially prudent to do so);
 - 5.1.2 not, without the prior written consent of the Agent, become cautioner, guarantor or surety for any person, firm or company;
 - 5.1.3 not, without the prior written consent of the Agent, undertake any obligation to any third party whereby the Chargor's rights to recover or take payment of any monies due or which may become due to the Chargor from any debtor of the Chargor are postponed or subordinated to the claims of such third party;
 - 5.1.4 pay all rents, rates, taxes, levies, assessments, impositions and outgoings whatsoever, whether governmental, municipal or otherwise, which may be imposed upon or payable in respect of the Secured Assets as and when the same shall become payable, taking into account agreed periods of grace (if any) and also punctually pay and discharge all debts and obligations which by law may have priority over this Security;
 - 5.1.5 insure and keep insured such of the Secured Assets as comprise heritable and real, moveable and personal property and effects of every description with underwriters, insurance companies or other insurers to be approved by the Agent against loss or damage by fire and such other contingencies and risks as may be required by the Agent in their full reinstatement value or for such insured value as the Agent may specify or agree from time to time in writing

for the time being in the name of the Chargor with the interest of the Agent endorsed on the policy or policies or noted as the Agent may require;

- 5.1.6 duly pay all premiums and sums payable for the purposes and produce the receipts therefor or other evidence of payment to the Agent within fourteen days of being requested by the Agent so to do, and not do anything or omit to do anything in or upon or relating to the Secured Assets or any part thereof which may render any Insurances void or voidable;
 - 5.1.7 save as permitted by the Facility Agreement, not, without the prior written consent of the Agent, sell, transfer, lease, hire out, lend, discount, factor, charge or otherwise dispose of, deal in or remove all or any of the Secured Assets;
 - 5.1.8 notify the Agent of any freehold or leasehold property the title to which is registered at H.M. Land Registry (England and Wales) and of any application which may be made to record or register at H.M. Land Registry or any other land registry (other than the Register of Sasines and the Land Register of Scotland) the title to any freehold or leasehold or other property owned by it and to produce to the Agent the relevant official copy of the title;
 - 5.1.9 notify the Agent of any trade marks registered or applied to be registered in the register maintained under Section 63 of the Trade Marks Act 1994 at any time prior to or after the date of this Instrument in the United Kingdom and deliver to the Agent along with such notification Form TM 24 (or such other form as may be prescribed by the Registrar of Trade Marks for the registration of the prescribed particulars of the grant of a security interest (whether fixed or floating) under Section 25 of the Trade Marks Act 1994), duly completed and ready to be signed and despatched by the Agent to the Comptroller General of Patents Designs and Trade Marks.
 - 5.1.10 maintain its centre of main interests (COMI) for the purposes of the Council Regulation (EC) No 1346/2000 on Insolvency Proceedings, in the United Kingdom.
- 5.2 Except as the Agent may from time to time otherwise agree in writing:
- 5.2.1 the Chargor shall promptly get in and realise in the ordinary course of its trade or business all its book debts (but this shall not permit the selling, assigning, factoring or discounting of all or any of such book debts) apart from balances standing to the credit of any account with any bank or financial institution and, until payment into an account as provided below, shall procure that it holds the proceeds of such getting in and realisation (including all monies receivable in respect thereof) in trust for the Agent in such manner as the Agent may require;

- 5.2.2 the Chargor shall immediately pay into such account or accounts with such bank or banks as the Agent may from time to time direct in writing all monies whatever payable or paid to it from time to time including, without limitation, all monies which it may receive in respect of the book and other debts and claims secured by it under this Instrument; and
- 5.2.3 if at any time called upon to do so by the Agent, the Chargor shall immediately execute and deliver to the Agent an assignation of all or any of its book debts to the Agent at the cost of the Chargor and in such form as the Agent may require.
- 5.3 The Chargor will observe and perform in all respects restrictive and other covenants and stipulations and burdens for the time being affecting its heritable, freehold or leasehold property or the mode of use or the enjoyment of the same or affecting its moveable or personal property or its ancillary or connected rights and will not, without the prior consent in writing of the Agent, enter into any onerous or restrictive obligations with regard thereto and the Chargor will not do or suffer or omit to be done any act, matter or thing whereby any provisions of any Act of Parliament, order or regulation whatever from time to time in force affecting such property or rights shall be infringed.
- 5.4 The Chargor will notify the Agent promptly in the event of any creditor exercising diligence against it or any of the Secured Assets wherever situated or taking any steps which might be expected to lead thereto.
- 5.5 The Chargor will notify the Agent promptly of the acquisition by it of any heritable, freehold or leasehold property.
- 5.6 The Chargor will, if the Agent so requires, deposit with the Agent all certificates, deeds and other documents of title or evidence of ownership in relation to all or any of the Secured Assets.

6 SET-OFF

Without prejudice to any of its other rights, remedies or powers, the Agent shall be entitled to hold all sums which are now or which may at any time hereafter be at the credit of any account or accounts in the name of the Chargor with the Agent as security for the Secured Liabilities and to apply without notice to the Chargor any such sums in and towards discharge of the Secured Liabilities. The Agent shall not be obliged to exercise its rights under this Clause 6, which shall be without prejudice and in addition to any right of set-off, compensation, combination of accounts, lien or other right to which it is at any time otherwise entitled (whether by operation of law, contract or otherwise).

7 ENFORCEMENT

- 7.1 In addition to any statutory provisions concerning enforceability or attachment this Security shall become enforceable upon and the Agent's powers of appointment and other rights and powers shall become exercisable at any time after:

- 7.1.1 the occurrence of an Event of Default which is continuing; or
- 7.1.2 the receipt of any request from the board of directors of the Chargor; or
- 7.1.3 the taking (or purported taking) by any person of any step towards the winding up or dissolution of the Chargor or towards the appointment of any administrator, trustee, administrative receiver, receiver, liquidator or the like to the Chargor or the whole or any part of its property

and the Agent may then (or as soon thereafter as permitted by law) by instrument in writing appoint any person or persons (if more than one with power to act both jointly and separately) to be an administrator of the Chargor or (subject, if applicable, to Section 72A of the Insolvency Act 1986) a receiver of the Secured Assets. In addition, and without prejudice to the foregoing provisions of this Clause 7.1, in the event that any person appointed to be a Receiver shall be removed by a court or shall otherwise cease to act as such, then the Agent shall be entitled so to appoint another person as Receiver in his place.

- 7.2 An Administrator shall have and be entitled to exercise, in addition to and without limiting all the powers of an administrator under the Insolvency Act 1986, all the powers of a receiver under Schedule 2 of the Insolvency Act 1986 and a Receiver shall have and be entitled to exercise, in addition to and without limiting all the powers of a receiver under Schedule 2 of the Insolvency Act 1986, all the powers of an administrative receiver set out in Schedule 1 of the Insolvency Act 1986 together with (in either case) the power to exercise any powers or rights incidental to ownership of the Secured Assets, including (as regards shares and other securities) any voting rights or rights of enforcing the same together with power to:

- 7.2.1 implement and exercise all or any of the Chargor's powers and/or rights and/or obligations under any contract or other agreement forming a part of the Secured Assets;
- 7.2.2 make any arrangement or compromise which he shall think expedient of or in respect of any claim by or against the Chargor;
- 7.2.3 promote or procure the formation of any new company or corporation;
- 7.2.4 subscribe for or acquire for cash or otherwise any share capital of such new company or corporation in the name of the Chargor and on its behalf and/or in the name(s) of a nominee(s) or trustee(s) for it;

- 7.2.5 sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise the Secured Assets or any part thereof to any such new company or corporation and accept as consideration or part of the consideration therefor in the name of the Chargor and on its behalf and/or in the name(s) of any nominee(s) or trustee(s) for it, any shares or further shares in any such company or corporation or allow the payment of the whole or any part of such consideration to remain deferred or outstanding by way of loan or debt or credit;
- 7.2.6 sell, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise on behalf of the Chargor any such shares or deferred consideration or part thereof or any rights or benefits attaching thereto;
- 7.2.7 convene an extraordinary general meeting of the Chargor;
- 7.2.8 acquire any property on behalf of the Chargor;
- 7.2.9 do all such other acts and things as he may consider necessary or desirable for protecting or realising the Secured Assets, or any part thereof, or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of or pursuant to this Instrument and exercise in relation to the Secured Assets, or any part thereof, all such powers and authorities and do all such things as he would be capable of exercising or doing if he were the absolute beneficial owner of the same and use the name of the Chargor for all and any of the purposes aforesaid;

subject always to the rights of the Agent as holder of this Security.

- 7.3 To the extent that any of the Secured Assets constitutes "financial collateral" and this Security Agreement and the obligations of the Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "Regulations")) the Agent shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the Chargor. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the relevant accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (b) in the case of any shares, stocks, debentures, bonds or other securities or investments, the market price of such shares, stocks, debentures, bonds or other securities or investments determined by the Agent by reference to a public index or by such other process as the Agent may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Security Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

8 OFFICE OF RECEIVER

- 8.1 Any Receiver appointed under Clause 7 (Enforcement) shall be the agent of the Chargor for all purposes and (subject to the provisions of the Insolvency Act 1986) the Chargor alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and for his remuneration and his costs, charges and expenses and the Agent shall not incur any liability for those (either to the Chargor or any other person) by reason of the Agent making his appointment as such Receiver or for any other reason whatsoever.
- 8.2 Any Receiver appointed under Clause 7 (Enforcement) shall be entitled to remuneration for his services and the services of his firm appropriate to the responsibilities involved. Subject to Section 58 of the Insolvency Act 1986, the remuneration of the Receiver may be fixed by the Agent (and may be or include a commission calculated by reference to the gross amount of all money received or otherwise and may include remuneration in connection with claims, actions or proceedings made or brought against the Receiver by the Chargor or any other person or the performance or discharge of any obligation imposed upon him by statute or otherwise) but such remuneration shall be payable by the Chargor alone and the amount of such remuneration shall form part of the Secured Liabilities and accordingly be secured on the Secured Assets under the floating charge constituted by this Instrument.

9 APPLICATION OF ENFORCEMENT PROCEEDS

- 9.1 All monies received by the Agent or any Receiver under or by virtue of this Instrument following enforcement of the security hereby granted or of any security interest constituted pursuant hereto shall be applied, subject to the claims of any creditors ranking in priority to or *pari passu* with the claims of the Agent under this Instrument, in the following order:
- 9.1.1 firstly, in or towards payment of all costs, charges and expenses of or incidental to the appointment of the Receiver and the exercise of all or any of his powers, including his remuneration and all outgoings paid by and liabilities incurred by him as a result of such exercise;
- 9.1.2 secondly, in or towards satisfaction of the Secured Liabilities in such order as the Agent shall in its absolute discretion decide; and
- 9.1.3 thirdly, any surplus shall be paid to the Chargor or any other person entitled thereto.
- 9.2 Nothing contained in this Instrument shall limit the right of the Receiver or the Agent (and the Chargor acknowledges that the Receiver and the Agent are so entitled) if and for so long as the Receiver or the Agent, in their discretion, shall consider it appropriate, to place all or any monies arising from the enforcement of the security

interest hereby granted or any security created pursuant to this Instrument into a suspense account, without any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Liabilities.

10 PROTECTION OF SECURITY

- 10.1 The security created by and any security interest constituted pursuant to this Instrument shall be a continuing security notwithstanding any settlement of account or other matter or thing whatsoever and in particular (but without prejudice to the generality of the foregoing) shall not be considered satisfied by an intermediate repayment or satisfaction of part only of the Secured Liabilities and shall continue in full force and effect until total and irrevocable satisfaction of all the Secured Liabilities.
- 10.2 The security created by and any security interest constituted pursuant to this Instrument shall be in addition to and shall not in any way prejudice or be prejudiced by any collateral or other security, right or remedy which the Agent may now or at any time hereafter hold for all or any part of the Secured Liabilities.
- 10.3 No failure on the part of the Agent to exercise and no delay on its part in exercising any right, remedy, power or privilege under or pursuant to this Instrument or any other document relating to or securing all or any part of the Secured Liabilities will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Instrument and any such other document are cumulative and not exclusive of any right or remedies provided by law.
- 10.4 Each of the provisions in this Instrument shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes or is declared null and void, invalid, illegal or unenforceable in any respect under any law or otherwise howsoever, the validity, legality and enforceability of the remaining provisions of this Instrument shall not in any way be affected or impaired by that occurrence.
- 10.5 If the Agent or any other Lender receives or is deemed to be affected by notice, whether actual or constructive, of any subsequent security or other interest affecting any part of the Secured Assets and/or the proceeds of sale(s) thereof, the Agent and each other Lender may open a new account or accounts in the name of the Chargor. If the Agent or such other Lender does not open a new account or accounts, it shall nevertheless be treated as if it had done so at the time when it receives or was deemed to have received notice and as and from that time all payments made by the Chargor to the Agent (whether in its capacity as trustee or otherwise) or to another Lender shall be credited or be treated as having been credited to the new account or accounts and shall not operate to reduce the amount for which this Instrument is security.
- 10.6 Neither the security created by, nor any security interest constituted pursuant to, this Instrument nor the rights, powers, discretions and remedies conferred upon the Agent

by this Instrument or by law shall be discharged, impaired or otherwise affected by reason of:

- 10.6.1 any present or future security, guarantee, indemnity or other right or remedy held by or available to the Agent being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Agent from time to time exchanging, varying, realising, releasing or failing to perfect or enforce any of the same; or
 - 10.6.2 the Agent compounding with, discharging or releasing or varying the liability of, or granting any time, indulgence or concession to, the Chargor or any other person or renewing, determining, varying or increasing any accommodation or transaction in any manner whatsoever or concurring in accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from the Chargor or any other person; or
 - 10.6.3 any act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor instead of cautioner or by anything done or omitted which but for this provision might operate to exonerate the Chargor from the Secured Liabilities; or
 - 10.6.4 any legal limitation, disability, incapacity or other similar circumstance relating to the Chargor.
- 10.7 The Agent shall not be obliged, before exercising any of the rights, powers or remedies conferred upon it by or pursuant to this Instrument or by law, to:
- 10.7.1 take any action or obtain judgement or decree in any court against the Chargor; or
 - 10.7.2 make or file any claim to rank in a winding-up or liquidation of the Chargor; or
 - 10.7.3 enforce or seek to enforce any other security taken, or exercise any right or plea available to the Agent, in respect of any of the Chargor's obligations under the Facility Agreement.

11 FURTHER ASSURANCE

The Chargor shall execute and do all such assurances, acts and things as the Agent may require for perfecting or protecting the security created by or pursuant to this Instrument over the Secured Assets or for facilitating the realisation of such assets and the exercise of all powers, authorities and discretions conferred on the Agent or on any Receiver by this Instrument and shall in particular (but without limitation) promptly after being requested to do so by the Agent or any Receiver, execute all assignments and transfers (in favour of the Agent or any Receiver or to such nominee as either shall

direct) of the Secured Assets which come into existence after the date of this Instrument and give all notices orders and directions which the Agent or any Receiver may think expedient for the purposes specified in this Clause 11.

12 MANDATE AND ATTORNEY

- 12.1 The Chargor hereby irrevocably appoints the Agent and any Receiver to be its mandatary and attorney for it and on its behalf and in its name or otherwise and as such to create or constitute any deed, or to make any alteration or addition or deletion in or to, any documents which the Agent or the Receiver may require for perfecting or protecting the title of the Agent or the Receiver to the Secured Assets or for vesting any of the Secured Assets in the Agent or the Receiver or its nominees or any purchaser and to re-deliver the same thereafter and otherwise generally to sign, seal and deliver and perfect any fixed security, floating charge, transfer, disposition, assignation, security and/or assurance or any writing, assurance, document or act which may be required or may be deemed proper by the Agent or the Receiver on or in connection with any sale, lease, disposition, realisation, getting in or other enforcement by the Agent or the Receiver of all or any of the Secured Assets.
- 12.2 The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such mandatary or attorney shall do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 12.
- 12.3 The appointment effected under Clause 12.1 shall take effect immediately (or in the case of a Receiver, upon appointment), but the powers conferred shall only become exercisable if the Chargor does not fulfil its obligations under this Instrument within 3 Business Days of the Chargor receiving notice from the Agent of its failure to do so.

13 EXPENSES AND INDEMNITY

The Chargor must:

- 13.1 immediately on demand pay all costs and expenses (including legal fees) incurred in connection with this Instrument by the Agent, attorney, manager, agent or other person appointed by the Agent under this Instrument including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise; and
- 13.2 keep each of them indemnified against any failure or delay in paying those costs or expenses.

14 ASSIGNATION BY THE AGENT

The Agent may assign and transfer all of its rights and obligations under this Instrument to a replacement Agent appointed in accordance with the terms of the Facility Agreement. Upon such assignation and transfer taking effect, the replacement

Agent shall be and be deemed to be acting for itself and as trustee for the Lenders for the purposes of this Instrument in place of the previous Agent.

15 NOTICES

All notices, requests, demands and other communications to be given under this Instrument shall be given and/or be deemed to be given in the same manner as notices to be given under the Facility Agreement and the terms of Section 11 (Notices) of the Facility Agreement shall apply *mutatis mutandis* to this Instrument as though that clause were set out in full in this Instrument.

16 GOVERNING LAW AND JURISDICTION

This Instrument shall be governed by, and construed in all respects in accordance with, the law of Scotland and, for the benefit of the Agent, the Chargor irrevocably submits to the non-exclusive jurisdiction of the Scottish courts but without prejudice to the ability of the Agent to proceed against the Chargor in any other appropriate jurisdiction.

17 DELIVERY

The date of delivery of this Instrument is the date of delivery stated below the Chargor's signature. If no date of delivery is stated then the date of delivery is the date of signing stated above the Chargor's signature and, notwithstanding that this Instrument is executed by the Chargor, this Instrument is intended to be effective as a floating charge from the date of delivery of this Instrument and the Chargor authorises the Agent or its agent to insert the date of delivery of this Instrument below.

18 CONFLICT

Each of the parties agrees in the case of any inconsistency between this Instrument and the terms of the Facility Agreement, the terms of the Facility Agreement shall prevail and compliance with the terms of the Facility Agreement shall be deemed to be compliance with the terms of this Instrument.

19 **CONSENT TO REGISTRATION**

A certificate signed by any official, manager or equivalent account officer of the Agent shall, in the absence of manifest error, conclusively determine the Secured Liabilities at any relevant time and shall constitute a balance and charge against the Chargor, and no suspension of a charge or of a threatened charge for payment of the balance so constituted shall pass nor any sist of execution thereon be granted except on consignment. The Chargor hereby consents to the registration of this Instrument and of any such certificate for preservation and execution: IN WITNESS WHEREOF these presents consisting of this and the preceding 13 pages are executed as follows:

THE CHARGOR

SUBSCRIBED for and on behalf of
the said ALBA BIOSCIENCE
LIMITED

at New York

on December 5, 2013

by D.J.P.E. Cowan

Print Full Name



Director

before this witness

Reaff Edwards

Print Full Name



Witness

Address

875 Third Ave

New York, NY 10011

Date of Delivery:

December 5, 2013