



Registration of a Charge

Company name: **CLEARWATER TECHNOLOGY MIDCO LIMITED**

Company number: **09379729**



X6YSJY1K

Received for Electronic Filing: **31/01/2018**

Details of Charge

Date of creation: **23/01/2018**

Charge code: **0937 9729 0002**

Persons entitled: **BAIRD CAPITAL PARTNERS EUROPE II LIMITED PARTNERSHIP ACTING
BY BAIRD CAPITAL PARTNERS EUROPE LIMITED**

Brief description: **FIXED CHARGES OVER ALL THE ASSETS AS FULLY DESCRIBED IN
CLAUSE 3.1 OF THE DEBENTURE.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT
TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

BEN MOYLAN



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9379729

Charge code: 0937 9729 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd January 2018 and created by CLEARWATER TECHNOLOGY MIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st January 2018 .

Given at Companies House, Cardiff on 2nd February 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We certify this document as a true copy of the original save for material redacted pursuant to section 859G Companies Act 2006

Eversheds Sutherland (International) LLP

Date: *24 January 2018*
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Dated: *23 January* 2018

- (1) CLEARWATER TECHNOLOGY MIDCO LIMITED as Chargor
- (2) BAIRD CAPITAL PARTNERS EUROPE II LIMITED PARTNERSHIP as Security Trustee, acting by BAIRD CAPITAL PARTNERS EUROPE LIMITED in its capacity as Manager

Debenture

This Debenture is subject to the terms of the intercreditor agreement dated 23 March 2015 and made between, among others, (1) Clearwater Technology Midco Limited, (2) Clearwater Technology Bidco Limited, (3) the Debtors (as defined therein), (4) The Royal Bank of Scotland plc as security agent, (5) The Royal Bank of Scotland plc as facility agent, (6) National Westminster Bank plc as senior lender, (7) The Royal Bank of Scotland plc as arranger, (8) National Westminster Bank plc as original hedge counterparty, (9) the Intra-Group Lenders, (10) the Investor Noteholders, (11) the Management Noteholders and (12) the Investor Security Agent (each as defined therein) as amended and restated from time to time.

Contents

Clause	Page
1 INTERPRETATION	3
2 PAYMENT OF SECURED OBLIGATIONS.....	6
3 FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE	6
5 CRYSTALLISATION OF FLOATING CHARGE	7
6 PERFECTION OF SECURITY.....	8
7 FURTHER ASSURANCE	9
8 NEGATIVE PLEDGE AND DISPOSALS	10
9 SHARES AND INVESTMENTS.....	11
10 ACCOUNTS	12
11 MONETARY CLAIMS	13
12 INSURANCES	13
13 REAL PROPERTY.....	14
14 GENERAL UNDERTAKINGS.....	15
15 ENFORCEMENT OF SECURITY.....	15
16 EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925.....	16
17 APPOINTMENT OF RECEIVER OR ADMINISTRATOR.....	17
18 POWERS OF RECEIVER	17
19 APPLICATION OF MONIES	18
20 PROTECTION OF PURCHASERS	18
21 POWER OF ATTORNEY	18
22 EFFECTIVENESS OF SECURITY	19
23 RELEASE OF SECURITY	20
24 SET-OFF	21
25 SUBSEQUENT AND PRIOR SECURITY INTERESTS.....	21
26 ASSIGNMENT	21
27 EXPENSES, STAMP TAXES AND INDEMNITY	22
28 DISCRETION AND DELEGATION	22
29 COMMUNICATIONS	22
30 PERPETUITY PERIOD	23
31 GOVERNING LAW.....	23
32 JURISDICTION	23
Schedules	
0 Details of Real Property	25
0 Forms of Notice of Assignment.....	26
Part A	26
Notice of Assignment to Insurer	26
Part B	28
Form of Notice of Assignment of Account.....	28

Part C	31
Form of Notice of Assignment of Specific Contract.....	31

THIS AGREEMENT is made on

23 January

2018

BETWEEN

- (1) **CLEARWATER TECHNOLOGY MIDCO LIMITED** a company incorporated in England and Wales (with company registration number 09379729) whose registered address is Building 1 Ground Floor, Archipelago, Lyon Way, Frimley GU16 7ER (the "**Chargor**")
- (2) **BAIRD CAPITAL PARTNERS EUROPE II LIMITED PARTNERSHIP**, acting by **BAIRD CAPITAL PARTNERS EUROPE LIMITED** in its capacity as manager, with its office at Finsbury Circus House, 15 Finsbury Circus, London EC2M 7EB as security agent and trustee for the persons for the time being entitled to the benefit of any relevant security in accordance with the respective terms of this Security Trustee Deed and the Secured Loan Note Documents (the "**Security Trustee**" which expression shall include any person for the time being appointed as Security Trustee or trustee or as an additional Security Trustee or trustee for the purpose of, and in accordance with, Security Trustee Deed).

1. INTERPRETATION

1.1 Defined terms

In this Debenture:

"**Account**" means any account opened or maintained by the Chargor with any person (and any replacement account or subdivision or subaccount of that account) located in England and Wales, the debt or debts represented thereby and all Related Rights.

"**Beneficiaries**" has the meaning given to it in the Security Trustee Deed.

"**Charged Property**" means all the assets and undertaking of the Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Trustee by or pursuant to this Debenture.

"**Charging Group**" has the meaning given to it in the Security Trustee Deed.

"**Collateral Rights**" means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Debenture or by law.

"**Debentures**" means (a) the debenture dated 23 March 2015 entered into between, among others, the Chargor and The Royal Bank of Scotland PLC (in its capacity as security agent), (b) the debenture dated on or about the date of this Debenture entered into between the Chargor and Close Invoice Finance Limited in relation to the Clearwater Compliance Limited, and (c) the debenture dated on or about the date of this Debenture entered into between financing of Chargor and Close Invoice Finance Limited in relation to the financing of Clearwater Technology Limited.

"**Event of Default**" has the meaning given to it in the Security Trustee Deed.

"**Insurance Policy**" means any policy of insurance in which the Chargor may from time to time have an interest.

"**Intellectual Property**" means any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights.

"**Investments**" means:

- (a) any stocks, shares, debentures, securities and certificates of deposit (but not including the Shares);
- (b) all interests in collective investment schemes; and

- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system).

"Majority Secured Loan Note Holders" has the meaning given to it in the Security Trustee Deed.

"Monetary Claims" means any amounts payable to the Chargor under any hedging agreement, any book and other debts and monetary claims owing to the Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Chargor is a party (including, without limitation, the Specific Contracts) and any other assets, property, rights or undertaking of the Chargor).

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 2 or in such form as may be specified by the Security Trustee.

"Party" means a party to this Debenture.

"Real Property" means:

- (a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 0); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property.

"Receiver" means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment.

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities, undertakings or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

"Secured Loan Note Documents" has the meaning given to it in the Security Trustee Deed.

"Secured Loan Note Instruments" has the meaning given to it in the Security Trustee Deed.

"Secured Obligations" means, in respect of any member of the Charging Group, all monies and liabilities now or after the date of this Deed due, owing or incurred by the Company to the Security Trustee or to the Beneficiaries (or any of them) under any of the Secured Loan Note Documents in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Beneficiary.

"Security Documents" has the meaning given to it in the Security Trustee Deed.

"Security Trustee Deed" means the security trustee deed dated on or about the date of this deed made between (1) the Company, (2) Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager and (3) the Original Secured Loan Note Holders (as defined therein) (as defined therein) as varied, supplemented, amended, novated or replaced from time to time.

"Shares" means, in respect of the Chargor, all of the shares in the capital of any direct Subsidiary of the Chargor held by, to the order of or on behalf of the Chargor at any time.

"Specific Contracts" means any document designated as such by the Security Trustee and the Chargor.

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights.

1.2 Construction

In this Debenture:

- 1.2.1 terms defined in the Security Trustee Deed and/or Secured Loan Note Instruments shall, unless defined in this Debenture, have the same meaning in this Debenture;
- 1.2.2 the rules of interpretation contained in clauses 1.3 (*Headings*) to 1.4 (*Construction of certain terms*) and 17 (*Third Parties*) of the Security Trustee Deed shall apply to the construction of this Debenture;
- 1.2.3 if there is any conflict between any provisions of this Debenture and the relevant provisions of the Secured Loan Note Instruments, the relevant provisions of the Secured Loan Note Instruments shall prevail;
- 1.2.4 section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts created by this deed or any other Secured Document;
- 1.2.5 any reference to the **"Security Trustee"**, the **"Company"**, the **"Beneficiaries"** shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests;
- 1.2.6 references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture; and
- 1.2.7 an Event of Default is **"continuing"** if it has not been waived or remedied to the satisfaction of the Security Trustee (acting on the instructions of the Majority Secured Loan Note Holders) provided that no Event of Default arising shall be capable of remedy.

1.3 Third Party Rights

A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.4 Disposition of Property

The terms of the other Secured Loan Note Documents and of any side letters between the Parties in relation to the Secured Loan Note Documents are incorporated into each Secured Document to the extent required for any purported disposition of the Real Property contained in any Secured Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. PAYMENT OF SECURED OBLIGATIONS

2.1 Covenant to Pay

The Chargor covenants and undertakes with the Security Trustee as security trustee for the Secured Parties that it shall on demand of the Security Trustee discharge the Secured Obligations when they fall due for payment provided that such payment is made in the manner prescribed in the relevant Secured Loan Note Documents.

2.2 Interest on Demands

If the Chargor fails to pay any sum on the due date for payment of that sum the relevant Chargor shall pay interest on any such sum (before and after any judgment or decree and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment. At any time, the interest rate applicable to late payments will be two per cent higher than the rate applicable in respect of that amount which is due and payable.

3. FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE

3.1 Fixed Charges

The Chargor charges with full title guarantee in favour of the Security Trustee as security trustee for the Secured Parties for the payment and discharge of the Secured Obligations, all of its right, title and interest from time to time (both present and future) in and to each of the following assets (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party):

3.1.1 by way of first legal mortgage, the Real Property;

3.1.2 by way of first fixed charge:

3.1.2.1 if not effectively mortgaged under sub-clause 3.1.1 above, the Real Property;

3.1.2.2 the Tangible Moveable Property;

3.1.2.3 the Accounts;

3.1.2.4 the Intellectual Property;

3.1.2.5 any goodwill and rights in relation to the uncalled capital of the Chargor;

3.1.2.6 the Shares, all dividends, distributions, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise);

3.1.2.7 the Investments;

3.1.2.8 all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture; and

3.1.2.9 all Related Rights in respect of sub-paragraphs 3.1.2.1 to 3.1.2.8 (inclusive) above.

3.2 Assignments

The Chargor assigns and agrees to assign absolutely with full title guarantee to the Security Trustee as security trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all of its right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party):

- 3.2.1 all Monetary Claims;
- 3.2.2 the proceeds of any Insurance Policy;
- 3.2.3 each of the Specific Contracts; and
- 3.2.4 all Related Rights in respect of paragraphs 3.3.1 to 3.2.3 (inclusive) above.

3.3 Floating Charge

- 3.3.1 The Chargor with full title guarantee charges in favour of the Security Trustee as security trustee for the Secured Parties for the payment and discharge of the Secured Obligations by way of first floating charge, all of its present and future assets whatsoever and wheresoever.
- 3.3.2 The floating charge created by paragraph 3.3.1 above shall be deferred in point of priority to all fixed security validly and effectively created by the Chargor under the Secured Loan Note Documents in favour of the Security Trustee as security trustee for the Secured Parties as security for the Secured Obligations.
- 3.3.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3 (*Floating Charge*).

4. EXCLUDED ASSETS

This Debenture does not create any security over any assets which are charged from time to time pursuant to the Debentures, until such assets are released from the security comprised in the Debentures.

5. CRYSTALLISATION OF FLOATING CHARGE

5.1 Crystallisation: By Notice

The Security Trustee may, to the extent permitted by the applicable law, at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- 5.1.1 an Event of Default has occurred and is continuing; or
- 5.1.2 the Security Trustee considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- 5.1.3 the Security Trustee considers that it is necessary or desirable in order to protect the priority of the security (acting reasonably).

5.2 Crystallisation: Automatic

To the extent permitted by the applicable law, notwithstanding Clause 5.1 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge over the Chargors' assets as regards all the assets subject to the floating charge if:

- 5.2.1 the Chargor creates or attempts to create any security (other than any security permitted under the Secured Loan Note Documents, over any of the Charged Property; or
- 5.2.2 any person levies or attempts to levy any distress, diligence, execution or other process against any of the Charged Property; or
- 5.2.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor or an administrator is appointed to the Chargor; or
- 5.2.4 any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court.

6. PERFECTION OF SECURITY

6.1 Notices of Assignment

- 6.1.1 The Chargor shall deliver to the Security Trustee, Notices of Assignment duly executed by, or on behalf of, the relevant Chargor:

- 6.1.1.1 in respect of each Specific Contract to which it is a party within 5 Business Days of the date of this Debenture or, if later, within 5 Business Days of the date on which the Specific Contract is entered into; and

- 6.1.1.2 in respect of any other asset which is the subject of an assignment pursuant to clause 3.2 (*Assignments*), promptly upon if reasonably requested to do so by the Security Trustee (and each such Notices of Assignment must be duly executed and delivered promptly following such request),

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the obligor or debtor specified by the Security Trustee (such acknowledgement to be in substantially the form set out in Schedule 2 or in such form as may be specified by the Security Trustee acting reasonably).

6.2 Notices of Charge

The Chargors shall:

- 6.2.1 promptly following the date of this Debenture, deliver (with a copy to the Security Trustee) a notice of charge (substantially in the form set out in Part B of Schedule 2), duly completed and executed by, or on behalf of, the relevant Chargor to each bank or financial institution with which any of the Accounts are opened or maintained;
- 6.2.2 within five Business Days of the opening of a new Account, deliver (with a copy to the Security Trustee) a notice of charge (substantially in the form set out in Part B of Schedule 2), duly completed and executed by, or on behalf of, the relevant Chargor to each bank or financial institution with which any of the Accounts are opened or maintained; and
- 6.2.3 use all reasonable endeavours to procure that each addressee of a notice of charge acknowledges that notice of charge in the form attached to that notice of charge (or in such other form as the Security Trustee may approve).

6.3 Delivery of Documents of Title

The Chargors shall, if requested by the Security Trustee, upon the execution of this Debenture, and upon the acquisition by it of any interest in any heritable, freehold, leasehold or other immovable property, deliver (or use all reasonable endeavours to

procure delivery) to the Security Trustee of, and the Security Trustee shall be entitled to hold and retain, all deeds, certificates and other documents held by or to the order of the Chargors constituting or evidencing title relating to such property.

6.4 Note of Mortgage

In the case of any Real Property, title to which is or will be registered under the Land Registration Act 2002, acquired by or on behalf of the Chargor after the execution of this Debenture, the relevant Chargor shall promptly notify the Security Trustee of the title number(s) and, contemporaneously with the making of an application to the Land Registry for the registration of the relevant Chargor as the Registered Proprietor of such property, apply to the Land Registry to enter an Agreed Notice on the Charges Register of such property.

6.5 Application to the Land Registry

The Chargor consents to an application being made to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2018 in favour of Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager (as Security Trustee) referred to in the charges register or their conveyancer."

6.6 Delivery of Share Certificates

The Chargors shall:

- 6.6.1 on the date of this Debenture, deposit with the Security Trustee (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (executed in blank by or on behalf of the relevant Chargor); and
- 6.6.2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, notify the Security Trustee of that occurrence and procure the delivery to the Security Trustee of (1) all certificates or other documents of title representing such items and (2) such stock transfer forms or other instruments of transfer (executed in blank on behalf of the relevant Chargor) in respect thereof as the Security Trustee may request.

6.7 Registration of Intellectual Property

The Chargors shall, if requested by the Security Trustee, execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property.

7. FURTHER ASSURANCE

7.1 Further Assurance: General

- 7.1.1 The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 7.1.2 below.
- 7.1.2 The Chargor shall promptly at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form

as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s));

- 7.1.2.1 to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights;
- 7.1.2.2 to confer on the Security Trustee security over any material property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture; and/or
- 7.1.2.3 to facilitate the realisation of the Charged Property.

7.2 Necessary Action

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary or desirable for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Debenture.

7.3 Consents

The Chargors shall use all reasonable endeavours to obtain (in form and content satisfactory to the Security Trustee) as soon as possible any consents necessary to enable the assets of the Chargor to be the subject of an effective fixed charge or assignment pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security and shall promptly deliver a copy of each consent to the Security Trustee.

7.4 Implied Covenants for Title

The obligations of the Chargors under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

8. NEGATIVE PLEDGE AND DISPOSALS

8.1 Negative Pledge

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any security over all or any part of the Charged Property other than security expressly permitted pursuant to the Secured Loan Note Documents.

8.2 No Disposal of Interests

The Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as expressly permitted pursuant to the Secured Loan Note Documents or by this Clause 8:

- 8.2.1 dispose of (or execute any conveyance, disposition, transfer, lease or assignment of, or other right to use or occupy) all or any part of the Charged Property;
- 8.2.2 create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property;
- 8.2.3 grant or vary, or accept any surrender, or renunciation, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in

relation to any of the Charged Property or knowingly or negligently allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, be reasonably expected to adversely affect the value of any of the Charged Property or the ability of the Security Trustee to exercise any of the Collateral Rights; or

- 8.2.4 assign or otherwise dispose of any interest in any Account and, if applicable, no right, title or interest in relation to any Account maintained with the Security Trustee, or the credit balance standing to any such Account shall be capable of assignment or other disposal.

8.3 Information and Access

The Chargors shall from time to time on reasonable written request of the Security Trustee, furnish the Security Trustee with such information as the Security Trustee may reasonably require about the Chargor's business and affairs, the Charged Property and its compliance with the terms of this Debenture and the Chargors shall permit the Security Trustee, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable written notice to:

- 8.3.1 inspect and take copies and relevant extracts from its books, accounts and records; and
- 8.3.2 in accordance with the provisions of any Lease Document, view the Charged Property (without becoming liable as mortgagee or security holder in possession).

9. SHARES AND INVESTMENTS

9.1 Shares: Before Event of Default

Prior to the occurrence of an Event of Default, the Chargor shall:

- 9.1.1 pay all dividends, interest and other monies arising from the Shares into an Account (other than an Excluded Account); and
- 9.1.2 exercise all voting rights and other rights and powers in relation to the Shares **provided that** the Chargor shall not exercise such voting rights in any manner, or otherwise permit or agree to any: (i) variation of the rights attaching to or conferred by any of the Shares or (ii) increase in the issued share capital of any company whose Shares are charged pursuant to this Debenture, which in the opinion of the Security Trustee (acting reasonably) would prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Debenture.

9.2 Shares: After Event of Default

The Security Trustee may, upon or at any time after the occurrence of an Event of Default which is continuing, at its discretion (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor):

- 9.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;
- 9.2.2 apply all dividends, interest and other monies arising from the Shares in accordance with clause 19 (*Application of Monies*);
- 9.2.3 transfer the Shares into the name of such nominee(s) of the Security Trustee as it shall require; and
- 9.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares,

in such manner and on such terms as the Security Trustee may think fit, and the proceeds of any such action shall form part of the Charged Property.

9.3 Investments and Shares: Payment of Calls

The Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares, and in any case of default by the Chargor in such payment, on the occurrence of an Event of Default that is continuing the Security Trustee may, if it thinks fit, make such payment on behalf of the relevant Chargor in which case any sums paid by the Security Trustee shall be reimbursed by the relevant Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate and in accordance with Clause 2.2 (Interest on Demands).

9.4 Investments: Delivery of Documents of Title

The Chargor shall promptly on the request of the Security Trustee, deliver (or procure delivery) to the Security Trustee, and the Security Trustee shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which the Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Security Trustee may reasonably request (in such form and executed as the Security Trustee may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

9.5 Investments: Exercise of Rights

The Chargor shall not exercise any of its rights and powers in relation to any of the Investments in any manner which, in the opinion of the Security Trustee, would prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Debenture.

10. ACCOUNTS

10.1 Accounts: Notification and Variation

The Chargors, during the subsistence of this Debenture:

10.1.1 shall promptly deliver to the Security Trustee on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of each Account maintained by it with any bank or financial institution (other than with the Security Trustee); and

10.1.2 shall not, without the Security Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account.

10.2 Accounts: Operation Before Event of Default

The Chargor shall not prior to the occurrence of an Event of Default which is continuing be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

10.3 Accounts: Operation After Event of Default

After the occurrence of an Event of Default which is continuing the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Trustee.

10.4 Accounts: Application of Monies

The Security Trustee shall, upon or at any time after the occurrence of an Event of Default, be entitled without notice to apply, transfer or set-off any or all of the credit balances from

time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 19 (*Application of Monies*).

11. MONETARY CLAIMS

11.1 Dealing with Monetary Claims

The Chargor shall not at any time during the subsistence of the Debenture, without the prior written consent of the Security Trustee:

11.1.1 deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Security Trustee) and paying the proceeds of those Monetary Claims into the Accounts or as the Security Trustee may require, acting reasonably, (and if an Event of Default is continuing, such proceeds shall be held upon trust by the relevant Chargor for the Security Trustee on behalf of the Secured Parties prior to such payment in); or

11.1.2 factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting.

11.2 Option: Release of Monetary Claims: Before Event of Default

Prior to the occurrence of an Event of Default which is continuing, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or the Secured Loan Note Documents), upon such proceeds being credited to an Account, be released from the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) and the Chargor shall be entitled to withdraw such proceeds from such Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 3.3 (*Floating Charge*) and the terms of this Debenture.

11.3 Option: Release of Monetary Claims: After Event of Default

After the occurrence of an Event of Default which is continuing the Chargor shall not, except with the prior written consent of the Security Trustee, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

12. INSURANCES

12.1 Insurance: Undertakings

The Chargor shall at all times during the subsistence of this Debenture:

12.1.1 In respect of the Charged Property, it will obtain, maintain and renew (all at its own expense) insurance, indemnity or similar cover with reputable, independent, insurance companies or underwriters, against those risks and to the extent as is usual for companies carrying on the same or substantially similar business;

12.1.2 promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Security Trustee a copy of each policy and evidence (reasonably acceptable to the Security Trustee) of the payment of such sums; and

12.1.3 if required by the Security Trustee (but subject to the provisions of any lease of the Charged Property), deposit all Insurance Policies relating to the Charged Property with the Security Trustee.

12.2 Insurance: Default

If the Chargor defaults in complying with Clause 12.1 (*Insurance: Undertakings*), the Security Trustee may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies expended by the Security Trustee in doing so shall be reimbursed by the relevant Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate specified in Clause 2.2 (*Interest on Demands*).

12.3 Application of Insurance Proceeds

All monies received under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights to such monies) after the occurrence of an Event of Default which is continuing, the relevant Chargor shall hold such monies upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with Clause 19 (*Application of Monies*) and the relevant Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

13. REAL PROPERTY

13.1 Property: Notification

The Chargor shall promptly notify the Security Trustee of any contract, conveyance, transfer or other disposition for the acquisition by it (or its nominee(s)) of any Real Property.

13.2 Lease Covenants

The Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

- 13.2.1 pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessee) on the lessee or, (if the lessor) on the lessor; and
- 13.2.2 not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

13.3 General Property Undertakings

The Chargor shall:

- 13.3.1 repair and keep in good and substantial repair and condition to the reasonable satisfaction of the Security Trustee all the Real Property at any time forming part of the Charged Property;
- 13.3.2 not at any time without the prior written consent of the Security Trustee sever or remove any of the material fixtures forming part of the Real Property or any of the material plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except for the purpose of any necessary repairs or replacement of it); and
- 13.3.3 comply with and observe and perform: (i) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to the Real Property, (ii) any conditions attaching to any planning permissions relating to or affecting the Real Property and (iii) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property.

13.4 Entitlement to Remedy

If the Chargor fails to comply with any of the undertakings contained in this Clause 13, the Security Trustee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the reasonable opinion of the Security Trustee be required to remedy such failure and all monies reasonably spent by the Security Trustee in doing so shall be reimbursed by the relevant Chargor on demand with interest from the date of payment by the Security Trustee until reimbursed in accordance with Clause 2.2 (*Interest on Demands*).

13.5 Leases

The Chargor shall not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of the Real Property or otherwise part with possession of the whole or any part of the Real Property .

14. GENERAL UNDERTAKINGS

14.1 Intellectual Property

The Chargor shall during the subsistence of this Debenture in respect of any Intellectual Property which is material to or required in connection with its business:

- 14.1.1 take all such steps and do all such acts as may be necessary to preserve and maintain the subsistence and the validity of any such Intellectual Property;
- 14.1.2 not use or permit any such Intellectual Property to be used in any way which may materially and adversely affect its value; and
- 14.1.3 pursue all its rights and claims under the Specific Contracts in a timely fashion.

14.2 Assigned Agreements

The Chargor shall:

- 14.2.1 perform all its obligations under the Specific Contracts in a diligent and timely manner; and
- 14.2.2 not make or agree to make any material amendments to any of the Specific Contracts, waive any of its material rights under any of the Specific Contracts or exercise any right to terminate any of the Specific Contracts, except with the prior consent of the Security Trustee.

15. ENFORCEMENT OF SECURITY

15.1 Enforcement

Upon or at any time after the occurrence of an Event of Default which is continuing, or if the Chargor requests the Security Trustee to exercise any of its powers under this Debenture, the security created by or pursuant to this Debenture is immediately enforceable and the Security Trustee may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

- 15.1.1 enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property; and
- 15.1.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees or security holders and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

15.2 No Liability as Mortgagee in Possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee or security holder in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee (or security holder) in possession might otherwise be liable.

15.3 Right of Appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture 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 Security Trustee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (1) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (2) in the case of Investments and/or Shares, the market price of such Investments and/or Shares determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

15.4 Effect of Moratorium

The Security Trustee shall not be entitled to exercise its rights under Clause 15.1 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

16. EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925

16.1 Extension of Powers

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 (to the extent applicable and subject to Clause 14 (*Enforcement of Security*)) and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture.

16.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Trustee of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to the Chargors on or at any time after the occurrence of an Event of Default which is continuing.

16.3 Power of Leasing

The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the occurrence of an Event of Default and the Security Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

17. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

17.1 Appointment and Removal

After the occurrence of an Event of Default which is continuing or if requested to do so by the Chargor, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the Chargors:

- 17.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- 17.1.2 appoint two or more Receivers of separate parts of the Charged Property;
- 17.1.3 remove (so far as it is lawfully able) any Receiver so appointed;
- 17.1.4 appoint another person(s) as an additional or replacement Receiver(s); or
- 17.1.5 appoint one or more persons to be an administrator of the Chargor.

17.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 17.1 (*Appointment and Removal*) shall be:

- 17.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;
- 17.2.2 for all purposes deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- 17.2.3 entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

17.3 Statutory Powers of Appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Property.

18. POWERS OF RECEIVER

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of that Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the relevant Chargor):

- 18.1.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- 18.1.2 all the powers of an administrative receiver set out in Schedules 1 and 2 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver in England and Wales);
- 18.1.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do; and

- 18.1.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to (1) any of the functions, powers, authorities or discretions conferred on or vested in him or (2) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (3) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Property.

19. APPLICATION OF MONIES

All monies received or recovered by the Security Trustee or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Trustee (notwithstanding any purported appropriation by the Chargor) in accordance with the Secured Loan Note Documents.

20. PROTECTION OF PURCHASERS

20.1 Consideration

The receipt of the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition; the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

20.2 Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings.

21. POWER OF ATTORNEY

21.1 Appointment and Powers

The Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- 21.1.1 carrying out any obligation imposed on the Chargor by this Debenture or any other agreement binding on the Chargor to which the Security Trustee is party (including the execution and delivery of any deeds, dispositions, charges, assignments or other security and any transfers of the Charged Property); and

- 21.1.2 enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after an Event of Default which is continuing, the exercise of any right of a legal or beneficial owner of the Charged Property).

21.2 Ratification

The Chargor shall ratify and confirm all things done and all documents executed by any attorney appointed under Clause 21.1 (*Appointment and Powers*) in the exercise or purported exercise of all or any of his powers.

22. EFFECTIVENESS OF SECURITY

22.1 Continuing security

22.1.1 The security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee.

22.1.2 No part of the security from time to time intended to be constituted by the Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

22.2 Cumulative Rights

The security created by or pursuant to this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Security Trustee or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the security constituted by this Debenture.

22.3 No Prejudice

The security created by or pursuant to this Debenture and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person, or the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Trustee holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right.

22.4 Remedies and Waivers

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

22.5 No Liability

None of the Security Trustee, its nominee(s) or any Receiver shall be liable to any person by reason of (1) taking any action permitted by this Debenture or (2) any neglect or default in connection with the Charged Property or (3) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

22.6 Partial Invalidity

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

22.7 Waiver of defences

The obligations of the Chargor under this Debenture will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice

any of its obligations under this Debenture (without limitation and whether or not known to it or any Secured Parties) including:

- 22.7.1 any time, waiver or consent granted to, or composition with, the Chargor or other person;
- 22.7.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor or other person;
- 22.7.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 22.7.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;
- 22.7.5 any amendment (however fundamental) or replacement of a Transaction Document or any other document or security or of the Secured Obligations;
- 22.7.6 any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or security or of the Secured Obligations; or
- 22.7.7 any insolvency or similar proceedings.

22.8 Immediate recourse

The Chargor waives any right it may have of first requiring any Secured Parties (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

22.9 Deferral of Rights

Until such time as the Secured Obligations have been discharged in full, the Chargor shall not will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture:

- 22.9.1 to be indemnified by the Chargor;
- 22.9.2 to claim any contribution from any guarantor of the Chargor's obligations under this Debenture; and/or

to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Secured Loan Note Documents or of any other guarantee or security taken pursuant to, or in connection with, this Debenture by any Secured Parties.

23. RELEASE OF SECURITY

23.1 Redemption of security

Subject to Clause 23.3 (*Discharge Conditional*) below, upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Secured Loan Note Documents, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the security constituted by this Debenture and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Debenture, in each case

subject to Clause 23.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

23.2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the 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.

23.3 Discharge Conditional

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

24. SET-OFF

The Chargor authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Trustee to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Security Trustee in accordance with Clause 19 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

25. SUBSEQUENT AND PRIOR SECURITY INTERESTS

25.1 Subsequent security Interests

If the Security Trustee (acting in its capacity as security trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or the Secured Loan Note Documents, all payments thereafter by or on behalf of the Chargor to the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Trustee received such notice.

25.2 Prior security Interests

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security or upon the exercise by the Security Trustee or any Receiver of any power of sale under this Debenture the Security Trustee may redeem that prior security or procure the transfer of it to itself. The Security Trustee may settle and agree the accounts of the prior security and any accounts so settled and agreed will be conclusive and binding on the Chargor. All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the relevant Chargor to the Security Trustee on demand.

26. ASSIGNMENT

The Security Trustee may assign and transfer all or any of its rights and obligations under this Debenture in accordance with the terms of the Secured Loan Note Documents. The Security Trustee shall be entitled to disclose such information concerning the Chargor and

this Debenture as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

27. EXPENSES, STAMP TAXES AND INDEMNITY

27.1 Expenses

The provisions of clause 7 (*Expenses and Indemnities*) of the Security Trustee Deed shall apply to this Debenture, *mutatis mutandis*, as if set out in full herein.

27.2 Stamp Taxes

The Chargors shall pay all stamp, registration and other taxes to which this Debenture, the security contemplated in this Debenture or any judgment or decree given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Security Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.

27.3 Indemnity

The Chargors shall, notwithstanding any release or discharge of all or any part of the security, indemnify the Security Trustee, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by the Chargor of the provisions of this Debenture, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or otherwise relating to the Charged Property.

28. DISCRETION AND DELEGATION

28.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Security Trustee or any Receiver may, subject to the terms and conditions of the Secured Loan Note Documents, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

28.2 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself.

29. COMMUNICATIONS

29.1 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Debenture are:

29.1.1 in the case of each of the Chargor and the Security Trustee, those given for it in the signature pages of this Debenture;

29.1.2 in the case of each Receiver and each of its delegate, those notified in writing to the Security Trustee by such Receiver or each of its delegate as soon as practicable after its respective appointment,

or any substitute address, fax number or department or officer as the relevant person may notify to the Security Trustee (or as the Security Trustee may notify to the other Parties, if a change is made by the Security Trustee) by not less than 5 Business Days' notice.

29.2 Delivery

29.2.1 Any communication or document made or delivered by one person to another under or in connection with this deed will only be effective (a) if by way of fax, when received in legible form, or (b) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address, and, in any case, if a particular department or officer is specified as part of its address details provided under Clause 29.1 (*Addresses*), if addressed to that department or officer.

29.2.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer identified in accordance with Clause 29.1 (*Addresses*).

29.3 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 29.1 (*Addresses*) or changing its own address or fax number, the Security Trustee shall notify the Chargors.

29.4 Communications in writing

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

29.5 English language

29.5.1 Any notice given under or in connection with the Debenture must be in English.

29.5.2 All other documents provided under or in connection with the Debenture must be in English or, if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

30. PERPETUITY PERIOD

The perpetuity period under the rule against perpetuities, if applicable to this Debenture, shall be the period of one hundred and twenty (120) years from the date of the Secured Loan Note Instruments.

31. GOVERNING LAW

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

32. JURISDICTION

32.1 Jurisdiction

32.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "**Dispute**").

32.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

32.1.3 This clause 32.1 (*Jurisdiction*) is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEBENTURE has been signed on behalf of the Security Trustee and executed as a deed by the Chargor and is delivered by it on the date specified above.

SCHEDULE 1

Details of Real Property

Left intentionally blank.

SCHEDULE 2

Forms of Notice of Assignment

Part A

Form of Notice of Assignment to Insurer

To: [Insurer]

Date: [•]

Dear Sirs,

We hereby give you notice that we have assigned to Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager (the "**Security Trustee**") pursuant to a debenture entered into by us in favour of the Security Trustee dated [•] all our right, title and interest in and to the proceeds of [*insert details of relevant insurance policy*] (the "**Policy of Insurance**").

With effect from your receipt of this notice we instruct you to:

1. make all payments and claims under or arising from the Policy of Insurance to [*account*] or to such other account as the Security Trustee may specify in writing from time to time;
2. note the interest of the Security Trustee on the Policy of Insurance; and
3. disclosure to the Security Trustee, without further approval from us, such information regarding the Policy of Insurance as the Security Trustee may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Security Trustee.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Trustee at Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB marked for the attention of Dennis Hall.

Yours faithfully,

.....
for and on behalf of

[COMPANY]

[On copy only:

To: Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager, as Security Trustee

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Policy of Insurance shall be effective unless we have given the Security Trustee thirty days written notice of such amendment or termination.

For and on behalf of [***]

By:

Dated:

Part B

Form of Notice of Assignment of Account

To: [Account Bank]

Date: [●]

Dear Sirs

Account number: [●]

We refer to Account number: [●] (the "**Account**").

We give you notice that by a Debenture (the "**Debenture**") dated [●] 2018 and entered into by us in favour of Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager (as Security Trustee, as defined in the Debenture) we have charged all our rights in any credit balances on the Account (the "**Balances**") and the indebtedness represented by the Account.

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account which the Security Trustee may, at any time and from time to time, request;
- (b) [at any time after the Security Trustee notifies you that an Event of Default (as defined in the Debenture) has occurred and is continuing,] to release any amount of the Balances and to act in accordance with that any written instruction from the Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same);
- (c) [at any time after the Security Trustee notifies you that an Event of Default (as defined in the Debenture) has occurred and is continuing,] to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account, the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it); [and]
- (d) [to act in accordance with any notice, statement or instruction from the Security Trustee in relation to the Account, the Balances and indebtedness represented by it or them; and]
- (e) [at any time after the Security Trustee notifies you that an Event of Default (as defined in the Debenture) has occurred and is continuing,] not to act in accordance with any notice, statement or instruction from us in relation to the Account, the Balances or indebtedness represented by it or them unless such notice, statement or instruction has been countersigned and approved for and on behalf of the Security Trustee.

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Trustee's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account to the Security Trustee at the Security Trustee's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB marked for the attention of Dennis Hall.

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

for and on behalf of

[CHARGOR]

[on copy only]

To: Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager, as Security Trustee

Date: []

At the request of the Security Trustee and [COMPANY] (the "Chargor") we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms).

We confirm that:

- (a) we consent to the charge of the Account and will comply with the terms of that notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Account and/or the Balances (as defined in that notice);
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Account or the Balances; and
- (d) we undertake that, on our becoming aware at any time that any person other than the Security Trustee has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account or the Balances, we will immediately give written notice of that to the Security Trustee.

.....
for and on behalf of
[Name of bank]

By: [Name of signatory]

Date:

Part C

Form of Notice of Assignment of Specific Contract

To: [●]

Date: [●]

Dear Sirs,

We hereby give you notice that we have assigned to Baird Capital Partners Europe II Limited Partnership, acting by Baird Capital Partners Europe Limited in its capacity as manager ("**Security Trustee**") pursuant to a debenture entered into by us in favour of the Security Trustee dated [***] all our right, title and interest in and to [details of contract/lease] (the "**Contract**") including all monies which may be payable in respect of the Contract.

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Trustee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract; and
- (b) you are authorised and instructed, without requiring further approval from us, to provide the Security Trustee with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Trustee as well as to us.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Security Trustee to the contrary stating that the security has become enforceable. With effect from your receipt of notice from the Security Trustee that the security has become enforceable:

- 1. all payments by you to us under or arising from the Contract should be made to [account] or as the Security Trustee may otherwise specify in writing from time to time;
- 2. all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Trustee;
- 3. all rights to compel performance of the Contract are exercisable by the Security Trustee although the Chargor shall remain liable to perform all the obligations assumed by it under the Contract; and
- 4. all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Trustee and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Security Trustee's consent.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Security Trustee.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB marked for the attention of Dennis Hall.

Yours faithfully,

.....
for and on behalf of
[CHARGOR]

[On copy only:

To: Security Trustee

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that:

- (a) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Security Trustee;
- (b) no termination of such rights, interests or benefits shall be effective unless we have given the Security Trustee thirty days written notice of the proposed termination, specifying the action necessary to avoid such termination; and
- (c) no breach or default on the part of the Chargor of any of the terms of the Contract shall be deemed to have occurred unless we have given notice of such breach to the Security Trustee specifying how to make good such breach.

For and on behalf of [•]

By:

Date:

EXECUTION PAGES

THE CHARGOR

Executed as a deed by
CLEARWATER TECHNOLOGY MIDCO)
LIMITED

acted by one director

in the presence of:

Name of witness:

Signature:

Address:

Occupation:

Communications to be delivered to:

Address: Finsbury Circus House, 15
Finsbury Square, London, EC2M 7EB

Attention: Andrew Perry

Temi Rankin

One Wood Street, EC2V 7WJ
Solicitor

