



Registration of a Charge

Company name: **APICA LTD**

Company number: **10648703**

Received for Electronic Filing: **09/02/2021**



X9XXPU2G

Details of Charge

Date of creation: **02/02/2021**

Charge code: **1064 8703 0001**

Persons entitled: **RIVERSIDE ACCELERATION CAPITAL FUND II, L.P.**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **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:

HANNAH MACINTOSH



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10648703

Charge code: 1064 8703 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd February 2021 and created by APICA LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th February 2021 .

Given at Companies House, Cardiff on 10th February 2021

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED

2 February

2021

APICA LTD
as Chargor

and

RIVERSIDE ACCELERATION CAPITAL FUND II, L.P.
as Lender

DEBENTURE

I certify that, save the material redacted pursuant to s 859G of the Companies Act 2006, this is a true, complete and correct copy of the virtual PDF original of the instrument.



9 February 2021
DUA Piper UK LLP.

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THIS DEBENTURE is made on 2 February 2021

BETWEEN

- (1) **APICA LTD**, a company incorporated and registered under the laws of England and Wales with number 10648703 and its registered office at 4-6 The Wharf Centre, Wharf Street, Warwick, Warwickshire CV34 5LB (the "**Chargor**"); and
- (2) **RIVERSIDE ACCELERATION CAPITAL FUND II, L.P.** (the "**Lender**").

AGREED TERMS

1. Definitions and Interpretation

1.1 Definitions

In this deed:

"**Account Bank**" means any other bank appointed as such in accordance with this deed;

"**Administrator**" means any one or more persons appointed as an administrator of the Chargor by the Lender under paragraph 14 of schedule B1 to the Insolvency Act;

"**Agreement**" means a New York law governed loan and security agreement dated on or around the date of this deed and made between the Borrower, the Chargor (in its capacity as a guarantor), Apica AB (registered under the laws of Sweden with registration number 556676-4121) (in its capacity as a loan party) and the Lender (as amended, novated, supplemented, varied, extended or restated from time to time);

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"**Borrower**" means Apica Inc., a Delaware corporation with registration number 4907234 whose registered address is at 1250 6th St, Suite 401, Santa Monica, CA 90401;

"**Charged Property**" means the assets mortgaged, charged or assigned by the Chargor under this deed;

"**Debenture Security**" means the Security created or evidenced by or pursuant to this deed;

"**Debts**" means all book and other debts and rights to money and income (other than any rights assigned under clause 3(d) or 3(e), any Dividends and any Related Rights) liquidated and unliquidated due or owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank;

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by the Lender pursuant to clause 13.6 (*Delegation*);

"**Designated Account**" means any account which the Lender and the Chargor designate as a "Designated Account" from time to time;

"**Dividends**" means all dividends, interest and other money payable in respect of the Shares and Investments;

"Environment" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water);

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

"Event of Default" means any event or circumstance specified as such in section 7 (*Events of Default*) of the Agreement;

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 SI 2003/3226;

"Guarantee" means a deed of guarantee and indemnity dated on or around the date of this deed and made between the Chargor and the Lender;

"Indebtedness" has the meaning given to it in section 18 of the Agreement;

"Insolvency Act" means the Insolvency Act 1986;

"Insurances" means any contract of insurance effected by or for the benefit of the Chargor;

"Intellectual Property" means all present and future rights of the Chargor in respect of any patent, copyright, trade mark, service mark, invention, design, knowhow, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing;

"Investment" means any:

- (a) stock, share, bond or any form of loan capital of or in any legal entity excluding the Shares;
- (b) unit in any unit trust or similar scheme;
- (c) warrant or other right to acquire any such investment,

and any offer, right or benefit in respect of any such investment other than Dividends;

"Lease" includes any underlease, tenancy, letting, contractual licence, right to occupy, any document supplemental or collateral to any of them including any guarantee and any agreement to enter into any of them, in each case in relation to the Real Property or any part thereof and the expression tenant will be construed accordingly;

"Legal Reservations" means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Act 1980 and the Foreign Limitation Periods Act 1984, the possibility that an undertaking to assume liabilities for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim;
- (c) similar principles, rights and defences applicable to creditors generally under the laws of any relevant jurisdiction;

"Liquidation Event" has the meaning given to it in section 18 of the Agreement;

"LPA" means the Law of Property Act 1925;

"Material Adverse Effect" has the meaning given to it in section 18 of the Agreement;

"Obligor" means the Borrower or the Chargor;

"Permitted Indebtedness" has the meaning given to it in section 18 of the Agreement;

"Permitted Security" means the Security created under any Security Document and, for a period beginning on the date when it attached to the relevant Charged Property and ending 30 days from such date, a lien arising by operation of law in the ordinary course of business;

"Plant and Equipment" means any fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property which are not Real Property;

"Property" means the property described in schedule 1;

"PSC Enforcement Notice" means in the case of a PSC Entity that is a company a warning notice or restriction notice (each as defined in Schedule B1 paragraph 1 (2) of the Companies Act 2006) or in the case of a PSC Entity that is a limited liability partnership a warning or restriction notice as so defined in that Schedule as applied to limited liability partnerships by the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009;

"PSC Entity" means any company or other entity the shares or other interests in which form part of the Charged Property;

"PSC Information Request" means in the case of a PSC Entity that is a company a notice issued under s790D (2) or (5) of the Companies Act 2006 or in the case of a PSC Entity that is a limited liability partnership a notice issued under those sections of that Act as modified and applied to limited liability partnerships by the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009;

"Real Property" means:

- (a) any freehold, leasehold or immoveable property (including the Property); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property;

"Related Rights" means, in relation to an agreement, any guarantee or security for the performance of any such agreement, any money now or at any time in the future due or owing to the Chargor under or in connection with any such agreement, all claims for damages or other remedies in respect of any present or future breach of such agreement and all rights and remedies for enforcing such agreement;

"Relevant Contract" means each agreement listed in schedule 3;

"Relevant Jurisdictions" means, in relation to the Chargor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business;
- (d) the jurisdiction whose laws govern the perfection of any Security Documents entered into by it; and
- (e) any jurisdiction where any Liquidation Event can occur in relation to the Chargor or any of its assets;

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of any Real Property;

"Secured Liabilities" means all obligations of each Obligor owed or expressed to be owed to the Lender, whether owed jointly or severally, as principal or surety or in any other capacity;

"Secured Party" means the Lender, a Receiver or any Delegate;

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

"Security Documents" means this deed, the Guarantee and any other document which grants security rights or rights by way of guarantee and/or indemnity or other assurance against loss in respect of any liabilities of an Obligor under the Transaction Documents;

"Shares" means all the shares specified in schedule 2 and any offer, right or benefit in respect of any such shares other than Dividends;

"Subsidiary" means a subsidiary undertaking as defined by section 1162 of the Companies Act 2006;

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

"Transaction Documents" has the meaning given to it in section 18 of the Agreement;

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents;

"**Unenforceable**" means void, voidable, invalid, illegal, unenforceable or otherwise irrecoverable (whether or not known to the Lender or the Chargor) and "**Unenforceability**" will be construed accordingly; and

"**VAT**" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

1.2 Construction

Unless a contrary indication appears, any reference in this deed to:

- (a) the "**Lender**" or "**Chargor**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) "**assets**" includes present and future properties, revenues and rights of every description;
- (c) "**disposal**" includes a sale, transfer, assignment, grant or creation of any interest derived out of all or any part of any asset, licence, declaration of trust or other disposal, whether voluntary or involuntary, and "**dispose**" will be construed accordingly;
- (d) a "**Transaction Document**" or any other agreement or instrument is a reference to that Transaction Document or other agreement or instrument as amended, novated, supplemented, varied, extended or restated from time to time;
- (e) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (f) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality); and
- (g) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law and, if not having the force of law, with which it is customary to comply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Interpretation

Unless a contrary indication appears, in this deed:

- (a) "**obligations**" means obligations and liabilities;
- (b) references to obligations and liabilities include the whole or any part of them, present and future, actual and contingent;
- (c) any reference to "**powers**" includes rights, powers, discretions and authorities;
- (d) any reference to any asset includes any proceeds of sale of any such asset;
- (e) any reference to a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (f) any reference to clauses, paragraphs and schedules are to the clauses, paragraphs of and schedules to this deed;

- (g) any reference to "**this clause**" is to the clause with a bold heading in which such expression appears and includes each sub-clause in that clause;
- (h) any reference to a time is to London time;
- (i) the words "**including**" and "**in particular**" are used by way of illustration or emphasis only and do not limit the generality of any words preceding them;
- (j) the words "**other**" and "**otherwise**" are not limited by any words preceding them;
- (k) clause and schedule headings are for ease of reference only; and
- (l) an Event of Default is "**continuing**" if it has not been remedied to the satisfaction of the Lender (acting reasonably) or waived in writing.

1.4 *Construction of charging clause*

Each of the security interests created by clause 3 (*Fixed Security*) shall be construed as separate and distinct interests over the relevant assets so that the re-characterisation for any reason of any security interest over any one asset shall not affect the nature of the security interest created over any other asset.

1.5 *Incorporation*

This deed incorporates the terms of the Transaction Documents and any side letters between the parties to the extent required to ensure the validity of any purported disposition under this deed of any freehold or leasehold property under s2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. **Undertaking to Pay**

The Chargor undertakes with the Lender to pay the Secured Liabilities to the Lender when due.

3. **Fixed Security**

As continuing security for the payment of the Secured Liabilities the Chargor with full title guarantee:

- (a) charges to the Lender by way of first legal mortgage all Real Property owned by the Chargor at the date of this deed including the Property;
- (b) charges to the Lender by way of equitable mortgage any Real Property acquired by the Chargor after the date of this deed;
- (c) assigns to the Lender by way of fixed security its rights and interest in all present or future Rental Income;
- (d) assigns to the Lender by way of fixed security its rights and interest in any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any Real Property;
- (e) assigns to the Lender by way of fixed security its rights and interest in any claim against the provider of any certificate of or report on title or the provider of any other due diligence report (in its capacity as provider of the same) in connection with any Charged Property;

- (f) assigns to the Lender by way of fixed security its rights and interest in any present or future right to occupy any Real Property under licence;
- (g) assigns to the Lender by way of fixed security its rights and interest in any present or future contract for the purchase of any Real Property and any Related Rights;
- (h) assigns to the Lender by way of equitable mortgage its rights and interest in:
 - (i) the Shares;
 - (ii) any present or future Dividends in respect of the Shares;
- (i) assigns to the Lender by way of equitable mortgage its rights and interest in:
 - (i) any present or future Investments other than the Shares;
 - (ii) any present or future Dividends in respect of any such Investments;
- (j) charges to the Lender by way of first fixed charge its rights and interest in any Plant and Equipment;
- (k) charges to the Lender by way of first fixed charge its rights and interest in its present or future goodwill and uncalled capital;
- (l) charges to the Lender by way of first fixed charge its rights and interest in any present or future Debts owing to the Chargor;
- (m) charges to the Lender by way of first fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of any Designated Account;
- (n) charges to the Lender by way of first fixed charge its rights and interest in any present or future Intellectual Property;
- (o) charges to the Lender by way of first fixed charge its rights and interest in any present or future Insurances and any Related Rights;
- (p) assigns to the Lender by way of fixed security its rights and interest in any Relevant Contract and any Related Rights to the extent capable of assignment without infringing any provision of such Relevant Contract and if the terms of any Relevant Contract require the consent of any party to such Relevant Contract to the assignment to the Lender which consent has not been obtained at the date of this deed such assignment shall take effect immediately on such consent being obtained;
- (q) to the extent that any Relevant Contract is not capable of assignment without infringing any provision of such Relevant Contract but is capable of being charged, charges to the Lender by way of fixed security its rights and interest in such Relevant Contract and any Related Rights; and
- (r) to the extent that any Relevant Contract is not capable of assignment or charge without infringing any provision of such Relevant Contract, charges to the Lender the proceeds of any Related Rights in respect of such Relevant Contract.

4. Floating Security

4.1 Floating charge

As continuing security for the payment of the Secured Liabilities the Chargor charges to the Lender by way of floating charge with full title guarantee the whole of its present or future assets (wherever located) to the extent that such assets are not effectively mortgaged, charged or assigned to the Lender by way of fixed security under clause 3 (*Fixed Security*).

4.2 Conversion

Subject to clause 4.3 (*Moratorium under Insolvency Act*), the floating charge created by clause 4.1 (*Floating Charge*) shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

- (a) the Chargor:
 - (i) creates or attempts to create, over all or any part of the Charged Property any Security without the prior written consent of the Lender or any trust in favour of another person; or
 - (ii) disposes or attempts to dispose of all or any part of the Charged Property without the prior written consent of the Lender; or
- (b) an Event of Default has occurred and is continuing; or
- (c) a Receiver is appointed over all or any of the Charged Property; or
- (d) any person levies or attempts to levy any distress, attachment, execution or other process against all or any part of the Charged Property; or
- (e) the Lender becomes aware of the appointment of, or a proposal or an intention to appoint, an administrator of the Chargor.

4.3 Moratorium under Insolvency Act

The Lender shall not be entitled to convert the floating charge created by clause 4.1 (*Floating Charge*) into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under s1A of and schedule A1 to the Insolvency Act.

4.4 Qualifying floating charge

Paragraph 14(2)(a) of schedule B1 to the Insolvency Act applies to the floating charge created by clause 4.1 (*Floating Charge*) which is a "qualifying floating charge" for the purpose of paragraph 14(1) of schedule B1 to the Insolvency Act.

5. Notices of Assignment

5.1 Notice of assignment of agreements

The Chargor shall, within 5 Business Days of the date of this deed, give notice of the assignment of any Relevant Contract assigned to the Lender under clause 3 (*Fixed Security*) in the form set out in part 1 of schedule 4 to the other party or parties to such agreement and shall procure that such party or parties executes and delivers to the Lender an acknowledgement of such notice in the form set out in part 2 of schedule 4.

5.2 *Lender may give notice*

Nothing in this clause 5 shall prevent the Lender from giving any notice it considers necessary or desirable in relation to the Security created over any Charged Property.

6. Debts

6.1 *Dealings with Debts*

The Chargor shall:

- (a) use its best endeavours (having regard exclusively to the interests of the Lender) to realise the Debts and not give any release or waiver or do anything which may prejudice the collection and recovery of any of the Debts;
- (b) from time to time if required by the Lender (acting reasonably) provide the Lender with the names and addresses of the debtors of the Chargor and the amount of the Debts owing from each of them and such other information relating to the Debts as the Lender may require;
- (c) pay the proceeds of realisation of any Debt into the Designated Account and not withdraw any money from the Designated Account without first obtaining the consent in writing of the Lender; and
- (d) permit the Account Bank to disclose to the Lender from time to time upon request full details of all the Chargor's accounts with such bank and any other information relating to the Chargor held by such bank.

6.2 *Notice of charge of Designated Account*

The Chargor shall give notice of the charge of the Designated Account to the Account Bank in the form set out in part 1 of schedule 5 and shall procure that the Account Bank executes and delivers to the Lender an acknowledgement of the rights of the Lender in respect of such account in the form set out in part 2 of schedule 5.

7. Shares and Investments

7.1 *Deposit of certificates*

The Chargor shall deposit with the Lender:

- (a) on or before the date of this deed, the certificates or other documents of title to each Share and Investment owned by the Chargor on such date;
- (b) on the date of the acquisition of any Share or Investment acquired by the Chargor after the date of this deed or on the withdrawal of any Share or Investment owned by the Chargor from any clearance system, the certificates or other documents of title to each such Investment; and
- (c) together with the certificates or other documents of title referred to in paragraphs (a) and (b) above, duly executed undated blank transfers in respect of each such Share or Investment and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered.

7.2 *Payment of money due*

The Chargor shall promptly pay all money which may from time to time be due in respect of any Share or Investment forming part of the Charged Property.

7.3 *Nominees*

If any Share or Investment forming part of the Charged Property is registered in the name of a nominee the Chargor shall on demand provide to the Lender an equitable mortgage over such Share or Investment or power of attorney or acknowledgement of the rights created by this deed over such Share or Investment in favour of the Lender in such terms as the Lender may require duly executed by or on behalf of such nominee.

7.4 *Completion of transfers*

The Lender may at any time after this deed has become enforceable complete any transfers of any Share or Investment delivered to it under clause 7.1(c) in favour of itself or any nominee for it as transferee and may present the same for registration.

7.5 *Dividends and voting rights before Event of Default*

The Chargor shall be entitled to exercise each of the following rights until this deed becomes enforceable and the Lender gives notice of its intention to exercise any of such rights:

- (a) to receive all Dividends in respect of any Share or Investment free from the security created by this deed; and
- (b) to exercise all voting rights attached to any Share or Investment and if the Lender is registered as the holder of any such Share or Investment it will exercise all voting rights attached to it as directed by the Chargor.

7.6 *Dividends and voting rights after Event of Default*

The Lender shall be entitled to exercise each of the following rights at any time after this deed becomes enforceable and the Lender gives the Chargor notice of its intention to exercise such right itself:

- (a) to receive all Dividends and apply them in reduction of the Secured Liabilities whether or not any Share or Investment is registered in the name of the Lender or any nominee for the Lender or in the name of the Chargor or any nominee for the Chargor;
- (b) at its discretion, to exercise or procure the exercise of all voting rights attached to any Share or Investment registered in the name of the Lender or any nominee for the Lender for the purpose only of preserving the value of such Share or Investment or realising the security over such Investment created by this deed; and
- (c) to require the Chargor to exercise any voting rights attached to any Share or Investment registered in the name of the Chargor or any nominee for the Chargor as directed by the Lender for the purpose mentioned in paragraph (b) above.

7.7 *Lender may give up voting rights*

The Lender may at any time by giving notice to the Chargor give up any right it may have under clause 7.6(b) or clause 7.6(c) in relation to any of the Shares or Investments specified in such notice (the "Notified Shares") whereupon the Chargor may exercise all voting rights in relation to the Notified Shares subject to the terms of the Transaction Documents.

7.8 *Dematerialisation*

The Chargor must promptly take all action required for the rematerialisation of any Share or investment forming part of the Charged Property held in dematerialised form in a clearance system.

8. **Representations**

8.1 *Duration and Scope*

The Chargor makes the representations and warranties set out in this clause to the Lender on the date of this deed.

8.2 *Status*

Its centre of main interests for the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency procedures (recast) (the "**Regulations**") is in England and Wales and it has no "establishment" (as such term is used in Article 2(10) of the Regulations) in any other jurisdiction.

8.3 *Binding obligations*

The obligations expressed to be assumed by it in this deed are legal, valid, binding and enforceable obligations subject to the Legal Reservations.

8.4 *Registration requirements*

Except for registration of this deed under the Companies Act 2006, it is not necessary to file, register or record this deed in any public place or elsewhere.

8.5 *Governing law and enforcement*

Subject to the Legal Reservations:

- (a) the choice of English law as the governing law of this deed will be recognised and enforced in its Relevant Jurisdictions; and
- (b) any judgment obtained in England in relation to this deed will be recognised and enforced in its Relevant Jurisdictions.

8.6 *Deduction of Tax*

It is not required under the law of its Relevant Jurisdictions to make any deduction for or on account of Tax from any payment it may make under this deed to the Lender.

8.7 *No filing or stamp taxes*

Except for registration fees associated with registration of this deed in accordance with clause 8.3 (*Registration requirements*), it is not necessary under the law of its Relevant Jurisdictions that this deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Tax or fee be paid on or in relation to this deed or the transactions contemplated by this deed.

8.8 *Ranking of Security*

This deed creates valid first priority Security of the type described over the assets to which they relate and those assets are not subject to any other Security.

8.9 *Shares*

- (a) The Shares are fully paid and constitute the entire issued share capital owned by the Chargor in the relevant company.
- (b) The Shares are not subject to any other Security or any lien, rights of pre-emption, forfeiture or disenfranchisement whether under the articles of association of the relevant company or any shareholders' agreement or otherwise.
- (c) No PSC Information Request has been issued to the Chargor in respect of any PSC Entity other than any PSC Information Request with which the Chargor has complied or in respect of which the Chargor has provided a valid reason for non-compliance.
- (d) No PSC Enforcement Notice has been issued in respect of the shares or other interests in any PSC Entity.

8.10 *Pensions*

- (a) Neither the Chargor nor any of its Subsidiaries is or has at any time been an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pensions Schemes Act 1993).
- (b) Neither the Chargor nor any of its Subsidiaries is or has at any time been "connected" with or an "associate" of (as those terms are used in sections 38 and 43 of the Pensions Act 2004) such an employer.

8.11 *The Real Property*

- (a) The Chargor is the legal and beneficial owner of the Real Property.
- (b) The Chargor has good and marketable title to the Real Property free from restrictions and onerous covenants.
- (c) The Real Property is free from any Security (other than Permitted Security) or Lease or licence.
- (d) The Chargor has not received or acknowledged notice of any adverse claim by any person in respect of the Real Property or any interest in it.
- (e) The Real Property is in good and substantial repair.
- (f) There is no breach of any law, regulation or covenant in respect of the Real Property which adversely affects or which might reasonably be expected to adversely affect the value, saleability or use of the Real Property.
- (g) There are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters whatever which materially adversely affect the Real Property.
- (h) No facility necessary for the enjoyment and use of the Real Property is subject to terms entitling any person to terminate or curtail its use or which conflict with or restrict its use.

- (i) Nothing has arisen or has been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or a registered disposition over the Real Property.

8.12 *Title Deeds*

All deeds and documents necessary to show good and marketable title to the Chargor's interests in the Property will from the date of this deed be:

- (a) in possession of the Lender;
- (b) held at the applicable Land Registry to the order of the Lender; or
- (c) held to the order of the Lender by a firm of solicitors approved by the Lender for that purpose.

8.13 *Repetition*

The representations and warranties in this clause are deemed to be made by the Chargor by reference to the facts and circumstances then existing on each day on which any representations and warranties are deemed to be repeated under the Agreement.

9. **Negative Undertakings**

9.1 *Negative pledge*

Other than to the extent expressly permitted pursuant to the terms of the Agreement, the Chargor shall not create or permit to subsist any Security over any of the Charged Property other than a Permitted Security.

9.2 *Disposals*

Other than to the extent expressly permitted pursuant to the terms of the Agreement, the Chargor shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of:

- (a) any of its assets which are expressed to be mortgaged by way of legal or equitable mortgage, assigned by way of security or charged by way of fixed security or charge to the Lender under clause 3 (*Fixed Security*); and
- (b) any of its other assets other than on arm's length terms in the ordinary course of its trading.

10. **Information Undertakings**

10.1 *Information: miscellaneous*

The Chargor shall supply to the Lender:

- (a) all documents dispatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched;
- (b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against it; and

- (c) promptly such further information relating to its financial condition, business and operations and any Real Property or any Security provided in connection with the Transaction Documents as the Lender may reasonably request.

10.2 *Notification of default*

The Chargor shall notify the Lender of any Event of Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

10.3 *"Know your customer" checks*

If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this deed;
- (b) any change in the status of the Chargor or the composition of the shareholders in or members of the Chargor after the date of this deed; or
- (c) a proposed assignment or transfer by the Lender of any of its rights and obligations under this deed,

obliges the Lender (or, in the case of paragraph (c) above, any prospective assignee or transferee) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Chargor shall promptly upon the request of the Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Lender (for itself or, in the case of the event described in paragraph (c) above, on behalf of the proposed assignee or transferee) in order for the Lender or, in the case of the event described in paragraph (c) above, the proposed assignee or transferee to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Transaction Documents.

10.4 *Accuracy*

The Chargor shall ensure that all information supplied to the Lender by it is at the time of supply complete and accurate in all material respects.

11. **General Undertakings**

11.1 *Authorisations*

The Chargor shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Lender of,

any Authorisation required under any law or regulation of its Relevant Jurisdictions to:

- (i) enable it to perform its obligations under the Transaction Documents to which it is a party and to ensure the legality, validity, enforceability or admissibility in evidence in the Relevant Jurisdictions of any such Transaction Document; and

- (ii) enable it to own its assets and carry on its business as it is being conducted.

11.2 *Compliance with laws*

The Chargor shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Transaction Documents to which it is a party.

11.3 *Indebtedness*

Except as expressly permitted under the Agreement, the Chargor shall not:

- (a) incur or allow to subsist any Indebtedness other than Permitted Indebtedness; or
- (b) repay any Permitted Indebtedness which does not arise under a Transaction Document.

11.4 *Lending and guarantees*

Except as expressly permitted under the Agreement, the Chargor shall not:

- (a) make any loan or provide any form of credit or other financial assistance to any person other than another Obligor by way of debt subordinated to the Secured Liabilities pursuant to a Security Document; or
- (b) give any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or otherwise assume any liability of any other person other than any guarantee or indemnity given pursuant to the Transaction Documents.

11.5 *Contracts and other liabilities*

The Chargor shall not:

- (a) incur any actual or contingent liabilities including liabilities under any indemnity or other assurance against loss other than:
 - (i) in the ordinary course of its trading; or
 - (ii) as expressly permitted under the Agreement; or
 - (iii) under the Transaction Documents; nor
- (b) amend, terminate or waive any provision of any Transaction Document to which it is a party except as expressly permitted under the Agreement.

11.6 *Shares, dividends and share redemption*

Except as expressly permitted under the Agreement:

- (a) the Chargor shall not issue any further shares or amend any rights attaching to its issued shares; and
- (b) the Chargor shall not:

- (i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital); or
- (ii) repay or distribute any dividend or share premium reserve; or
- (iii) pay any management, advisory or other fee to or to the order of any of the shareholders of the Chargor; or
- (iv) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

11.7 *PSC Register*

- (a) The Chargor shall immediately notify the Lender if any PSC Information Request is issued to the Chargor in respect of any PSC Entity and shall:
 - (i) comply with each PSC Information Request or provide a valid reason for non-compliance;
 - (ii) provide the Lender with a copy of each such PSC Information Request.
- (b) The Chargor shall immediately notify the Lender if any PSC Enforcement Notice is issued to the Chargor in respect of shares or other interests in any PSC Entity and shall provide the Lender with a copy of each such PSC Enforcement Notice.

11.8 *Taxes*

- (a) The Chargor must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):
 - (i) payment of those Taxes is being contested in good faith;
 - (ii) adequate reserves are being maintained for those Taxes and the costs required to contest them; and
 - (iii) failure to pay those Taxes is not reasonably likely to have a Material Adverse Effect.
- (b) The Chargor must ensure that its residence for Tax purposes is in the jurisdiction of its incorporation.

11.9 *COMI*

The Chargor shall take all steps necessary to maintain its centre of main interests for the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency procedures (recast) in England and Wales.

11.10 *Documents of title*

The Chargor shall deposit with the Lender all deeds and documents of title from time to time relating to the Charged Property.

11.11 *Failure to comply*

If the Chargor fails to comply with any of its obligations under this deed the Lender may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Chargor.

12. Enforcement of Security

12.1 *When enforceable*

The Debenture Security shall become immediately enforceable upon the occurrence of an Event of Default which is continuing.

12.2 *Enforcement*

After the Debenture Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of the Debenture Security in such manner as it sees fit.

12.3 *Lender's powers*

At any time after the Debenture Security becomes enforceable or if the Chargor requests that the Lender exercises any of its powers under this clause 12, the Lender may immediately or at any time thereafter:

- (a) appoint one or more persons as an Administrator of the Chargor in accordance with schedule B1 to the Insolvency Act;
- (b) exercise the power of sale and all other powers conferred by s101 of the LPA as varied or extended by this deed;
- (c) subject to clause 4.3 (*Moratorium under Insolvency Act*), by written notice to the Chargor convert the floating charge created by clause 4.1 (*Floating Charge*) into a fixed charge as regards any assets specified in the notice;
- (d) make any lease or agreement for lease or accept surrenders of leases and grant options on such terms as it thinks fit without needing to comply with sections 99 and 100 of the LPA;
- (e) subject to s72A of and paragraph 43 of Schedule A1 to the Insolvency Act, appoint one or more persons as a Receiver of any Charged Property provided that the Lender shall not be entitled to appoint a Receiver of any assets charged by way of floating charge solely as a result of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under Part A1 of the Insolvency Act;
- (f) exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act;
- (g) by notice to the Chargor, end the Chargor's right to possession of all or any Real Property forming part of the Charged Property and enter into possession of all or such part of such Real Property;
- (h) secure and perfect its title to all or any part of the Charged Property and/or transfer any asset into the name of its nominee; and
- (i) to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Charged Property which constitutes "financial collateral" as defined in the

Financial Collateral Regulations in or towards satisfaction of the Secured Liabilities and the Lender shall value such Charged Property by reference to an independent valuation or other procedure selected by the Lender acting reasonably.

12.4 *Powers under the LPA*

- (a) Section 103 of the LPA will not apply to this deed.
- (b) The power of sale and all other powers conferred by s101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Chargor.

12.5 *Administrators*

If the Lender appoints two or more persons as Administrator of the Chargor, the appointment may specify whether those persons are to act jointly or concurrently.

12.6 *Receivers*

- (a) The Lender may appoint any Receiver upon such terms as to remuneration and otherwise as the Lender thinks fit and the maximum rate specified in s109(6) of the LPA shall not apply.
- (b) Any Receiver will be the agent of the Chargor for all purposes and the Chargor will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Lender.
- (c) Where two or more persons are appointed as Receiver, any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally.
- (d) The Lender may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Lender appoints any other person as Receiver in his place.

13. **Powers of Receiver and Lender**

13.1 *Statutory powers*

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by Schedule 1 to the Insolvency Act which powers are incorporated in this deed.

13.2 *Additional powers*

By way of addition to and without limiting any other powers referred to in this clause a Receiver shall have power (both before and after the commencement of any liquidation of the Chargor) to do every act and thing and exercise every power:

- (a) which the Chargor would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Property; and

- (b) which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property,

and may use the name of the Chargor in connection with any exercise of such powers.

13.3 Consideration

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

13.4 Prior encumbrances

At any time after the security given by this deed has become enforceable, the Lender may redeem any prior Security against the Charged Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on the Chargor. Any money paid by the Lender in connection with a redemption or transfer of any prior Security will form part of the Secured Liabilities.

13.5 Possession

If the Lender, any Receiver or any Delegate takes possession of any Charged Property it may go out of possession at any time.

13.6 Delegation

- (a) Each of the Lender, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by this deed.
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Lender, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub delegate unless such misconduct or default is caused by the Lender's, or as the case may be, that Receiver's or Delegate's fraud, gross negligence or wilful misconduct.

14. Exclusion of Liability

14.1 No obligation to recover

Neither the Lender nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

14.2 Liability as mortgagee in possession

If the Lender or any Receiver takes possession of any Charged Property, it will not be liable to account to the Chargor for anything except actual receipts or be liable to the Chargor for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

14.3 *Losses on enforcement*

No Secured Party will be liable to the Chargor for any loss or damage arising from:

- (a) any sale of any Charged Property;
- (b) any act, default or omission of any Secured Party in relation to any Charged Property; or
- (c) any exercise or non-exercise by any Secured Party of any power conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of such Secured Party.

15. **Reimbursement and Indemnity**

15.1 *Transaction expenses*

The Chargor shall promptly on demand pay the Lender the amount of all costs and expenses (including legal fees, out-of-pocket expenses, accountancy fees and consultancy fees and VAT) reasonably incurred by the Lender or any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of this deed.

15.2 *Amendment costs*

If the Chargor requests an amendment, waiver or consent, the Chargor shall, on demand, reimburse the Lender for the amount of all costs and expenses (including legal fees, out-of-pocket expenses, accountancy fees and consultancy fees and VAT) reasonably incurred by the Lender or any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

15.3 *Enforcement and preservation costs*

The Chargor shall, on demand, pay to the Lender the amount of all costs and expenses (including legal fees, out-of-pocket expenses, accountancy fees and consultancy fees and VAT) incurred by it in connection with the enforcement of or the preservation of any rights under this deed and any proceedings instituted by or against the Lender as a consequence of taking or holding the Security constituted by this deed or enforcing those rights.

15.4 *Indemnity to the Lender*

The Chargor shall promptly indemnify the Lender and every Receiver and Delegate against any cost, loss or liability (including any liability under any Environmental Law) incurred by any of them:

- (a) as a result of:
 - (i) the taking, holding, protection or enforcement of the Security constituted by this deed;
 - (ii) the exercise of any of the rights, powers, discretions and remedies vested in the Lender and each Receiver and Delegate by this deed or by law; or

- (iii) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this deed; or
- (b) which otherwise relates to any of the Charged Property or the performance of the terms of this deed (otherwise than as a result of its fraud, gross negligence or wilful misconduct).

15.5 *Priority of Indemnity*

The Lender and every Receiver and Delegate may indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in clause 15.4 (*Indemnity to the Lender*) and shall have a lien on the Security constituted by this deed and the proceeds of enforcement of the Security constituted by this deed for all moneys payable to it.

16. **Application of Proceeds**

16.1 *Order of application*

Subject to clause 16.2 (*Prospective liabilities*) and to claims having priority to the Security created by this deed and by way of variation to the provisions of the LPA, all amounts from time to time received or recovered by the Lender in connection with the realisation or enforcement of all or any part of the Security constituted by this deed (for the purposes of this clause the "**Recoveries**") shall be held by the Lender to apply them at any time as the Lender (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause), in the following order:

- (a) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of this deed and of all outgoings properly payable by any Secured Party;
- (b) in payment of remuneration to any Receiver; and
- (c) the balance (if any) will be applied as required by law.

16.2 *Prospective liabilities*

The Lender may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself, if applicable) and for so long as the Lender shall think fit (the interest being credited to the relevant account) for later application under clause 16.1 (Order of Application) in respect of:

- (a) any sum owing to the Lender, any Receiver or any Delegate; and
- (b) any part of the Secured Liabilities,

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

16.3 *Investment of proceeds*

Prior to the application of the proceeds of the Recoveries in accordance with clause 16.1 (*Order of Application*) the Lender may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution (including itself, if applicable) and for so long as the Lender shall think fit (the interest being credited to the relevant account) pending the application from

time to time of those moneys in the Lender's discretion in accordance with clause 16.1 (*Order of Application*).

16.4 *Currency Conversion*

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

16.5 *Permitted Deductions*

The Lender shall be entitled, in its discretion:

- (a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this deed; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties, or by virtue of its capacity as Lender under any of the Transaction Documents or otherwise.

17. **Protection of Persons Dealing with Lender or Receiver**

No person dealing with the Lender or any Receiver will be concerned to enquire:

- (a) whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable;
- (b) otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or
- (c) whether any Secured Liabilities remain owing.

18. **Notice of Subsequent Charge**

If the Lender receives notice of any Security or other interest affecting any Charged Property:

- (a) it may open a new account for the Chargor in its books and may transfer any outstanding balance owing by the Chargor to such new account; or
- (b) If it does not open a new account then, unless it gives express written notice to the contrary to the Chargor, all payments made by the Chargor to it will as from the time of receipt of such notice be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

19. **Further Assurance**

When required by the Lender or any Receiver the Chargor shall, at its own cost:

- (a) execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Chargor and such legal mortgage, assignment or charge shall secure the Secured Liabilities and contain a power of sale which arises immediately upon execution, provisions excluding s93 of the LPA and the restrictions contained in s103 of the LPA and such other provisions including any similar to those in this deed as the Lender may reasonably require;
- (b) execute any documents or do any other thing which the Lender or any Receiver may require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Lender or any Receiver under this deed; and
- (c) convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Lender or any Receiver may require in connection with any enforcement of any Security created by this deed.

20. Power of Attorney by Chargor

The Chargor irrevocably and by way of security appoints each of the Lender, any person selected by the Lender and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which:

- (a) the Chargor is entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property; or
- (b) the Chargor is obliged to execute or do under this deed,

provided that the Lender or, as the case may be, any person selected by the Lender and any Receiver shall only exercise its powers of attorney, in respect of paragraphs (a) and (b) above, (i) upon the occurrence of an Event of Default which is continuing or, (ii) if no Event of Default has occurred and is continuing, any steps or action which the Chargor has failed to take in accordance with this deed and which it has not remedied within 10 Business Days of the Lender giving notice to the Chargor requiring compliance.

21. Protective Provisions

21.1 Waiver of defences

The obligations of the Chargor under this deed and the Security constituted by this deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of such obligations or security including (whether or not known to it or the Lender):

- (a) any time, waiver or consent granted to, or composition with, any other Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- (c) 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 property of, any other Obligor 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;

- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other Obligor or any other person;
- (e) any amalgamation, merger or reconstruction of the Lender with any other person or any sale or transfer of the whole or any part of the assets of the Lender to any other person;
- (f) the existence of any claim, set-off or other rights which any other Obligor may have at any time against the Lender, whether in connection with the Transaction Documents or otherwise;
- (g) any novation, amendment (however fundamental) or replacement of a Transaction Document or any other document or security;
- (h) any obligation of any person under any Transaction Document or any other document or security being Unenforceable; or
- (i) any Insolvency or similar proceedings.

21.2 *Chargor Intent*

Without prejudice to the generality of clause 21.1 (*Waiver of Defences*), the Chargor expressly confirms that it intends that the security created by this deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Transaction Documents and/or any facility or amount made available under any of the Transaction Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making available acceptance credit facilities; note purchase facilities; guarantee, stand-by or documentary credit issuance facilities; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

21.3 *Immediate recourse*

The Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this deed. This waiver applies irrespective of any law or any provision of a Transaction Document to the contrary.

21.4 *Appropriations*

Until the Secured Liabilities have been irrevocably paid in full, the Lender may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Lender in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any money received under this deed,

provided that if the Lender, in its opinion (acting reasonably), holds an amount sufficient to discharge the Secured Liabilities in full, then such amount shall be promptly applied by the Lender to discharge the Secured Liabilities.

21.5 *Deferral of Chargor's rights*

Until the Secured Liabilities have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of the enforcement of this deed;

- (a) to be indemnified by the Borrower;
- (b) to claim any contribution from any other Obligor or any other person in respect of any obligations of that person under the Transaction Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Transaction Documents or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Lender;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor has given security under this deed;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with the Lender.

21.6 *Turnover*

If the Chargor receives any benefit, payment or distribution in relation to the rights referred to in clause 21.5 (*Deferral of Chargor's rights*) it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Liabilities to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application as provided in clause 16 (*Application of Proceeds*).

22. **Discharge of Security**

22.1 *Discharge conditional*

Any discharge of the Chargor by the Lender in reliance on a payment or security received by the Lender will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Lender will be entitled to recover from the Chargor on demand the amount of the Secured Liabilities discharged by such payment or security.

22.2 *Reinstatement*

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this deed shall continue as if the discharge or arrangement had not occurred. The Chargee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

23. **Redemption**

If the Lender determines that all of the Secured Liabilities have been fully and finally discharged and it is not under any commitment, obligation or liability (actual or

contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Transaction Documents the Lender shall release:

- (a) without recourse or warranty, all of the Security constituted by this deed; and
- (b) the rights of the Lender under this deed.

24. Notices

24.1 Communications in writing

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

24.2 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 deed is:

- (a) in the case of the Chargor:

Address: Apica Ltd
4 – 6 The Wharf Centre
Wharf Street
Warwick
Warwickshire
CV34 5LB
England

Attention: Peter Tollgård / Mikael Sköld

Email: peter.tollgard@apicasystems.com /
mikael.skold@apicasystems.com

Tel: +46 76 322 7720 (Peter Tollgård)
+46 70 843 1002 (Mikael Sköld)

- (b) In the case of the Lender, as advised by the Lender to the Chargor from time to time,

or any substitute address, fax number or department or officer as the Chargor may notify to the Lender (or the Lender may notify to the Chargor, if a change is made by the Lender) by not less than five Business Days' notice. In the case of the Chargor, the address of its registered office or of any place where it carries on business shall also be addresses of the Chargor for the purpose of this clause.

24.3 Delivery

- (a) Any communication or document made or delivered by the Lender on the Chargor under or in connection with this deed will be effective:

- (i) if left at an address referred to in this clause, when so left;
- (ii) if posted by first class post to an address referred to in this clause, on the next working day in the place of receipt following the day when it was posted; or

(iii) if transmitted by fax to a fax number referred to in this clause, when the sending fax machine produces a print out which confirms that transmission has taken place.

(b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer specified above (or any substitute department or officer as the Lender shall specify for this purpose).

24.4 English language

Any notice given under or in connection with this deed must be in English. All other documents provided under or in connection with this deed must be:

(a) in English; or

(b) if not in English, and if so required by the Lender, 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.

25. Calculations and Certificates

25.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this deed, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

25.2 Certificates and Determinations

Any certification or determination by the Lender of a rate or amount under any Transaction Document is, in the absence of manifest, conclusive evidence of the matters to which it relates.

26. Partial Invalidity

If, at any time, any provision of this deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

27. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this deed shall operate as a waiver of any such right or remedy or constitute an election to affirm any of this deed. No election to affirm any of this deed on the part of the Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

28. Counterparts

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

29. Changes to the parties

29.1 Lender

The Lender may assign or transfer the rights and interests of the Lender under or in connection with this deed in accordance with the terms of the Agreement.

29.2 Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this deed.

30. Disclosure

The Lender may disclose to any of its affiliates and any other person:

- (a) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under this deed;
- (b) with (or through) whom it enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to, this deed or the Borrower or the Chargor; or
- (c) to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Chargor and this deed as it shall consider appropriate.

31. Tax Gross-up

- (a) The Chargor shall make all payments to be made by it under this deed without any deduction or withholding for or on account of Tax (a "Tax Deduction") unless a Tax Deduction is required by law.
- (b) The Chargor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly.
- (c) If a Tax Deduction is required by law to be made by the Chargor, the amount of the payment due from the Chargor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If the Chargor is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (e) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Chargor shall deliver to the Lender evidence satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.

32. Set-off

Upon the occurrence of an Event of Default which is continuing, the Lender may (but shall not be obliged to) set off any matured obligation due from the Chargor under this deed against any matured obligation owed by the Lender to the Chargor, regardless of

the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

33. Miscellaneous

33.1 Possession

The Chargor shall be entitled to possession of any Real Property forming part of the Charged Property until termination of such right by the Lender under clause 12.3 (*Lender's powers*).

33.2 Third Party Rights

- (a) Unless expressly provided to the contrary, a person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this deed.
- (b) Notwithstanding any term of this deed, the consent of any person other than the Chargor and the Lender is not required to rescind or vary this deed at any time.
- (c) A Secured Party may, subject to this clause 33.2 and the Third Parties Act, rely on any provision of this deed which expressly confers rights on it.

33.3 Continuing Security

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of the Secured Liabilities.

33.4 Other Security

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Lender or any other person of any other security at any time held by the Lender.

33.5 Consolidation

The restrictions on the right of consolidating mortgage securities contained in s93 of the LPA will not apply to this deed.

33.6 Land Registry Consent

By executing this deed the Chargor consents to the entry of the following restriction against any registered titles (and any unregistered properties subject to compulsory first registration) which are at any time subject to this deed:

"No [disposition or specify type of disposition] of the registered estate [(other than a charge)] by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of the restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge [date] in favour of [lender] referred to in the charges register [or [their conveyancer or specify appropriate details]]".

34. Law

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

35. Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non-contractual obligation referred to in clause 34 (*Law*)) (a "**Dispute**").
- (b) The Lender and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes. The Chargor will not argue to the contrary.
- (c) This clause is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by the Chargor and signed on behalf of the Lender on the date shown at the beginning of this deed.

SCHEDULE 1

The Property

None as at the date of this deed

SCHEDULE 2

List of Shares

None as at the date of this deed

SCHEDULE 3

List of Relevant Contracts

None as at the date of this deed

SCHEDULE 4

Part 1

Notice of Assignment

To: [◆]

[Date]

Dear Sirs,

We refer to an agreement dated [◆] (as such agreement may be amended or supplemented, the "**Assigned Agreement**") between us and you, a copy of which is attached.

We give you notice that by a debenture dated [◆] (the "**Debenture**") entered into between us and Riverside Acceleration Capital Fund II, L.P. (the "**Lender**") we have assigned to the Lender all our present and future rights and interest in:

- (a) the Assigned Agreement and any money now or at any time in the future due or owing to us under or in connection with the Assigned Agreement; and
- (b) all guarantees, indemnities, mortgages, charges and other security of whatever nature now or in the future held by us in respect of the Assigned Agreement including all money now or at any time in the future due or owing to us under or in connection with the same and all rights and remedies for enforcing the same;

(together the "**Assigned Assets**").

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

- (a) to pay to the Lender at such account or accounts and/or bank or banks as may from time to time be notified to you by the Lender all moneys forming part of the Assigned Assets and otherwise to act in accordance with the instructions of the Lender in connection with the Assigned Assets;
- (b) to comply with the terms of any written notice, statement or instructions in any way relating or purporting to relate to the Assignment and/or the Assigned Assets which you receive at any time from the Lender; and
- (c) to disclose to the Lender, such information relating to the Assigned Assets as the Lender may, at any time request.

In each case without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions, notice, statement, instructions or disclosure.

The instructions and authorisations which are contained in this letter will remain in full force and effect until the Lender gives you notice in writing revoking them.

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

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at [◆].

Yours faithfully,

[◆]

Part 2

Acknowledgement

To: [◆]

[Date]

Dear Sirs,

We acknowledge receipt of a letter (a copy of which is attached) dated [◆] and addressed to us by Apica Ltd (the "Chargor") with respect to the Debenture. Expressions defined in such letter have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we have not claimed or exercised, have no outstanding right to claim or exercise and will not exercise, any right of set-off, counterclaim or other right relating to any payments to be made by it in respect of our indebtedness under the Assigned Agreement;
2. we have not received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Assigned Agreement; and
3. we agree that you do not have any obligations, liabilities or responsibilities under or in respect of the Assigned Agreement.

We have made the acknowledgements and confirmations and have given the undertakings set out in this letter in the knowledge that they are required by you in connection with the security which is to be constituted by the Chargor in your favour under the Debenture [(a copy of which has been furnished to us)].

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

Yours faithfully,

[◆]

SCHEDULE 5

Part 1

Form of notice to Account Bank

To: [insert name and address of Account Bank] (the "Account Bank")

Dated: [◆]

Dear Sirs

We refer to the account of Apica Ltd (the "Chargor") with you numbered [◆].

We give you notice that, by a debenture dated [◆] the Chargor has charged to Riverside Acceleration Capital Fund II, L.P. (the "Lender") by way of fixed charge its interest in and to the money from time to time standing to the credit of the account referred to above (the "Charged Account") and to all interest (if any) accruing on the Charged Account.

We irrevocably authorise and instruct you until you receive written notice from the Lender to the contrary:

1. to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect;
2. to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide; and
3. not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender.

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

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at [◆].

Yours faithfully,

[◆]

Part 2
Acknowledgement

To: [◆]

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [◆] and addressed to us by Apica Ltd (the "Chargor"). Expressions defined in such notice have the same meanings in this acknowledgement.

We acknowledge and confirm that:

1. we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Lender notifies us in writing that the notice is revoked;
2. we have not received notice that any third party has any interest in the Charged Account;
3. we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account.

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

Yours faithfully,

[◆]

EXECUTION PAGE

Executed as a deed, but not delivered until)
the first date specified on page 1, by APICA)
LTD acting by:)

Director

Name (print)

PETER JOLUARD

Witness signature

Witness name:

BERNDT PETERSSON

Witness address:

Signed by _____ for and)
on behalf of RIVERSIDE ACCELERATION)
CAPITAL FUND II, L.P.)

Signature

[Signature page to Debenture]