



Registration of a Charge

Company name: **HELPERBY THERAPEUTICS GROUP LIMITED**

Company number: **05132505**



X8FE1NWO

Received for Electronic Filing: **04/10/2019**

Details of Charge

Date of creation: **27/09/2019**

Charge code: **0513 2505 0001**

Persons entitled: **MOUNT JOY LIMITED**

Brief description: **THE CHARGOR CHARGES BY WAY OF FIRST FIXED CHARGE IN FAVOUR OF THE LENDER ALL CHARGED PROPERTY. CHARGED PROPERTY MEANS THE INTELLECTUAL PROPERTY RIGHTS, ANY GOODWILL OF THE CHARGOR'S BUSINESS TO WHICH THE INTELLECTUAL PROPERTY RIGHTS RELATE AND TO ANY OTHER RIGHT WHICH MAY ARISE FROM, RELATE TO, OR BE ASSOCIATED WITH, THE INTELLECTUAL PROPERTY RIGHTS, OR THEIR USE IN THE CHARGOR'S BUSINESS TO THE EXTENT THAT THE CHARGOR IS IN FACT ABLE TO CHARGE SUCH RIGHTS UNDER LAW AND/OR UNDER CONTRACT. INTELLECTUAL PROPERTY RIGHTS MEANS ANY KNOW-HOW, PATENT, TRADE MARK, SERVICE MARK, DESIGN, BUSINESS NAME, TOPOGRAPHICAL OR SIMILAR RIGHT; ANY COPYRIGHT OR OTHER INTELLECTUAL PROPERTY MONOPOLY RIGHT; OR ANY INTEREST (INCLUDING BY WAY OF LICENCE) IN ANY OF THE ABOVE, IN EACH CASE WHETHER REGISTERED OR NOT AND INCLUDING ALL APPLICATIONS FOR THE SAME.**

Contains negative pledge.

Authentication of Form

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CHARLES HARVEY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5132505

Charge code: 0513 2505 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th September 2019 and created by HELPERBY THERAPEUTICS GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th October 2019 .

Given at Companies House, Cardiff on 7th October 2019

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 27 SEPTEMBER 2019

HELPERBY THERAPEUTICS GROUP LIMITED (1)
and
HELPERBY THERAPEUTICS LIMITED

MOUNT JOY LIMITED (2)

Security Agreement

FARRER&Co

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Security Agreement

Dated 27 SEPTEMBER 2019

Between

- (1) **HELPERBY THERAPEUTICS GROUP LIMITED**, a company incorporated in England and Wales with registered number 05132505 with registered office at 66 Lincoln's Inn Fields, London, WC2A 3LH and **HELPERBY THERAPEUTICS LIMITED**, a company incorporated in England and Wales with registered number 04390014 with registered office at 66 Lincoln's Inn Fields, London, WC2A 3LH (each a **Chargor** and together the **Chargors**); and
- (2) **MOUNT JOY LIMITED**, a company incorporated in the Bahamas with registered number 4571B with registered office at c/o Loeb, Block & Partners LLP, 505 Park Avenue, 8th Floor, New York NY 10022 USA (the **Lender**).

It is agreed

1. Definitions and Interpretation

In this Security Agreement, unless the context requires otherwise, the following words and expressions shall have the respective meanings ascribed to them:

Business Day means any day other than a Saturday, a Sunday or an English public or bank holiday.

Charged Property means the Intellectual Property Rights, any goodwill of each Chargor's business to which the Intellectual Property Rights relate and to any other right which may arise from, relate to, or be associated with, the Intellectual Property Rights, or their use in that Chargor's business to the extent that that Chargor is in fact able to charge such rights under law and/or under contract.

Encumbrance means any mortgage, charge, assignment by way of security, pledge, hypothecation, lien, right of set-off, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by any group company.

Intellectual Property Rights means:

- (a) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (b) any copyright or other intellectual property monopoly right; or
- (c) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

Loan Agreement means the £545,000 term loan agreement dated on or about the date of this Security Agreement entered into between Helperby Therapeutics Group Limited and the Lender.

Material Claim means, as applicable, a claim by a third party against a Chargor or by a Chargor against a third party where the value of the claim exceeds or is likely to exceed £250,000.

Secured Obligations means all moneys, obligations and liabilities (whether present or future or actual or contingent) which may now or at any time hereafter be or become due, owing or incurred by Helperby Therapeutics Group Limited to the Lender under the Loan Agreement (whether solely or jointly with any other person and whether as principal or surety) together with interest and other Lender charges so that interest shall be calculated in accordance with the practice of the Lender from time to time as well after as before any demand made or judgment obtained hereunder.

1.1 In this Security Agreement (unless otherwise provided):

- 1.1.1 references to Clauses are to be construed as references to the Clauses of, and Schedules to, this Security Agreement as amended or varied from time to time and references to sub-Clauses shall unless otherwise specifically stated be construed as references to the sub-Clauses of the Clause in which the reference appears;
- 1.1.2 references to any document or agreement are to be construed as references to such document or agreement as is in force for the time being and as amended, varied, novated or supplemented from time to time;
- 1.1.3 words importing the singular shall include the plural and vice versa;
- 1.1.4 references to a person shall be construed so as to include that person's assigns or transferees or successors in title and shall be construed as including references to an individual, firm, partnership, joint venture, company, corporation, unincorporated body of persons or any state or any agency thereof;
- 1.1.5 references to any statute or statutory provision include any statute or statutory provision which amends, extends, consolidates or replaces the same, or which has been amended, extended, consolidated or replaced by the same, and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute;
- 1.1.6 the words other and otherwise shall not be construed ejusdem generis with any foregoing words where a wider construction is possible;
- 1.1.7 the words including and in particular shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any foregoing words; and
- 1.1.8 terms defined in the Loan Agreement will bear the same meaning in this Security Agreement, unless the context otherwise requires.

2. Charge

- 2.1 Each Chargor as a continuing security for the payment of the Secured Obligations hereby charges by way of first fixed charge in favour of the Lender all the Charged Property.

2.2 The security constituted by or pursuant to this Security Agreement shall:

2.2.1 be in addition to and shall be independent of every bill, note, guarantee, mortgage, pledge or other security which the Lender may at any time hold in respect of any of the Secured Obligations and it is hereby declared that no prior security held by the Lender over the Charged Property or any part thereof shall merge in the security created hereby or pursuant hereto; and

2.2.2 remain in full force and effect as a continuing security until discharged by the Lender PROVIDED THAT any such discharge shall be conditional upon no security disposition or payment to the Lender by a Chargor being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy, liquidation or insolvency or for any reason whatsoever and if such condition shall not be fulfilled the Lender shall be entitled to enforce this Security Agreement subsequently as if such discharge had not occurred and any such payment not been made.

2.3 Subject to Clause 2.2.2 above, on the payment and/or discharge in full of the Secured Obligations, the Lender shall, at the cost and expense of Helperby Therapeutics Group Limited, discharge the security constituted pursuant to this Security Agreement.

3. Further Assurance

Each Chargor shall from time to time, at the reasonable request of the Lender, execute in favour of the Lender, or as it may direct, such further or other assignments, transfers, charges or other documents as in any such case the Lender shall reasonably stipulate in respect of the Charged Property for the purpose of more effectively providing security to the Lender on the terms of this Security Agreement for the payment or discharge of the Secured Obligations. Without prejudice to the generality of the foregoing, each such assignment, transfer, charge, or other document shall be in such form as the Lender shall stipulate and may contain provisions such as are herein contained or provisions of the like effect and/or such other provisions of whatsoever kind as the Lender shall consider requisite for the improvement or perfection of the security constituted by or pursuant to this Security Agreement. The obligations of each Chargor under this Clause shall be in addition to and not in substitution for the covenants for further assurance deemed to be included herein by virtue of section 76(1)(c) of the Law of Property Act 1925.

4. Chargor Warranties relating to the Intellectual Property Rights

Each Chargor hereby represents and warrants as follows:

4.1 that it is the legal and beneficial owner of or has licensed to it on normal commercial terms all the Intellectual Property Rights which are material in the context of its business and which are required by it in order to carry on its business as it is being conducted and is not aware of any reason why the Charged Property may for any reason be invalid or incapable of being the subject of the charges created herein;

4.2 other than as disclosed in writing to the Lender, there are no Encumbrances (other than in favour of the Lender and have been incurred or arise in the ordinary course of that Chargor's business) which relate to or affect the Charged Property or the charges given herein; and

4.3 other than as disclosed in writing to the Lender, in the 12 months prior to the date of this Security Agreement, that Chargor has not received notification of any Material Claim relating to:

4.3.1 ownership of the Intellectual Property Rights; or

4.3.2 any claim that the use of the Intellectual Property Rights infringe any other intellectual property right of any third party.

5. Chargor Covenants relating to the Intellectual Property Rights

5.1 Each Chargor hereby undertakes and covenants with the Lender that during the subsistence of the security created herein that Chargor will do the following things:

5.1.1 promptly and duly pay all fees reasonably necessary for effecting, protecting, maintaining or renewing all registrations required to be made in relation to the Intellectual Property Rights;

5.1.2 do all other acts and things reasonably necessary for maintaining the Intellectual Property Rights in full force and effect;

5.1.3 promptly notify the Lender if it receives written notification of any Material Claim that is alleged, threatened or suspected relating to the infringement of any third party's intellectual property rights arising from the use of the Intellectual Property Rights, or if it receives written notification of any Material Claim relating to the actual, threatened or suspected cancellation of, or a Material Claim relating to any other legal action in respect of the Intellectual Property Rights;

5.1.4 take all such steps, including the commencement of legal proceedings, as may be reasonably necessary to safeguard and maintain the validity, reputation, integrity, registration or subsistence of the Intellectual Property Rights and, without prejudice to the generality of the foregoing, that Chargor shall consult with and comply with the reasonable requests of the Lender in respect of any Material Claim necessary to discharge that Chargor's obligations pursuant to this sub-Clause or to the defence of any Material Claim brought by any third party relating to or affecting the Intellectual Property Rights and that Chargor shall not settle or compromise any such proceedings without first obtaining the consent of the Lender such consent not to be unreasonably withheld or delayed.

5.2 Within five Business Days of receipt of a request in writing to do so from the Lender made within 3 months of the date of this Security Agreement, each Chargor shall duly register this Security Agreement in such register or registers with such authorities as may be available for the purpose, whether in the United Kingdom or elsewhere, and in such name or names as may be required by the law of the place of registration, in each case, recording the terms of the Charge hereby created and restrictions set out in Clause 6.

5.3 Each Chargor shall pay all fees necessary to make the registrations required to be made under Clause 5.2 before the latest time provided for payment thereof.

6. Restrictions on each Chargor relating to the Intellectual Property Rights

Each Chargor hereby undertakes to the Lender that it will not do any of the following things:

- 6.1 sell, transfer, assign, license, sub-license, sever, dispose of or otherwise part with control of or authorise or permit any other person, firm or entity to use or otherwise exploit any of the Charged Property or any part of them other than in the normal course of that Chargor's business in a way which is not detrimental to the Lender's security hereunder without the prior written consent of the Lender, which consent will not be unreasonably withheld or delayed; or
- 6.2 (except for security created in favour of the Lender) create or permit to subsist any mortgage, charge, assignment, lien or encumbrance or other right in the nature of security on any of the Charged Property or the entitlement to benefit from the use and exploitation of them other than as may arise in a typical recording or publishing deal entered into in the normal course of that Chargor's business.

7. Powers of the Lender

- 7.1 At any time after the Lender shall have served notice on the Chargors demanding payment or discharge by the Chargors of all or any of the Secured Obligations, in whole or in part, or if requested by the Chargors, the Lender may without further notice and without regard to the restrictions contained in section 103 of the Law of Property Act 1925, whether or not it shall have appointed a receiver or manager, enforce this security and exercise all the powers conferred on mortgagees by the Law of Property Act 1925 and all the powers and discretions conferred by this Security Agreement.
- 7.2 It is hereby agreed that in the circumstances contemplated by sub-Clause 7.1, the Lender, without prejudice to the powers conferred on it by virtue of the Law of Property Act 1925, shall be entitled to sell all or part of the Charged Property. The power of sale shall be exercisable at any time after a notice has been served in accordance with sub-Clause 7.1 and the Lender is hereby authorised to assign or transfer any of the Charged Property and to give a good discharge for any moneys received by the Lender in exercise of such power of sale as well as for any rights of property receivable in respect of the Charged Property at any time during the subsistence of this Security Agreement.
- 7.3 The restriction on the right of consolidating mortgage securities contained in section 93 of the Law of Property Act 1925 shall not apply to this Security Agreement.

8. Power of Attorney

- 8.1 Each Chargor hereby irrevocably appoints the following, namely:

- 8.1.1 the Lender; and

- 8.1.2 each and every person to whom the Lender shall from time to time have delegated the exercise of the power of attorney conferred by this Clause;

jointly and also severally to be its attorney or attorneys and in its name and otherwise on its behalf to do all acts and things and to sign, seal, execute, deliver, perfect and do all deeds, instruments, documents, acts and things which may be required (or which the Lender shall consider requisite) for carrying out any obligation imposed on

that Chargor by or pursuant to this Security Agreement (including but not limited to the obligations of that Chargor under Clause 3 and the statutory covenant referred to in such Clause), for carrying any sale or other dealing by the Lender into effect, for getting in the Charged Property and generally for enabling the Lender to exercise the powers conferred on it by or pursuant to this Security Agreement or by law. The Lender shall have full power to delegate the power conferred on it by this Clause, but no such delegation shall preclude the subsequent exercise of such power by the Lender itself or preclude the Lender from making a subsequent delegation thereof to some other person; any such delegation may be revoked by the Lender at any time.

- 8.2 The power of attorney hereby granted is as regards the Lender and its delegates (and as each Chargor hereby acknowledges) granted irrevocably and for value as part of the security constituted by this Security Agreement to secure proprietary interests in and the performance of obligations owed to the respective donees within the meaning of the Powers of Attorney Act 1971.

9. Protection of Purchasers

No purchaser or other person dealing with the Lender or its delegate appointed hereunder shall be bound to see or inquire whether the right of the Lender to exercise any of its powers has arisen or become exercisable or be concerned with notice to the contrary, or be concerned to see whether any such delegation by the Lender shall have lapsed for any reason or been revoked.

10. Notices

- 10.1 Subject to Clause 11 (*Electronic Communication*) any demand, notice or other communication or document to be made or delivered under this Security Agreement shall be made or delivered in writing.
- 10.2 Each demand, notice, communication or other document to be made on or delivered to any party to this Security Agreement may (unless that other person has specified another address) be made or delivered to that other person at the address set out at the top of this Security Agreement. Any notice given by letter shall only be deemed to have been received by the Lender on actual receipt.

11. Electronic Communication

- 11.1 Any communication to be made between the Chargors and the Lender under or in connection with this Security Agreement may be made by electronic mail or other electronic means, if each Chargor and the Lender:
- 11.1.1 agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
 - 11.1.2 notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - 11.1.3 notify each other of any change to their address or any other such information supplied by them.
- 11.2 Any electronic communication made between a Chargor and the Lender will be effective only when actually received in readable form.

12. Remedies Cumulative etc.

- 12.1 The rights, powers and remedies provided in this Security Agreement are cumulative and are not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise.
- 12.2 No failure on the part of the Lender to exercise, or delay on its part in exercising, any of its rights, powers and remedies provided by this Security Agreement or by law (collectively the **Rights**) shall operate as a waiver thereof, nor shall any single or partial exercise of any of the Rights preclude any further or other exercise of that one of the Rights concerned or the exercise of any other of the Rights.
- 12.3 Each Chargor hereby agrees to indemnify the Lender against all losses, actions, claims, costs, charges, expenses and liabilities reasonably incurred by the Lender (including any substitute delegate attorney as aforesaid) in relation to this Security Agreement or the Secured Obligations (including, without limitation, the costs, charges and expenses incurred in the carrying into effect of this Security Agreement or in the exercise of any of the rights, remedies and powers conferred on the Lender hereby or in the perfection or enforcement of the security constituted hereby or pursuant hereto) or occasioned by any breach by that Chargor of any of its covenants or obligations to the Lender under this Security Agreement.

13. Provisions Severable

Every provision contained in this Security Agreement shall be severable and distinct from every other such provision and if at any time any one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining such provisions shall not in any way be affected thereby.

14. Governing Law

This Security Agreement is governed by and shall be construed in accordance with English law.

15. Amendments

No amendment or waiver of any provision of this Security Agreement and no consent to any departure by any Chargor therefrom shall in any event be effective unless the same shall be in writing and signed or approved in writing by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

16. Assignment

The Lender may assign or otherwise transfer the whole or any part of the benefit of this Security Agreement to any person to whom its rights under the Loan Agreement have been assigned or otherwise transferred and the expression the **Lender** wherever used herein shall be deemed to include the assignees and other successors, whether immediate or derivative, of the Lender, who shall be entitled to enforce and proceed upon this Security Agreement in the same manner as if named herein. The Lender shall, subject to such person treating such information as confidential, be entitled to impart any information concerning the Chargors to any such assignee or other successor or any participant or proposed assignee, successor or participant.

IN WITNESS whereof each Chargor has executed this Security Agreement as a deed and the Lender has executed this Security Agreement under hand with the intention that it be delivered on the day and year first before written.

EXECUTION PAGE

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

Executed as a Deed and Delivered
on behalf of
Helperby Therapeutics Group Limited
by:

)
)
)
)



Director

For and on behalf of
DA Secretarial Limited
(Company No. 11091767)

Director/Secretary

Executed as a Deed and Delivered
on behalf of
Helperby Therapeutics Limited
by:

)
)
)
)



Director

For and on behalf of
DA Secretarial Limited
(Company No. 11091767)

Director/Secretary

Executed as a Deed and Delivered
on behalf of
Mount Joy Limited
by:

)
)
)
)



Director

A/Secretary

Signature of witness:



Name: CHARLES PAUL MILNES GASKELL

Address: ORCHARD HOUSE, MONTEPELIER ESTATE, ST. JOHN'S PARISH, NEVIS
ST. KITTS & NEVIS
Occupation: FISHERMAN