



Registration of a Charge

Company Name: **ADVANCED ONCOTHERAPY PLC**

Company Number: **05564418**



Received for filing in Electronic Format on the: **09/05/2023**

XC35RPGW

Details of Charge

Date of creation: **09/05/2023**

Charge code: **0556 4418 0018**

Persons entitled: **GLAS TRUST CORPORATION LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES (AS DEFINED IN THE INSTRUMENT)**

Brief description: **THE INTELLECTUAL PROPERTY AS DESCRIBED AGAINST THE NAME OF THE COMPANY AT SCHEDULE 2 TO THE INSTRUMENT INCLUDING, BUT NOT LIMITED TO, THE TRADEMARKS WITH TM NUMBERS TMAVO03, TMAVO09 AND TMAVO10. FOR MORE INFORMATION, PLEASE REFER TO THE INSTRUMENT.**

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 WHICH HAS BEEN SIGNED ELECTRONICALLY
BY GLAS TRUST CORPORATION LIMITED AND IN WET-INK BY
ADVANCED ONCOTHERAPY PLC.**

Certified by:

DECHERT LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5564418

Charge code: 0556 4418 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th May 2023 and created by ADVANCED ONCOTHERAPY PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th May 2023 .

Given at Companies House, Cardiff on 11th May 2023

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**

EXECUTION VERSION

DATED 9 MAY 2023

(1) ADVANCED ONCOTHERAPY PLC
as Chargor

(2) GLAS TRUST CORPORATION LIMITED
as Security Agent

DEBENTURE

This Debenture is subject to and has the benefit of a Pari Passu Deed dated on or about the date of this Deed and made between, among others, (1) the Chargor, (2) the Security Agent and (3) the Secured Parties (as each such term is defined in this Deed).

Dechert
LLP

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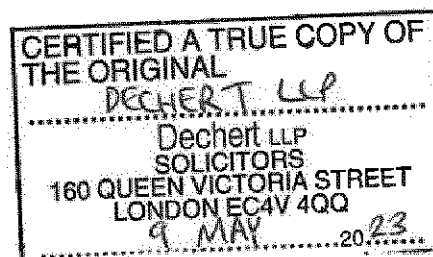


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DATE 9 May 2023

PARTIES

- (1) **ADVANCED ONCOTHERAPY PLC**, a company incorporated and registered in England and Wales with company number 05564418 whose registered office is at Ground Floor, 143 Harley Street, London W1G 6BH, United Kingdom (the "**Chargor**"); and
- (2) **GLAS TRUST CORPORATION LIMITED**, (as security trustee for the Secured Parties (as defined below)) (in such capacity, the "**Security Agent**").

BACKGROUND

- (A) The Chargor and the Initial Purchasers have entered into the Note Purchase Agreement pursuant to which the Chargor has agreed to issue and the Initial Purchasers have agreed to purchase the Notes.
- (B) It is a condition subsequent under the Note Purchase Agreement that the Chargor enters into this deed.
- (C) The Security Agent and the Chargor intend for this document to take effect as a deed notwithstanding the fact that the Security Agent may execute this document under hand.
- (D) The Chargor has previously granted security over the Charged Assets in favour of Nerano pursuant to the Existing Security Agreements.
- (E) Pursuant to the terms of the Pari Passu Deed, the security granted pursuant to this deed (and any other security granted in favour of the Security Agent in respect of the Secured Liabilities) will rank pari passu with the Existing Security, notwithstanding the fact that the Existing Security was granted first and may have priority ranking at law.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise provided in this deed, terms defined in the Note Purchase Agreement shall have the same meaning where used in this deed.

In addition, in this deed, unless the context otherwise requires, the following words shall have the following meanings:

"141 Harley Street Lease" means a lease dated 28 August 2019 for a term of 50 years of the 141 Harley Street Property;

"141 Harley Street Lease Documents" means the 141 Harley Street Lease and the 141 Harley Street Supplemental Agreement together with all other documents entered into pursuant to or in connection with any of the foregoing;

"141 Harley Street Supplemental Agreement" a supplemental agreement dated on or about 28 August 2019 and made between Howard de Walden Estates Limited ("**HDW**") of the one part and the Chargor of the other part pursuant to which the parties agreed that the Chargor would make a £500,000 deposit with HDW as security for the performance by the Chargor of its obligations under the 141 Harley Street Lease;

"141 Harley Street Lease Property" means the entirety of the premises known as 141 and 143 Harley Street and 28 and 29 Devonshire Mews West;

"145 Harley Street Lease" means a sub-underlease dated 28 June 2021 of the 145 Harley Street Property and made between the Trustees of the London Clinic Limited as landlord of the one part and the Chargor as tenant of the other part for a term of 50 years from the aforesaid date of grant upon the terms and conditions therein contained;

"145 Harley Street Property" means Part Basement of 145 Harley Street London W1 as more particularly described in and demised by the 145 Harley Street Lease;

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

"Accounts" means all accounts, and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any Account Bank or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by the Chargor or in which the Chargor has an interest;

"Administrator" means a person appointed in accordance with Sched B1 Insolvency Act 1986 to manage the Chargor's affairs, business and property;

"Assigned Agreements" means any agreement designated in writing as an Assigned Agreement by the Chargor and the Security Agent;

"Charged Assets" means all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them);

"Chattels" means the systems and sub-systems comprised in the LIGHT-Proton Therapy System being assembled in the Daresbury Laboratory, Keckwick Lane, Warrington WA4 4AD (including any components parts of those assets from time to time held by the Chargor (whether or not attached to those assets)), together with all additions, alterations, substitutions, replacements, renewals or modifications of or to those assets from time to time, and all accessories to those assets from time to time;

"Debts" means all book and other debts, of any kind whatsoever now or at any time hereafter (and from time to time) due, owing or payable to the Chargor or in which the Chargor has an interest and the proceeds of the same, including the benefit of any judgment or order to pay a sum of money, and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to the same and including, without limitation, all amounts owed by A.D.A.M. SA to the Chargor;

"Enforcement Event" means an Event of Default which has occurred and is continuing;

"Equipment" means all equipment, plant, machinery, tools, vehicles, furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by the Chargor, and any part thereof, together with the benefit of all contracts and warranties relating to the same;

"Event of Default" has the meaning given to that term in the Note Purchase Agreement;

"Existing Security" any Security arising pursuant to the Existing Security Agreements;

"Existing Security Agreements" means:

- (a) the legal charge dated 28 August 2019 and entered into between (1) the Chargor and (2) Nerano;
- (b) the legal charge dated 10 August 2020 and entered into between (1) the Chargor and (2) Nerano;
- (c) the legal charge dated 7 May 2021 and entered into between (1) the Chargor and (2) Nerano;
- (d) the security agreement dated 23 June 2021 and entered into between (1) the Chargor and (2) Nerano as Lender (as defined therein); and
- (e) the legal charge dated 10 March 2022 and entered into between (1) the Chargor and (2) Nerano;

"Finance Documents" means has the meaning given to that term in the Note Purchase Agreement;

"Floating Charge Assets" means all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it);

"Goodwill" means all goodwill now or at any time hereafter (and from time to time) of or in the Chargor;

"Insurance Policies" means all contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies, now or at any time hereafter (and from time to time) taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest (including, for the avoidance of doubt, contracts and policies of insurance in respect of all or any part of the Chattels);

"Intellectual Property" means:

- (a) all interests in respect of any patent (including supplementary protection certificates), trade mark, service mark, trade name, registered design, design right, copyright, know-how, utility model, topographical or similar right, moral right, invention, confidential information, trade secret, database right, right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case, any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by the Chargor or (to the extent of its interest) in which the Chargor has an interest; and
- (b) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist),

in each case including (without limitation):

- (i) any such interests acquired by the Chargor after the date this Deed;
- (ii) the rights and patents assigned to the Chargor pursuant to the Deed of Assignment of Intellectual Property between Fonazione per Adropterapia Oncologica and the Chargor dated 3 May 2021;
- (iii) those which relate to any part of the Chattels; and

(iv) those described in Schedule 2 (*Intellectual Property*).

"**LPA**" means the Law of Property Act 1925;

"**LIGHT-Proton Therapy System**" means a Linear Imaged Guided Hadron Technology non-cyclotron / non-synchrotron proton therapy system and sub-systems (and related components) as it is designed, engineered, constructed, installed, and tested by the Chargor, including, visual descriptions, design drawings, manuals and marketing materials (if any);

"**Nerano**" means Nerano Pharma Ltd;

"**Note Purchase Agreement**" means the note purchase agreement dated 11 April 2023 between (1) the Chargor and (2) the Initial Purchasers.

"**Pari Passu Deed**" means the pari passu deed dated on or about the date of this deed and entered into between (1) the Chargor as original debtor, (2) the Initial Purchasers, (3) the Security Agent and (4) Nerano.

"**Pension Fund Interests**" means all interests and rights now or at any time hereafter (and from time to time) owned or held by the Chargor in relation to any pension fund;

"**Properties**" means all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at any time hereafter (and from time to time) owned by the Chargor (and includes, for the avoidance of doubt, the 141 Harley Street Property and the 145 Harley Street Property);

"**Property Interests**" means all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by the Chargor;

"**Receiver**" means a person appointed by the Security Agent to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of the Chargor;

"**Restrictions Notice**" means a "restrictions notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006;

"**Secured Liabilities**" means all present and future liabilities and obligations at any time due, owing or incurred by the Chargor to the Security Agent and/or the Secured Parties (or any of them) in connection with the Finance Documents both actual and contingent and whether incurred solely or jointly, as principal or surety and/or in any other capacity and including without limitation, all principal and any accrued and unpaid interest and any premiums due, owing or payable under or in respect of the Notes;

"**Secured Parties**" has the meaning given to that term in the Security Trust Deed;

"**Securities**" means all stocks, shares, loan capital, securities, bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned by the Chargor, or in which the Chargor has an interest, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks, shares, loan capital, securities, bonds, investments, rights, income, money or property accruing, deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange, capital reorganisation, conversion, redemption, bonus, rights, preference, option or otherwise in respect thereof;

"Securities Issuer" means the issuer of any Securities;

"Security Period" means the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;

"Security Trust Deed" means the security trust deed dated on or about the date of this deed and entered into between (1) the Chargor as company, (2) the Initial Purchasers and (3) the Security Agent;

"Uncalled Capital" means in relation to the Chargor, all the uncalled capital now or at any time hereafter (and from time to time) of that Chargor; and

"Warning Notice" means a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Construction

(a) In this deed (unless the context requires otherwise) any reference to:

- (i) the Chargor, the Security Agent or any Secured Party, any Securities Issuer, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements;
- (ii) a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended (however fundamentally, including any amendment providing for any increase in the amount of any facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of any Finance Document or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Required Holders;
- (iii) "assets", "rights" and "interests" includes present and future properties, revenues, interests and rights of every description;
- (iv) the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 14.1 (*Enforcement events*);
- (v) "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred;
- (vi) "law" includes the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing;
- (vii) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (viii) a time of day is a reference to London time;
- (ix) any gender includes a reference to the other genders;

- (x) the singular includes a reference to the plural and vice versa; and
 - (xi) a clause or schedule is to a clause or schedule (as the case may be) of or to this deed.
- (b) Clause and schedule headings are for ease of reference only.

1.3 Nature of security over real property

A reference in this deed to any freehold, leasehold or commonhold property includes:

- (a) all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- (b) the proceeds of sale of any part of that property; and
- (c) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants.

1.4 Secured Liabilities

References in this deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing.

1.5 Inconsistency between this deed and the Security Trust Deed

- (a) If there is any conflict or inconsistency between any provision of this deed and any provision of the Security Trust Deed, the provisions of the Security Trust Deed shall prevail.
- (b) If there is any conflict or inconsistency between any provision of this deed and any provision of the Pari Passu Deed, the provisions of the Pari Passu Deed shall prevail.

1.6 Trust

All Security and dispositions made or created, and all obligations and undertakings contained, in this deed to, in favour of or for the benefit of the Security Agent are made, created and entered into in favour of the Security Agent as trustee for the Secured Parties from time to time on the terms of the Security Trust Deed.

1.7 Existing Security Agreements

The Chargor enters into this deed in addition to, and without prejudice to, the Existing Security Agreements or any supplemental documents, including legal mortgages, first fixed charges or any other charges or debentures created pursuant to the Existing Security Agreements.

2. COVENANT TO PAY; FURTHER ADVANCES

2.1 Covenant to pay

The Chargor hereby covenants with the Security Agent that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Security Agent and/or the Secured Parties (or any of them) when the same become due in accordance with the terms of the Finance Documents, whether by acceleration or otherwise, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Security Agent and/or the Secured Parties (or any of them) in relation to any such Secured Liabilities or generally in respect of the Chargors.

2.2 Potential invalidity

Neither the covenant to pay in clause 2.1 (*Covenant to pay*) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

2.3 Further advances

This deed secures further advances made under or pursuant to the terms of the Finance Documents.

3. GRANT OF SECURITY

3.1 Fixed security

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee hereby:

- (a) grants to the Security Agent a charge by way of legal mortgage over:
 - (i) all of its present and future rights, title, interest and benefit in and to the 141 Harley Street Lease Documents;
 - (ii) all of its estates or interests and present and future rights, title, interest and benefit in and to the 145 Harley Street Property, including the 145 Harley Street Lease; and
 - (iii) all its Properties which are listed in Schedule 1 (*Properties currently owned*) opposite its name;
- (b) charges to the Security Agent, by way of first fixed charge, all its interest in:
 - (i) Properties now owned by it to the extent that they are not the subject of a charge by way of legal mortgage pursuant to clause 3.1(a);
 - (ii) Properties acquired by it after the date of this deed;
 - (iii) Property Interests;
 - (iv) Equipment;
 - (v) Securities;

- (vi) Intellectual Property;
- (vii) (to the extent not effectively assigned pursuant to paragraph (c) below) Insurance Policies;
- (viii) Debts;
- (ix) Accounts;
- (x) Pension Fund Interests;
- (xi) Goodwill and Uncalled Capital;
- (xii) Chattels; and
- (xiii) right, title and interest in and to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1(a) - 3.1(d) inclusive;
- (c) assigns to the Security Agent absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies; and
- (d) assigns to the Security Agent absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements.

3.2 Floating security

(a) Floating charge

As a continuing security for the payment or discharge of the Secured Liabilities, the Chargor with full title guarantee hereby charges to the Security Agent, by way of first floating charge

- (i) all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1(a) - 3.1(d) (*Fixed security*) inclusive; and
- (ii) all its assets situated in Scotland.

(b) Qualifying floating charge

Sched B1 para 14 Insolvency Act 1986 (as inserted by s.248 and Sched 16 Enterprise Act 2002) applies to the floating charge created by this deed.

(c) Automatic conversion of floating charge

Notwithstanding anything express or implied in this deed (save for clause 3.2(g) (*Moratorium*)), and without prejudice to any law which may have similar effect, if:

- (i) an Event of Default has occurred and is continuing; or
- (ii) the Chargor creates or attempts to create any Security (other than as permitted under the Finance Documents and subject to any applicable grace period contained therein) or any trust in favour of another person over any Floating Charge Asset; or

- (iii) the Chargor disposes or attempts to dispose of any Floating Charge Asset other than as permitted under the Finance Documents;

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over all the Floating Charge Assets or, in the case of clauses 3.2(a)(ii) and 3.2(c)(iii), over the relevant Floating Charge Asset.

(d) **Conversion of floating charge by notice**

Notwithstanding anything express or implied in this deed (save for clause 3.2(g) (*Moratorium*)), if:

- (i) an Event of Default has occurred and is continuing; or
- (ii) the Security Agent considers (in its sole discretion) that any Floating Charge Assets are in jeopardy,

the Security Agent may at any time thereafter, by notice to the Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the Chargor specified in such notice (but without prejudice to the Security Agent's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Secured Parties or whatsoever).

(e) **Assets acquired after any floating charge conversion**

Any asset acquired by the Chargor after any conversion of the floating charge created by this deed, in accordance with clauses 3.2(c) (*Automatic conversion of floating charge*) or 3.2(d) (*Conversion of floating charge by notice*) which but for such conversion would be subject to a floating charge shall, (unless the Security Agent confirms in writing to the contrary) be charged to the Security Agent by way of first fixed charge.

(f) **Reconversion of fixed charge assets into floating charge assets**

The Security Agent may at any time after any conversion of the floating charge created by this deed over any Charged Assets into a fixed charge in accordance with clauses 3.2(c) (*Automatic conversion of floating charge*) or 3.2(d) (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the Chargor.

(g) **Moratorium**

Unless s.A52(4) Insolvency Act 1986 allows, the floating charge created by this deed may not be converted into a fixed charge solely by reason of:

- (i) the obtaining of a moratorium; or
- (ii) anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 Insolvency Act 1986.

3.3 Title documents

The Chargor shall on the execution of this deed (or, if later, the date of acquisition of the relevant Charged Assets or the relevant request from the Security Agent) deposit with the Security Agent the following deeds and documents unless they have already been deposited with Nerano pursuant to the terms of the Existing Security Agreements prior to the date of this deed:

- (a) all deeds and documents of title relating to the Charged Assets as the Secured Parties may from time to time require; and
- (b) all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Secured Parties may from time to time require.

3.4 Security notices

The Chargor shall within five Business Days of request by the Security Agent:

- (a) give notice substantially in the form set out in Part A (*Form of notice to insurers*) of Schedule 3 to the relevant insurers of the assignment pursuant to clause 3.1(c) (*Fixed security*) of its rights and interest in and under the Insurance Policies and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Part B (*Form of acknowledgement from insurers*) of Schedule 3;
- (b) give notice substantially in the form set out in Part A (*Form of notice to counterparties of Assigned Agreements*) of Schedule 4 to the other parties to the Assigned Agreements to which it is a party of the assignment pursuant to clause 3.1(d) (*Fixed security*) of its rights and interest in and under the Assigned Agreements and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Part B (*Form of acknowledgement from counterparties of Assigned Agreements*) of Schedule 4; and
- (c) save in relation to any account held with a Secured Party (in respect of which the execution of this deed by the Chargor and the Secured Party shall constitute notice to the Secured Party of the charge created by this deed over that Chargor's rights and interests under such account), give notice substantially in the form set out in Part A (*Form of notice of charge to third party bank*) of Schedule 5 to an Account Bank of its charging to the Security Agent pursuant to clause 3.1(b)(ix) (*Fixed security*) of its rights and interests under such Accounts and procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in Part B (*Form of acknowledgement from third party bank*) of Schedule 5.

3.5 Leasehold security restrictions

- (a) There shall be excluded from the Security created by this deed any leasehold property held by the Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an "Excluded Property") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Property, each Chargor undertakes to:
 - (i) apply for the relevant consent or waiver of prohibition or conditions within five Business Days of request by the Security Agent or, if later, within five

Business Days of the Chargor acquiring the Excluded Property and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions as soon as possible;

- (ii) upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver; and
 - (iii) forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy.
- (c) Immediately upon receipt of any consent or waiver referred to in clause 3.5(b), the relevant formerly Excluded Property shall stand charged to the Security Agent under clause 3.1(a), clause 3.1(b)(i), clause 3.1(b)(ii) or clause 3.1(b)(iii) (*Fixed security*) as the case may be. If required by the Security Agent at any time following receipt of that waiver or consent, the Chargor will execute a further valid fixed charge in such form as the Security Agent shall require.

4. RESTRICTIONS ON DEALING

4.1 Negative pledge and restriction on disposal

The Chargor hereby covenants with the Security Agent that it will not at any time except in accordance with the terms of the Finance Documents or with the prior consent of the Security Agent:

- (a) create or purport to create or permit to subsist any Security on or in relation to the Charged Assets other than Security which exists as at the date of this deed; or
- (b) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of, any interest in any Charged Assets.

4.2 Land Registry restriction

- (a) In respect of any Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or pursuant to clause 7.11(b) (*Property acquisitions*), the Chargor hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [*GLAS Trust Corporation Limited*] referred to in the charges register or their conveyancer".

- (b) The Chargor authorises the Security Agent to make any application which it deems appropriate for the designation of this deed or any other Finance Document as an exempt information document under rule 136 Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Security Agent. The Chargor will notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 Land Registration Rules 2003 for the disclosure of this deed or any other Finance Document, following its designation as an exempt information document and will not make any application under rule 138 Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.

5. DEBTS AND ACCOUNTS

5.1 Preservation of debts

The Chargor shall not, except in accordance with the terms of the Finance Documents, sell, factor, discount, release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as hereinafter expressly provided.

5.2 Realising debts

The Chargor shall:

- (a) as agent for the Security Agent, collect in and realise all Debts in the ordinary course of its business, pay the proceeds into the relevant Accounts forthwith upon receipt and, pending that payment, hold those proceeds in trust for the Security Agent (in each case unless otherwise agreed with the Security Agent or provided for in the Finance Documents); and
- (b) if called upon so to do by the Security Agent, execute a legal assignment of the Debts to the Security Agent in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Debts are due, owing or incurred in such terms as the Security Agent may require.

5.3 Accounts

- (a) No Account may be overdrawn at any time.
- (b) No Chargor shall open or procure the opening of any Account unless permitted under the Finance Documents or with the prior written consent of the Security Agent.

5.4 Withdrawals

After the security constituted by this deed has become enforceable, the Chargor shall comply with any notice served by the Security Agent on that Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its Accounts except with the prior consent of the Security Agent.

6. INSURANCE

The Chargor hereby covenants with the Security Agent that it will insure its assets and business in accordance with the requirements of the Finance Documents.

7. PROPERTIES

The Chargor hereby covenants with the Security Agent that it will:

7.1 Maintenance

Keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition;

7.2 Preservation of property and fixtures

Not without the prior consent of the Security Agent

- (a) pull down or remove the whole or any part of any buildings forming part of any Property;
- (b) make any alterations to any Property; or
- (c) sever or unfix or remove any of the fixtures thereto (except for the purpose of effecting necessary repairs thereto);

7.3 Information

- (a) Within five Business Days after becoming aware thereof give full particulars to the Security Agent of any notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever; and
- (b) If required by the Security Agent, forthwith and at the cost of the Chargor take all steps to comply with any such notice, order, direction, designation or resolution and make or join with the Security Agent in making such objections or representations in respect of any such proposal as the Security Agent may desire;

7.4 Compliance with obligations

- (a) Observe and perform all covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected;
- (b) Perform and observe all covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held; and
- (c) Promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties;

7.5 Maintenance of interests in Properties

Not without the prior consent of the Security Agent or unless permitted in the Finance Documents:

- (a) grant or agree to grant any licence or tenancy affecting any Property or part of a Property;
- (b) exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by ss.99 or 100 LPA; or
- (c) in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof;

7.6 Registration restrictions

Procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Security Agent;

7.7 Development restrictions

Not without the prior consent of the Security Agent carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property;

7.8 No restrictive obligations

Not without the prior consent of the Security Agent enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof;

7.9 Proprietary rights

Procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Security Agent;

7.10 Inspection

Permit the Security Agent, any Administrator and any Receiver and any person appointed by any of them to enter upon and inspect any Property upon reasonable prior notice; and

7.11 Property acquisitions

If it acquires any Property:

- (a) inform the Security Agent promptly of such acquisition;
- (b) immediately on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent over that Property in such form as the Security Agent may require (or such other Security in the jurisdiction where such property is located as the Security Agent may require); and
- (c) comply with all registration requirements resulting from the acquisition of such Property and the creation of Security over such Property pursuant to this deed and the legal mortgage (or other Security) referred to above.

8. EQUIPMENT

The Chargor hereby covenants with the Security Agent as follows:

8.1 Maintenance of equipment

To maintain the Equipment in good and serviceable condition (fair wear and tear excepted);

8.2 Payment of equipment taxes

Promptly to pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and on demand produce evidence thereof to the Security Agent;

8.3 Equipment information

To give the Security Agent such information concerning the location, condition, use and operation of the Equipment as the Security Agent may require and to permit any persons

designated by the Security Agent at all reasonable times to inspect and examine the Equipment and the records maintained in connection therewith;

8.4 Notice of Charge

If so requested by the Security Agent, to place and maintain on each item of Equipment, in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge dated [●] in favour of [GLAS Trust Corporation Limited]."

9. INTELLECTUAL PROPERTY

The Chargor hereby covenants with the Security Agent as follows:

9.1 Preservation of rights

To take all action to safeguard and maintain its present and future rights in or relating to the Intellectual Property necessary for the business of the Chargor and, if requested to do so by the Security Agent, to sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property which either record the existence of this deed or the restrictions on disposal imposed by this deed; and

9.2 Consents

Promptly to obtain any consent required for the creation of a fixed charge over any Intellectual Property.

10. SECURITIES

10.1 Registration of Securities

The Security Agent may at any time cause any or all of the Securities to be registered in the name of the Security Agent or its nominee. The Chargor agrees promptly to execute and deliver to the Security Agent all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration.

10.2 Additional registration obligations

The Chargor hereby:

- (a) grants and agrees to procure as necessary, all consents, waivers, approvals and permissions which are necessary, under the articles of association of any Securities Issuer or otherwise, for the transfer of the Securities to the Security Agent or its nominee or to a purchaser upon enforcement of this deed; and
- (b) agrees to procure the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer.

10.3 Dividends and voting rights prior to enforcement

Until the security constituted by this deed becomes enforceable:

- (a) all cash dividends or other cash distributions paid or payable in respect of the Securities may be paid directly to the Chargor which shall be permitted to apply such dividends or distributions as it deems fit to the extent permitted by the Finance Documents;
- (b) any cash dividends or other cash distributions paid in respect of any of the Securities and received by the Security Agent or its nominee shall, on request by the Chargor, be released and paid to the Chargor;
- (c) the Chargor may exercise all voting and other rights and powers attaching to the Securities and exercisable by the Chargor provided that the exercise of such voting and other rights and powers would not prejudice the Security Agent's security under this deed or the value of the Securities or contravene any Finance Document; and
- (d) the Security Agent will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Securities and exercisable by the Security Agent or its nominee as the Chargor may from time to time direct provided that acting in accordance with such directions would not prejudice the Security Agent's security under this deed or the value of the Securities or contravene any Finance Document.

10.4 Dividends and voting rights post enforcement

After the security constituted by this deed has become enforceable and subject to the Existing Security Agreements:

- (a) all dividends and other distributions paid in respect of the Securities and received by the Chargor shall be held on trust for the Security Agent and forthwith paid into an Account selected by the Security Agent or, if received by the Security Agent or its nominee, shall be retained by the Security Agent; and
- (b) the Security Agent may exercise or direct the exercise (or refrain from exercising or directing the exercise) of all voting and other rights and powers attaching to the Securities as the Security Agent may in its absolute discretion think fit and the Chargor shall, and shall procure that its nominees shall, comply with any such directions from the Security Agent concerning the exercise of such rights and powers.

10.5 Warning Notice or Restrictions Notice

- (a) The Chargor represents and warrants to the Security Agent that no Warning Notice or Restrictions Notice has been issued to it in respect of all or any part of the Securities and remains in effect.
- (b) The Chargor shall comply with any notice served on it in respect of all or any part of the Securities pursuant to part 21A of the Companies Act 2006 within the timeframe specified in that notice and shall deliver a copy of any such notice to the Security Agent promptly upon receipt.

10.6 Additional undertakings

The Chargor further undertakes to the Security Agent that it shall:

- (a) duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Securities, it being acknowledged by the Chargors

that the Security Agent shall be under no liability whatsoever in respect of any such calls, instalments or other moneys;

- (b) not without the Security Agent's prior consent or unless permitted under the Finance Documents amend, or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Securities;
- (c) ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no Securities Issuer will:
 - (i) consolidate or sub-divide any of its Securities or reduce or re-organise its share capital in any way (other than as permitted under the Finance Documents);
 - (ii) issue any new shares or stock (other than as permitted under the Finance Documents); or
 - (iii) refuse to register any transfer of any of its Securities which may be lodged for registration by or on behalf of the Security Agent or the Chargor in accordance with this deed; and
- (d) promptly give notice of this deed to any custodian of any Securities in any form which the Security Agent may reasonably require and use its reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require.

11. UNCALLED CAPITAL

The Chargor further covenants with the Security Agent that it will not call up, or receive in advance of calls, any Uncalled Capital and it will apply all proceeds of any Uncalled Capital, immediately on receipt, towards the discharge of the Secured Liabilities.

12. REPRESENTATIONS AND WARRANTIES

12.1 Representations and warranties

The Chargor represents and warrants to the Security Agent, on the date of this deed as follows:

- (a) it is (except as permitted under the terms of the Finance Documents) the legal and beneficial owner of the Charged Assets;
- (b) it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in them;
- (c) there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever which materially and adversely affect the Charged Assets;
- (d) no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use;
- (e) nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property;

- (f) there is no prohibition on assignment in any Insurance Policy or any Assigned Agreement (or guarantee or security for the performance thereof), and its entry into this deed will not constitute a breach of any Insurance Policy or any Assigned Agreement (or guarantee or security for the performance thereof); and
- (g) this deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

12.2 Repetition

The representations and warranties set out in clause 12.1 (*Representations and warranties*) will be deemed to be repeated by the Chargor on each Issue Date and will be deemed to be repeated by reference to the facts and circumstances then existing.

12.3 Notice of breach

The Chargor will promptly upon becoming aware of the same give the Security Agent notice in writing of any breach of any representation or warranty set out in clause 12.1 (*Representations and warranties*).

13. POWER TO REMEDY

- (a) If the Chargor is at any time in breach of any of its obligations contained in this deed, the Security Agent shall be entitled (but shall not be bound) to remedy such breach and the Chargor hereby irrevocably authorises the Security Agent and its agents to do all things necessary or desirable in connection therewith.
- (b) The rights of the Security Agent contained in this clause 13 are without prejudice to any other rights of the Security Agent hereunder and the exercise by the Security Agent of its rights under this clause shall not make the Security Agent liable to account as a mortgagee in possession.

14. ENFORCEMENT

14.1 Enforcement events

The security constituted by this deed shall become immediately enforceable if an Enforcement Event occurs.

14.2 Statutory power of sale

The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Security Agent shall not exercise such power of sale until the security constituted by this deed has become enforceable.

14.3 Extension of statutory powers

- (a) Any restriction imposed by law on the power of sale (including under s.103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s.93 LPA) does not apply to the security constituted by this deed and the Security Agent or any Receiver shall have the right to consolidate all or any of the security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same.

- (b) Any powers of leasing conferred on the Security Agent or any Receiver by law are extended so as to authorise the Security Agent or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under ss.99 or 100 LPA).

14.4 No obligation to enquire

No person dealing with the Security Agent, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire:

- (a) whether the security constituted by this deed has become enforceable;
- (b) whether any power exercised or purported to be exercised has become exercisable;
- (c) whether any money remains due under the Finance Documents;
- (d) as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets; or
- (c) how any money paid to the Security Agent, Administrator or Receiver, or its agents or brokers is to be applied.

14.5 No liability as mortgagee in possession

None of the Security Agent, any other Secured Party, any Administrator or any Receiver shall be liable:

- (a) to account as mortgagee in possession in respect of all or any of the Charged Assets; or
- (b) for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable unless directly caused by its gross negligence or wilful misconduct.

14.6 Power to dispose of chattels

After the security constituted by this deed has become enforceable, the Security Agent, any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Security Agent, the Administrator or the Receiver shall be indemnified by the Chargor against any liability arising from such disposal.

14.7 Redemption of prior Security

At any time after the security constituted by this deed shall have become enforceable the Security Agent may:

- (a) redeem any prior Security;
- (b) procure the transfer thereof to itself; and/or
- (c) settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the Chargor and all monies paid by

the Security Agent to the prior encumbrancer in accordance with such accounts shall as from such payment be due from the Chargor to the Security Agent on current account and shall bear interest and be secured as part of the Secured Liabilities.

15. ADMINISTRATOR AND RECEIVER

15.1 Appointment of Administrator or Receiver

At:

- (a) any time after the security constituted by this deed becomes enforceable;
- (b) any time after any corporate action or any other steps are taken or legal proceedings started by or in respect of the Chargor with a view to the appointment of an Administrator; or
- (c) the request of the Chargor,

the Security Agent may without further notice, under seal or by writing under hand of a duly authorised officer of the Security Agent:

- (i) appoint any person or persons to be an Administrator of the Chargor; or
- (ii) appoint any person or persons to be a Receiver of all or any part of the Charged Assets of the Chargor; and
- (iii) (subject to s.45 Insolvency Act 1986) from time to time remove any person appointed to be a Receiver and appoint another in his place.

15.2 Moratorium

Unless s.A52(4) Insolvency Act 1986 allows, the Security Agent is not entitled to appoint a Receiver solely by reason of:

- (a) the obtaining of a moratorium; or
- (b) anything done with a view to obtaining a moratorium (including any preliminary decision or investigation),

under Part A1 Insolvency Act 1986.

15.3 More than one appointment

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Security Agent specifies to the contrary).

15.4 Additional powers

- (a) The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s.109 LPA or otherwise.
- (b) The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Security Agent notwithstanding any prior appointment in respect of all or any part of the Charged Assets.

15.5 Agent of the Chargor

- (a) Any Administrator or Receiver shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of an Administrator or Receiver.

15.6 Powers of Administrator and Receiver

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Sched B1 Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed):

- (a) (in respect of a Receiver) all of the powers of an administrative receiver set out in Sched 1 Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- (c) all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any Chargor itself could do or omit to do; and
- (d) the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit; and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor)).

16. AMOUNTS RECEIVED

16.1 Application of proceeds

All monies received by the Security Agent or any Receiver after the Security has become enforceable shall be applied in accordance with the terms of the Pari Passu Deed.

16.2 Section 109(8) Law of Property Act 1925

Neither the Security Agent nor any Receiver or Administrator shall be bound (whether by virtue of s.109(8) LPA, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

16.3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Security Agent may convert any monies received, recovered or realised by the Security Agent under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Security Agent may think fit

and any such conversion shall be effected at the Security Agent's then prevailing spot selling rate of exchange.

16.4 Suspense account

All monies received recovered or realised by the Security Agent under this deed may at the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Security Agent thinks fit pending the application from time to time (as the Security Agent shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities.

16.5 New accounts

If the Security Agent or any other Secured Party receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets, the Security Agent may open a new account or accounts for the Chargor in its books and (without prejudice to the Security Agent's right to combine accounts) no money paid to the credit of the Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Security Agent does not open a new account or accounts immediately on receipt of such notice then unless the Security Agent gives express notice to the contrary to the Chargor as from the time of receipt of such notice by the Security Agent all payments made by the Chargor to the Security Agent in the absence of any express appropriation by the Chargor to the contrary shall 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.

16.6 Secured Party set-off rights

If the Security Agent and each other Secured Party shall have more than one account for the Chargor in its books the Security Agent may at any time after the security constituted by this deed has become enforceable or the Security Agent has received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Security Agent shall notify the Chargor of the transfer having been made.

17. POWER OF ATTORNEY AND DELEGATION

17.1 Power of attorney

The Chargor hereby by way of security irrevocably appoints the Security Agent each and every Administrator or Receiver of this deed to be the attorney of the Chargor and in its name and on its behalf and as its act and deed or otherwise and at any time while an Event of Default is continuing to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument, notice or act which such Administrator or Receiver or the Security Agent may consider expedient in the exercise of any of his or its powers or in respect of the Chargor's obligations under this deed. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971.

17.2 Ratification

- (a) The Chargor ratifies and confirms and agrees to ratify and confirm:

- (i) all transactions entered into by the Security Agent and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this deed; and
 - (ii) all transactions entered into by the Security Agent and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act.
- (b) The Security Agent and any Administrator or Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this deed (including the power of attorney), on such terms and conditions as it or he shall see fit which shall not preclude exercise of these powers, authorities or discretions by it or him or any revocation of the delegation or subsequent delegation.

18. PROTECTION OF SECURITY AND FURTHER ASSURANCE

18.1 Independent security

This deed shall be in addition to and independent of every other security or guarantee that the Security Agent (or any other Secured Party) may at any time hold for any of the Secured Liabilities. No prior security held by the Security Agent (or any other Secured Party) over the whole or any part of the Charged Assets shall merge in the security created by this deed.

18.2 Continuing security

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part.

18.3 No waivers; rights cumulative

No failure to exercise, nor delay in exercising, on the part of the Security Agent (or any other Secured Party), any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy. The rights and remedies of the Security Agent (or any other Secured Party) provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

18.4 No Chargor set off

The Chargor waives any right of set off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by the Chargor under this deed).

18.5 Further assurance

- (a) The Chargor shall, promptly upon request by the Security Agent or any Receiver or Administrator, at its own expense, take whatever action the Security Agent or a Receiver or Administrator may require for:
 - (i) creating, perfecting or protecting any security intended to be created by or pursuant to this deed;
 - (ii) facilitating the realisation of any Charged Asset;

- (iii) exercising any right, power or discretion conferred on the Security Agent, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset; or
- (iv) creating and perfecting security in favour of the Security Agent (equivalent to the security intended to be created by this deed) over any assets of the Chargor located in any jurisdiction outside England and Wales.

(b) This includes:

- (i) the re-execution of this deed;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent (or the Receiver or Administrator, as appropriate) may think expedient.

19. MISCELLANEOUS

19.1 Benefit of Deed

The benefit of this deed will be held by the Security Agent on trust for the benefit of the Secured Parties on the terms of the Security Trust Deed without preference or priority amongst themselves as security for the Secured Liabilities.

19.2 Certificates conclusive

A certificate or determination by a Secured Party or the Security Agent as to any amount or rate due under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error.

19.3 Financial collateral

- (a) To the extent that the Charged Assets constitute "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), the Security Agent shall have the right after the Security constituted by this deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) For the purpose of clause 19.3(a), the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

19.4 Severability

If any provision of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.

19.5 Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with s.2(1) Law of Property (Miscellaneous Provisions) Act 1989.

19.6 Third party rights

Save as expressly provided to the contrary in a Finance Document, a third party (being any person other than the Chargors and their successors and permitted assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed. Notwithstanding any term of any Finance Document, the consent of such third party is not required to rescind or vary this deed at any time.

19.7 Joint and several liability

The covenants, agreements, obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly.

19.8 Trustee Act 2000

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

20. DEMANDS AND NOTICES

Any demand, notice, consent or communication to be made or given by or to the Chargor or the Security Agent under or in connection with this deed shall be made and delivered as provided in clause [9] (*Notices*) of the Security Trust Deed. Any demand on the Chargor shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities.

21. ASSIGNMENT AND TRANSFER

21.1 Assignment by Security Agent

The Security Agent may assign or transfer the whole or any part of its rights under this deed pursuant to the resignation or removal of the Security Agent in accordance with the Security Trust Deed.

21.2 Assignment by Chargor

No Chargor may assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

22. RELEASE OF SECURITY

22.1 Release

Subject to clause 22.3 (*Discharge conditional*), upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Assets from the Security constituted by this deed and re-assign the Charged Assets to the Chargor(s).

22.2 Avoidance of payments and reinstatement

If any payment by the Chargor or any discharge given by the Security Agent (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is (a) capable of being avoided or reduced (in the opinion of the Security Agent) or (b) avoided or reduced in each case as a result of insolvency or any similar event, then:

- (a) the liability of the Chargor will continue as if the payment, discharge, avoidance or reduction had not occurred;
- (b) the Security Agent will be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred; and
- (c) the Security Agent shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred.

22.3 Discharge conditional

Any release, discharge or settlement between the Chargor and the Security Agent shall be deemed conditional upon no payment or security received by the Security Agent in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement:

- (a) the Security Agent or its nominee shall be at liberty to retain this deed and the Security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Security Agent shall deem necessary to provide the Security Agent with security against any such avoidance or reduction or order for refund; and
- (b) the Security Agent shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and the Chargor agrees with the Security Agent accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause, whether actual or contingent.

23. GOVERNING LAW

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

24. ENFORCEMENT

24.1 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) (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

25. COUNTERPARTS

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

In Witness whereof this deed has been executed by the Chargor and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Security Agent







SCHEDULE 1 Properties currently owned

Part A Registered Land

Part B Unregistered Land

SCHEDULE 2 Intellectual Property

Part A Trade Marks

TM number	Jurisdiction/ apparent status Classes	Mark text	Description
TMAVO03	EP, CH, IL, SG, US, RU, JP/ Registered	 LiGHT	"LIGHT" + logo
TMAVO03	CN, IN, CA, KR, EG / Registration Pending	 LiGHT	"LIGHT" + logo
TMAVO09	CN / Registration Pending	 莱特	"Lai Te"
TMAVO10	CN / Registration Pending	 莱特	"Guang Xi"
TMAVO11	CN / Registration Pending	 轻宁	"Qing Ning"
TMAVO17	CN / Registration Pending	 LiGHT	"LIGHT" + logo

Part B Patents

Patent	Patent application number	Filing date
PAAVO09CNnat	201910335885.3	25 April 2019
UPAVO09CN	201920569258.1	25 April 2019
PAAVO14CNnat	201910214789.3	20 March 2019
UPAVO14CN	201920358141.9	20 March 2019
PAAVO18CNnat	CN201910340053.0	25 April 2019
UPAVO18CN	CN201920576714.5	25 April 2019
PAAVO04LUS2	US16/434,924	7 June 2019
PAAVO04LEP	EP14780553.5A	13 August 2014
PAAVO04LCN	CN201480057955.9A	13 August 2014
PAAVO04LCN2	CN202010193391.9A	13 August 2014
PAAVO04LRU	RU2016110165A	13 August 2014
PAAVO04LRU2	RU2018140007A	13 August 2014

Patent	Patent application number	Filing date
PAAVO20LCN	CN201980040770A	19 June 2019
PAAVO20LIT	IT102018000006452A	19 June 2018
PAAVO20LKR	KR1020207036759A	19 June 2019
PAAVO20LIL	IL279487	16 December 2020
PAAVO20LBR	BR112020025813	23 March 2021
PAAVO20LEP	EP2019744855	29 January 2021
PAAVO20LIN	IN202147001583	
PAAVO04LBR	BR112016003682	13 August 2014
PAAVO04LUS3	US17/301,236	30 March 2021
PAAVO20LCA	CA3103937	19 Decmber 2019
PAAVO20LUS	US17/254,724	19 December 2019

SCHEDULE 3 NOTICE AND ACKNOWLEDEMENT FROM INSURERS

Part A Form of notice to insurers

From: [Chargor] (the "Company")

To: [insurer]

Date:

Dear Sirs

We refer to the [*describe policy and its number*] (the "**Policy**").

We hereby give notice that, pursuant to a debenture dated [] (the "**Debenture**"), we have assigned to [] (the "**Security Agent**") all our right, title, interest and benefit in and to the Policy.

The assignment in and to the Policy created in favour of the Security Agent is subject to the assignment in and to the Policy created by the [security agreement]/[legal charge] dated [●] in favour of Nerano Pharma Ltd [notice of which was given to you by a notice dated [●] (the "**Existing Security Notice**")].

We irrevocably authorise and instruct you from time to time:

1. to disclose to the Security Agent without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Security Agent may at any time and from time to time request;
2. to hold all sums from time to time due and payable by you to us under the Policy to the order of the Security Agent;
3. to pay or release all or any part of the sums from time to time due and payable by you to us under the Policy only in accordance with the written instructions given to you by the Security Agent from time to time;
4. to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Policy, the sums payable to us from time to time under the Policy or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
5. to send copies of all notices and other information given or received under the Policy to the Security Agent.

We are not permitted to receive from you, otherwise than through the Security Agent, any amount in respect of or on account of the sums payable to us from time to time under the Policy or to agree any amendment or supplement to, or waive any obligation under, the Policy without the prior written consent of the Security Agent.

This notice may only be revoked or amended with the prior written consent of the Security Agent.

Please confirm by completing the enclosed acknowledgement and returning it to the Security Agent (with a copy to us) that:

1. you accept the instructions and authorisations contained in this notice;

2. you have not, at the date the enclosed acknowledgement is returned to the Security Agent, received any notice [(other than the Existing Security Notice[s])] 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 in respect of, the rights of the Company under or in respect of the Policy and you will notify the Security Agent promptly if you should do so in future;
3. you will pay or release all or part of the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Security Agent from time to time;
4. you will not exercise any right to terminate, cancel, vary or waive the Policy or take any action to amend or supplement the Policy without first giving 14 days' written notice to the Security Agent; and
5. that the Security Agent's interest as mortgagee is noted on the Policy.

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

Yours faithfully

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

Part B Form of acknowledgement from insurers

From: [insurer]

To: [Security Agent] (the "Security Agent")

Date:

Dear Sirs

We acknowledge receipt of a notice dated [] (the "Notice") and addressed to us by [] (the "Company") regarding the Policy (as defined in the Notice).

We confirm that:

1. we accept the instructions and authorisations contained in the Notice;
2. we have not, at the date of this acknowledgement, received any notice [(other than the Existing Security Notice[s] defined in the 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 in respect of, the rights of the Company under or in respect of the Policy and we will notify the Security Agent promptly if you should do so in future;
3. we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Security Agent from time to time;
4. we will not exercise any right to terminate, cancel, vary or waive the Policy or take any action to amend or supplement the Policy without first giving 14 days' written notice to the Security Agent; and
5. the Security Agent's interest as mortgagee is noted on the Policy.

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

Yours faithfully

[insurer]

**SCHEDULE 4 NOTICE TO AND ACKNOWLEDGEMENT OF COUNTERPARTIES TO
ASSIGNED AGREEMENTS**

Part A Form of notice to counterparties of Assigned Agreements

From: [Chargor]

To: [counterparty]

Date:

Dear Sirs

We refer to the [describe relevant Assigned Agreement] (the "**Agreement**").

We hereby notify you that pursuant to a debenture dated [] (the "**Debenture**") we have assigned to [] (the "**Security Agent**") absolutely (subject to a proviso for reassignment on redemption) all our right, title, interest and benefit in and to the Agreement.

The assignment in and to the Agreement created in favour of the Security Agent is subject to the assignment in and to the Agreement created by the [security agreement]/[legal charge] dated [●] in favour of Nerano Pharma Ltd [notice of which was given to you by a notice dated [●] (the "**Existing Security Notice**")].

We further notify you that:

1. we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Security Agent;
2. subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent;
3. you are authorised to disclose information in relation to the Agreement to the Security Agent on request;
4. you must pay all monies to which we are entitled under the Agreement direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing; and
5. the provisions of this notice may only be revoked with the written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions; and
- (b) you have not received notice [(other than the Existing Security Notice[s])] that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

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

Yours faithfully

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

Part B Form of acknowledgement from counterparties of Assigned Agreements

From: [counterparty]

To: [Security Agent]

Copy to: [Chargor]

Date:

We hereby acknowledge receipt of the notice dated [], a copy of which is attached to the acknowledgment (the "Notice") and confirm the matters set out in paragraphs (a) and (b) of the Notice.

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

**SCHEDULE 5 FORM OF NOTICE TO AND ACKNOWLEDGEMENT OF THIRD PARTY
BANK**

Part A Form of notice of charge to third party bank

To: [name and address of third party bank]

Attention: []

Date:

Dear Sirs

We hereby give you notice that by a debenture dated [] 20[] (the "**Debenture**") (a copy of which is attached) we have charged to [] (the "**Security Agent**") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those sums:

[]

(together the "**Accounts**").

The charge over the Accounts created in favour of the Security Agent is subject to the charge over the Accounts in and to the Agreement created by the [security agreement]/[legal charge] dated [●] in favour of Nerano Pharma Ltd [notice of which was given to you by a notice dated [●] (the "**Existing Security Notice**")].

We hereby irrevocably instruct and authorise you:

1. to credit to each Account all interest from time to time earned on the sums of money held in that Account;
2. to disclose to the Security Agent, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Security Agent may, at any time and from time to time, request you to disclose to it;
3. to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Security Agent;
4. to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Security Agent at any time and from time to time; and
5. to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

[Please note we are not permitted to withdraw any amount from the Accounts without the prior written consent of the Security Agent.]

OR

[By counter-signing this notice, the Security Agent confirms that we may make withdrawals from the Accounts until such time as the Security Agent shall notify you in writing that their permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Security Agent.]

These instructions cannot be revoked or varied without the prior written consent of the Security Agent.

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

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Security Agent with a copy to ourselves.

Yours faithfully

By:
for and on behalf of
[Chargor]

[Counter-signed by:

.....
for and on behalf of
[Security Agent]]

Part B Form of acknowledgement from third party bank

To: [name and address of Security Agent]

Date:

Dear Sirs

We confirm receipt of a notice dated [] (the "Notice") from [*Chargor*] (the "**Company**") of a charge, upon the terms of a Debenture dated [] 20[], over all the Company's right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto:

[]

(together the "**Accounts**").

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
2. we have not received notice [(other than the Existing Security Notice[s] defined in the Notice)] of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
3. [we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;]
4. [we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories;]

OR

[until you notify us in writing that withdrawals are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories;] and

5. we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

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

Yours faithfully

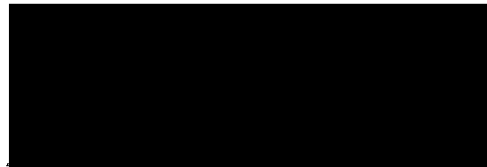
.....
for and on behalf of
[third party bank]

SIGNATORIES (TO DEBENTURE)

The Chargor

EXECUTED as a **DEED** and
DELIVERED by **ADVANCED**
ONCOTHERAPY PLC
acting by:

)
)
)
)



N. SERANDOUR

Director

in the presence of:

)

Signature:

Name:

Address:

Occupation:

[Signature]
petrunka Detunodetunova
Flat 25, Kestham House, W25UH
Budget Analyst

Security Agent

Signed by Aric Kay-Russell for and)
on behalf of **GLAS TRUST CORPORATION**)
LIMITED)
)
)

Signature _____

Address: 55 Ludgate Hill, Level 1 West, London
EC4M 7JW

Email: dcm@glas.agency

Attention: Debt Capital Markets

[AVO – Signature page to Debenture]