



Registration of a Charge

Company name: **CVIDYA NETWORKS UK LIMITED**

Company number: **05633563**



X4ATCSSX

Received for Electronic Filing: **02/07/2015**

Details of Charge

Date of creation: **17/06/2015**

Charge code: **0563 3563 0005**

Persons entitled: **MIZRAHI TEFAHOT BANK LTD**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **FLADGATE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5633563

Charge code: 0563 3563 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th June 2015 and created by CVIDYA NETWORKS UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd July 2015 .

Given at Companies House, Cardiff on 3rd July 2015

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 17 June 2015
~~October, 2017~~

(1) cVidya Networks UK Limited
("the Grantor")

- and -

(2) cVidya Networks Ltd.
("the Company")

- and -

(3) Mizrahi Tefahot Bank Ltd.
("the Lender")

**(all as amended or supplemented from
time to time)**

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made the 17th day of June, 2014

BETWEEN

1. **cVidya Networks UK Limited** (a company organized under the laws of England and Wales) whose registered office is at 205A High Street, West Wickham, Kent BR4 0PH, UK ("**the Grantor**")
2. **cVidya Networks Ltd.** (a company organized under the laws of the State of Israel, (Company No. 51-311302-7) with offices located at 3 Sapir St., Herzliya, Israel ("**the Company**")
2. Mizrahi Tefahot Bank Ltd. ("**the Lender**").

Recitals:

WHEREAS the Lender has agreed pursuant to those Credit Agreement and Documents dated October 26, 2014 to provide the Company and/or its affiliated entities with a credit facility on a secured basis, pursuant to which this Security Agreement is executed (collectively, and as may be extended from time to time, the "**Credit Agreements**").

AND WHEREAS pursuant to the requirements of the Credit Agreements under the terms hereof the Grantor has agreed to give the Lender security for the Indebtedness (as hereinafter defined) which will rank pari passu with the existing security interest created for the benefit of the entities comprising the Plenus funds (collectively, "**Plenus**").

NOW IT IS HEREBY AGREED AS FOLLOWS

Operative provisions:

1. INTERPRETATION

1.1 In this Security Agreement:

'**ACTS**' means the Law of Property Act 1925 and the Insolvency Act 1986 (or any statutory modification or re-enactment of those acts for the time being in force);

'**ASSETS**' means the property, undertaking and assets of the Company expressed to be charged to the Lender now or hereafter under clause 2;

'**LENDER**' shall include, unless the context otherwise requires, the Lender's successors and assigns and all its branches from time to time, whether in England or otherwise;

'**INDEBTEDNESS**' shall mean all or any monies, obligations and liabilities whether certain or contingent, present or future which are now or may at any time hereafter be or become payable, due or owing to the Lender by the Grantor whether solely or jointly and whether as principal or surety and whether or not the Lender shall have been an original party to the relevant transaction or in respect of which the Grantor may otherwise be or become liable to the Lender on any account whatsoever including (without prejudice to the generality of the foregoing) the principal amount of all loans or advances made or to be made to or for the accommodation or at the request of the Grantor all fees, costs, expenses (including legal, surveyors, valuers

and other costs on a full indemnity basis), commission, discount, charges and other sums incurred by the Lender in relation to the Indebtedness, this Security Agreement or any guarantee or security now or hereafter held for the Indebtedness or in enforcing payment whether against the Grantor or others together with interest to the date of repayment (as well after as before any judgment) at such rate or rates as may from time to time be payable under the terms of the Credit Agreements from the Grantor or any of its affiliates. References to the Indebtedness shall include not only the whole but any part thereof;

'PROPERTY' means all leasehold and freehold property referred to in clauses 2.1(a) and 2.1(b), and

'RECEIVER' has the meaning given to it in clause 6.1.

1.2 Clause headings are for ease of reference only.

2. CHARGE

2.1 The Grantor hereby covenants on demand to pay or discharge the Indebtedness to the Lender. As security for the payment and discharge of the Indebtedness, the Grantor, as beneficial owner, hereby charges to the Lender:

- (a) by way of legal mortgage, all freehold and leasehold property now vested in the Grantor, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time on that property;
- (b) by way of fixed charge, all estates or interests in any freehold and leasehold property of the Grantor (not being property charged by clause (a)) now and in the future vested in the Grantor, together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time on that property;
- (c) by way of fixed charge, all the goodwill and uncalled capital for the time being of the Grantor;
- (d) by way of fixed charge, all book debts and other debts now and in the future due or owing to the Grantor;
- (e) Deleted;
- (f) by way of floating charge, all the Grantor's present and future undertaking and assets, whatever and wherever, including (without limitation) all other property and assets not subject to a fixed charge under this Security Agreement including (i) accounts; (ii) securities entitlements, securities accounts, commodity accounts, commodity contracts and investment property; (iii) deposit accounts; (iv) instruments (including promissory notes); (v) documents; (vi) chattel paper; (vii) inventory, including raw materials, work in process, or materials used or consumed in Grantor's business, items held for sale or lease or furnished or to be furnished under contracts of service, sale or lease, goods that are returned, reclaimed or repossessed; (viii) goods of every nature; (ix) equipment, including machinery, vehicles and furniture; (x) fixtures; (xi) commercial tort claims, if any; (xii) letter of credit rights; (xiii) general

intangibles of every kind and description, including payment intangibles, software, computer information, source codes, object codes, records and data, all existing and future customer lists, causes in action, claims (including claims for indemnification or breach of warranty), books, records, patents and patent applications, copyrights, trademarks, tradenames, tradestyles, trademark applications, goodwill, blueprints, drawings, designs and plans, trade secrets, contracts, licenses, license agreements, formulae, tax and any other types of refunds, returned and unearned insurance premiums, rights and claims under insurance policies; (xiv) all property of the Grantor now or hereafter in the Lender's possession or in transit to or from, or under the custody or control of, the Lender or any affiliate thereof; (xv) all cash and cash equivalents thereof; and (xvi) all cash and noncash proceeds (including insurance proceeds) of all of the foregoing property, all products thereof and all additions and accessions thereto, substitutions therefor and replacements thereof. The Assets shall also include any and all other tangible or intangible property that is described as being part of the Assets pursuant to one or more Riders to this Security Agreement that may be delivered in connection herewith after the date hereof, including the Rider to the Security Agreement - Copyrights, the Rider to Security Agreement - Patents, the Rider to Security Agreement - Trademarks and the Rider to Security Agreement - Cash Collateral Account.

3. COVENANTS

3.1 The Grantor covenants that it shall not:

- (a) (except for charges in favour of the Lender created under or pursuant to this Security Agreement and the security interest created for the benefit of Plenus which will rank *pari passu*) create or permit to subsist any mortgage, charge or lien on any of its undertaking or assets;
- (b) sell, transfer or otherwise dispose of its undertaking and other assets or any part of them, except by getting in and realising them in the ordinary and proper course of its business;
- (c) pull down or remove all or any part of the buildings forming part of the Property or sever, unfix or remove any of the fixtures on the Property nor (except for necessary repairs or the substitution of full value replacements) remove any plant and machinery from the Property;
- (d) deal with its book or other debts or securities for money except by getting in and realising them in the ordinary and proper course of its business, but so that this exception shall not permit the realisation of debts by means of block discounting or factoring; or
- (e) grant or accept a surrender of any lease or licence of or part with or share possession or occupation of the Property or any part of it.

3.2 The Grantor covenants that it shall:

- (a) keep such of the Assets as are insurable comprehensively insured to the Lender's satisfaction in writing (and, if so required by the Lender, in the joint names of

itself and the Lender) against loss or damage by fire and such other risks as the Lender may require, to their full replacement value and, where such insurance is not in joint names, procure that the Lender's interest is noted on all policies required under this clause 3.2(a);

- (b) duly and promptly pay all premiums and other moneys necessary for maintaining the insurances required under clause 3.2(a) and on demand produce the insurance policies and premium receipts to the Lender;
- (c) keep all buildings and all plant, machinery, fixtures, fittings and other effects in good repair and working order;
- (d) pay into such account as the Lender may designate by notice to the Grantor from time to time all moneys which it may receive in respect of the book debts and other debts charged by clause 2.1(d); and
- (e) promptly notify the Lender of any meeting to discuss, or any proposal or application for the appointment of an administrator, receiver, liquidator or similar official in respect of the Grantor or any of its Assets and, if any such official is appointed, of his appointment.
- (f) from time to time and at all reasonable times allow the Lender, by or through any of its officers, agents, attorneys, or accountants, to examine or inspect the Assets.

3.3 The Grantor hereby agrees that if it changes its name, its type of organization, its jurisdiction of organisation or establishes a name in which it may do business that is not listed as a trade name on **Exhibit A** hereto, the Grantor will immediately notify the Lender in writing of the additions or changes.

3.4 If the Grantor fails to perform any of its obligations under clauses 3.2(a), 3.2(b), 3.2(c) or 3.2(d), the Lender may take out or renew any insurance or effect such repairs and take such other action as it may deem appropriate to remedy such failure and recover the premiums and other expenses so incurred from the Grantor on demand.

4. REPRESENTATIONS AND WARRANTIES

4.1 The Grantor represents, warrants and covenants to the Lender that:

- (a) all information, including its type of organization, jurisdiction of organisation and chief executive office are as set forth on Exhibit A hereto and are true and correct on the date hereof;
- (b) the Grantor has good, marketable and indefeasible title to the Assets, has not made any prior sale, pledge, encumbrance, assignment or other disposition of any of the Assets, and the Assets are free from all encumbrances and rights of setoff of any kind except the lien in favor of the Lender created by this Security Agreement;
- (c) the Grantor will defend the Assets against all claims and demands of all persons at any time claiming the same or any interest therein, as it deems appropriate in its reasonable judgment; and

- (d) each account and general intangible, if included in the definition of Assets, is genuine and enforceable in accordance with its terms and the Grantor will defend the same against all claims, demands and counterclaims at any time asserted.

4.2. Grantor represents that as of the date hereof:-

- (i) it has no subsidiaries;
- (ii) no intellectual property is registered under its name or applications for the registration of intellectual property under its name, and
- (iii) there are no commercial agreements deemed by Company or its parent company to be material to the business of Grantor.

5. FURTHER ASSURANCES

- 5.1 The Grantor shall promptly inform the Lender in writing of any filings made by it for the purpose of registration of intellectual property rights and will promptly make such filings, if required, in order to ensure that the security interest created pursuant to this Security Agreement covers such issued patents.
- 5.2 If applicable and without derogating from the obligations of the Company pursuant to the Credit Agreements, the Grantor will (and, to the extent applicable, will cause its subsidiaries to) execute, in form satisfactory to the Lender, a Rider to Security Agreement - Copyrights (if any Assets consists of registered or unregistered copyrights), a Rider to Security Agreement - Patents (to include Assets consisting of patents registered or patent applications), a Rider to Security Agreement - Trademarks (if any Assets consists of trademarks, tradenames, tradestyles or trademark applications) for recording with the U.K. Intellectual Property Office and other governmental authorities. All such filings and recordings shall be made by the Grantor prior to the registration of any intellectual property right and all expenses related thereto shall be borne by the Grantor.
- 5.3 If any Asset consists of letter of credit rights, electronic chattel paper, deposit accounts or supporting obligations not maintained with the Lender or one of its affiliates, or any securities entitlement, securities account, commodities account, commodities contract or other investment property, then at the Lender's request the Grantor will execute, and will cause the depository institution or securities intermediary upon whose books and records the ownership interest of the Grantor in such Asset appears, to execute such Pledge Agreements, Notification and Control Agreements or other agreements as the Lender deems necessary in order to perfect, prioritise and protect its security interest in such Assets, in each case in a form satisfactory to the Lender.

6. RECEIVER

- 6.1 At any time after the Lender's demand for payment from the Grantor of any Indebtedness (or if so requested by the Grantor), the Lender may appoint by writing any person or persons to be an administrative receiver or a receiver and manager or receivers and managers ('the Receiver', which expression shall include any substituted receiver(s) and manager(s)) of all or any part of the Assets. Without limiting the

Lender's rights under this clause 6.1 or at law, the Lender may, whether or not any demand has been made for payment of the Indebtedness, appoint a Receiver if the Lender becomes aware of any of the matters referred to in clause 3.2(e) or if the security created by this Security Agreement shall be in jeopardy.

- 6.2 The Lender may from time to time determine the remuneration of the Receiver and may remove the Receiver and appoint another in his place.
- 6.3 The Receiver shall be the Grantor's agent and shall have all powers conferred by the Acts. The Grantor alone shall be responsible for his acts and omissions and for his remuneration. In particular, but without limiting any general powers or the Lender's power of sale, the Receiver shall have power:
- (a) to take possession of collect and get in all or any part of the Assets and for that purpose to take any proceedings in the Grantor 's name or otherwise as he shall think fit;
 - (b) to carry on or concur in carrying on the Grantor 's business and raise money from the Lender or others on the security of all or any part of the Assets;
 - (c) to sell, let and/or terminate or to accept surrenders of leases or tenancies of any part of the Property, in such manner and on such terms as he thinks fit;
 - (d) to take, continue or defend any proceedings and make any arrangement or compromise which the Lender or he shall think fit;
 - (e) to make and effect all repairs, improvements and insurances;
 - (f) to appoint managers, officers and agents for any of the above purposes, at such salaries as the Receiver may determine;
 - (g) to call up any of the Grantor 's uncalled capital;
 - (h) to promote the formation of a subsidiary company or companies of the Grantor, so that such subsidiary may purchase, lease, license or otherwise acquire interests in all or any part of the Assets; and
 - (i) to do all other acts and things which he may consider to be incidental or conducive to any of the above powers.
- 6.4 Any moneys received under this Security Agreement shall be applied:
- (a) first, in satisfaction of all costs, charges and expenses properly incurred and payments properly made by the Lender or the Receiver and of the remuneration of the Receiver;
 - (b) secondly, in or towards satisfaction of the Indebtedness in such order as the Lender shall determine; and
 - (c) thirdly, the surplus (if any) shall be paid to the person or persons entitled to it.

7. MISCELLANEOUS

- 7.1 No statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies of any part of the Property may be exercised by the Grantor without the Lender's prior written consent. Section 93 of the Law of Property Act 1925 shall not apply.
- 7.2 By notice in writing to the Grantor, the Lender may at any time convert the floating charge created by clause 2.1(f) into a specific charge over any Assets specified in the notice which to the Lender's opinion are in imminent danger of being seized or sold under any form of distress, attachment or other legal process or to be otherwise in jeopardy.
- 7.3 This Security Agreement shall be:
- (a) without prejudice and in addition to any other security for the Indebtedness (whether by way of mortgage, equitable charge or otherwise) which the Lender may hold now or hereafter on all or any part of the Assets; and
 - (b) in addition to any rights, powers and remedies at law.
- 7.4 Section 103 of the Law of Property Act 1925 shall not apply. The statutory power of sale shall be exercisable at any time after the execution of this Security Agreement. The Lender shall not exercise its power of sale until payment has been demanded, but this provision shall not affect a purchaser or put him on inquiry whether such demand has been made.
- 7.5 No failure or delay on the Lender's part in the exercise of any of its rights, powers and remedies (in this clause 7 'right(s)') under this Security Agreement or at law shall operate or be construed as a waiver. No waiver of any of the Lender's rights shall preclude any further or other exercise of that right or of any other right.
- 7.6 The Lender may give time or other indulgence or make any other arrangement, variation or release with any person in respect of the Indebtedness or any other security or guarantee for the Indebtedness without derogating from the Grantor's liabilities or the Lender's rights under this Security Agreement.
- 7.7 The Grantor certifies that the charges created by this Security Agreement do not contravene any provision of its memorandum and articles of association or any agreement binding on it or any of the Assets.

8. POWER OF ATTORNEY

By way of security, the Grantor hereby irrevocably appoints the Lender and any Receiver jointly and severally as its attorney, with full power of delegation, for it and in its name and on its behalf and as its act and deed or otherwise, to seal, deliver and otherwise perfect any deed, assurance, agreement, instrument or act which may be required or may be deemed proper for any of the above purposes.

9. COSTS

All costs, charges and expenses incurred by the Lender and all other moneys paid by the Lender or the Receiver in perfecting or otherwise in connection with this Security Agreement and all costs of the Lender or the Receiver of all proceedings for enforcement of this Security

Agreement shall be recoverable from the Grantor as a debt, may be debited to any account of the Grantor, bear interest accordingly and shall be charged on the Assets.

10. SEVERANCE

If at any time any provision in this Security Agreement is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Security Agreement shall not be impaired.

11. NOTICES

11.1 Any notices requests demands and other communications required to be given to either party under the terms of this contract shall be in writing and deemed duly served if:

- (a) delivered by hand; or
- (b) sent by ordinary registered or recorded post to such party or such party's solicitors at the addresses referred to in this contract or last known address; or
- (c) sent by fax machine to the receiving party's fax number.

11.2 Such notices requests demands or communications shall be deemed to be delivered or served at the time when:

- (a) the same is delivered to such address, if delivered by hand; or
- (b) if served by post, forty eight hours after the time of posting; or
- (c) if sent by fax machine, on the day that the same has been transmitted from the sending fax machine and a successful transmission report has been produced by the sending machine.

12. CHANGES IN WRITING

No modification, amendment or waiver of, or consent to any departure by the Grantor from, any provision of this Security Agreement will be effective unless made in a writing signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Grantor will entitle the Grantor to any other or further notice or demand in the same, similar or other circumstance.

13. ENTIRE AGREEMENT

This Security Agreement (including the documents and instruments referred to herein) and the creditors' agreement executed by the Lender and Plenus and countersigned, inter alia, by the Lender, the Company and the Grantor (the "**Creditors' Agreement**") constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. In case of any contradiction between the provisions of this Security Agreement and the Creditors' Agreement, the provisions of the Creditors' Agreement shall prevail.

14. COUNTERPARTS

This Security Agreement may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of signature page to this Security Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Security Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

15. SUCCESSORS AND ASSIGNS

Except as otherwise expressly stated to the contrary herein each of the parties hereto shall not assign or transfer any of its rights or obligations hereunder absent the prior written consent of the other party, which consent shall not be unreasonably withheld.

16. INTERPRETATION

In this Security Agreement, unless the Lender and the Grantor otherwise agree in writing, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; references to articles, sections (or subdivisions of sections) or exhibits are to those of this Security Agreement; and references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Security Agreement.

17. INDEMNITY

The Grantor agrees to indemnify each of the Lender, each legal entity, if any, who controls the Lender and each of their respective directors, officers and employees (the "**Indemnified Parties**") and to hold each Indemnified Party harmless from and against any and all claims, damages, losses, liabilities and expenses (including all fees and charges of internal or external counsel with whom any Indemnified Party may consult and all expenses of litigation and preparation therefor) which any Indemnified Party may incur or which may be asserted against any Indemnified Party by any person, entity or governmental authority (including any person or entity claiming derivatively on behalf of the Grantor), in connection with or arising out of or relating to the matters referred to in this Security Agreement or the Indebtedness, whether (a) arising from or incurred in connection with any breach of a representation, warranty or covenant by the Grantor, or (b) arising out of or resulting from any suit, action, claim, proceeding or governmental investigation, pending or threatened, whether based on statute, regulation or order, or tort, or contract or otherwise, before any court or governmental authority; provided, however, that the foregoing indemnity agreement shall not apply to any claims, damages, losses, liabilities and expenses solely attributable to an Indemnified Party's gross negligence or willful misconduct. The indemnity agreement contained in this clause shall survive the termination of this Security Agreement, payment of the Indebtedness and assignment of any rights hereunder. The Grantor may participate at its expense in the defense of any such claim.

18. LAW

This Security Agreement shall be governed by and construed in accordance with English law and the parties hereby submit to the exclusive jurisdiction of the Courts of England and Wales.

19. TERMINATION

Upon the indefeasible payment in full of the Indebtedness, and if the Grantor has no further obligations under any of the Prior Credit Agreements and Loan and Credit Agreement, the security interests granted hereby shall terminate and all rights to the Assets shall revert to the Grantor. Upon any such termination, the Lender shall, at the Grantor's expense, promptly execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination.

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**EXHIBIT A
TO SECURITY AGREEMENT**

1. Grantor's form of organization (i.e., corporation, partnership, limited liability company):
Private company limited by shares
2. Grantor's jurisdiction of organisation, if a registered organisation (i.e., corporation, limited partnership or limited liability company): England and Wales
3. Grantor's principal residence, if a natural person or general partnership:
4. Address of Grantor's chief executive office, including the County: 3 Sapir St., Ampa Bldg., POB 12003, Herzliya 46733, Israel
5. Grantor's EIN, if not a natural person:
6. Grantor's organizational ID# (if any exists): Company No: 05633563
7. Address for books and records, if different: 205A High Street, West Wickham, Kent BR4 0PH, UK
8. Addresses of other Assets locations, including Counties, for the past five (5) years:
9. Name and address of landlord or owner if location is not owned by the Grantor:
10. Other names or tradenames now or formerly used by the Grantor:
11. List of all existing Commercial Tort Claims (by case title with court and brief description of claim):