



Registration of a Charge

Company name: **IMAGINATION INDUSTRIES LTD**

Company number: **06890468**



X41WF889

Received for Electronic Filing: **24/02/2015**

Details of Charge

Date of creation: **23/02/2015**

Charge code: **0689 0468 0004**

Persons entitled: **DANIEL GREEN**

Brief description: **A TRADE MARK LICENCE DATED 27 NOVEMBER 2014, BETWEEN THE COMPANY AND OVO ENERGY LIMITED IN RELATION TO TRADE MARKS OWNED BY 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: 6890468

Charge code: 0689 0468 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd February 2015 and created by IMAGINATION INDUSTRIES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th February 2015 .

Given at Companies House, Cardiff on 25th February 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: 23 FEBRUARY 2015

Security Agreement

between

Imagination Industries Limited (registered no. 06890468)
as Chargor

and

Daniel Green
as Secured Party

relating to

an Intra-Group Trade Mark Licence

Simmons & Simmons

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THIS DEED is dated 23 February 2015 and made

BETWEEN:

- (1) **IMAGINATION INDUSTRIES LIMITED** incorporated and registered in England and Wales with company number 06890468 whose registered office is at 1 Rivergate, Temple Quay, Bristol BS1 6ED (the "Chargor"); and
- (2) **DANIEL GREEN**, of 14 Downage, London, NW4 1AH (the "Secured Party").

BACKGROUND:

- (A) The Secured Party will subscribe for a certain amount of A Ordinary shares in the capital of the Chargor on and subject to the terms of the Investment Deed (as defined below), which includes a put and call option between the Secured Party and the Chargor (the "Investment").
- (B) In return for making the Investment, the Chargor has agreed to provide security to the Secured Party over the Trade Mark Licence and does so pursuant to this Deed.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

IT IS AGREED as follows:

1. **Interpretation**

1.1 **Definitions**

In this Deed :

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

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"Charged Property" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Transaction Security.

"Delegate" means any delegate or sub delegate appointed under clause 15 (*Delegation*).

"Enforcement Event" means any event or circumstance specified as such in clause 9 (*Enforcement Events*).

"Investment Deed" means the investment deed, dated on or about the date of this Deed, between the Chargor, the Secured Party, the Chargor and Stephen James Fitzpatrick.

"LPA" means the Law of Property Act 1925.

"Material Adverse Effect" means in the reasonable opinion of the Secured Party a material adverse effect on or material adverse change in:

- (A) the business, operations, property, condition (financial or otherwise) or prospects of the Chargor;

- (B) the ability of the Chargor to perform and comply with its payment obligations under the Investment Deed;
- (C) the validity, legality or enforceability of the Investment Deed or the rights and remedies of the Secured Party under the Investment Deed; or
- (D) the validity, legality or enforceability of, or the effectiveness or ranking of any Transaction Security or the rights and remedies of the Lender under or in respect of any Transaction Security.

"Party" means a party to this Deed.

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property.

"Secured Liabilities" means the obligations and liabilities of the Chargor to the Secured Party under the Investment Deed.

"Secured Party" means the Secured Party, a Receiver or any Delegate.

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

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Secured Party is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

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

"Trade Mark Licence" means the Intra-Group Trade Mark Licence, dated 27 November 2014, between the Chargor (then known as Ovo Group Limited) as licensor and Ovo Energy Limited as licensee in relation to certain trade marks owned by the licensor.

"Transaction Security" means the Security created or expressed to be created in favour of Secured Party pursuant to this Deed.

"VAT" means:

- (A) any tax imposed in compliance with Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (B) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referenced in paragraph (A) above, or imposed elsewhere.

1.2 Construction

(A) Unless a contrary indication appears, a reference in this Deed to:

- (1) any "Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

- (2) "assets" includes present and future properties, revenues and rights of every description;
 - (3) the "Investment Deed" or any other agreement or instrument is a reference to the Investment Deed or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of that Investment Deed or other agreement or instrument;
 - (4) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (5) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - (6) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (7) a provision of law is a reference to that provision as amended or re-enacted;
 - (8) a time of day is a reference to London time; and
 - (9) "Charged Property" includes any part of that Charged Property and the proceeds of that Charged Property.
- (B) Clause and Schedule headings are for ease of reference only.
 - (C) Unless a contrary indication appears, a term used in the Investment Deed has the same meaning in the Investment Deed when used in this Deed
 - (D) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period.
 - (E) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing.

1.3 Third party rights

- (A) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- (B) Any Receiver or Delegate may subject to this clause 1.3 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. Creation of Security

2.1 Security generally

All the Transaction Security:

- (A) is created in favour of the Secured Party;
- (B) is created over the present and future Charged Property of the Chargor;
- (C) is security for the payment of all the Secured Liabilities; and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.2 Contract

- (A) The Chargor assigns absolutely to the Secured Party all of its rights and interests under the Trade Mark Licence.
- (B) To the extent that any such right described in clause 2.2(A) is not capable of assignment, the assignment of that right purported to be effected by clause 2.2(A) shall operate as an assignment of any damages, compensation, remuneration, profit or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (C) If the Chargor assigns an agreement or document under this Deed and the assignment breaches a term of that agreement or document because a third party's consent has not been obtained:
 - (1) the Chargor must notify the Secured Party immediately;
 - (2) the assignment or charge will not take effect until that consent is obtained;
 - (3) unless the Secured Party otherwise requires, the Chargor shall, use all reasonable endeavours to obtain the consent as soon as practicable; and
 - (4) the Chargor must promptly supply to the Secured Party a copy of the consent obtained by it.

2.3 Authorisations

The Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation.

3. Continuing Security

3.1 Continuing Security

The Transaction Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

3.2 **Additional security**

The Transaction Security:

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by the Secured Party; and
- (B) may be enforced against the Chargor without having recourse to any other rights of the Secured Party.

4. **Further assurance**

- (A) The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Secured Party may reasonably specify (and in such form as the Secured Party may reasonably require in favour of the Secured Party or its nominee(s)):
 - (1) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Secured Party provided by or pursuant to the Investment Deed or by law; and/or
 - (2) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.
- (B) The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Secured Party by or pursuant to this Deed.

5. **Restrictions on dealing**

5.1 **Disposals**

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Charged Property except as permitted by the Investment Deed.

6. **Contracts**

6.1 **Representations**

The Chargor represents and warrants to the Secured Party that:

- (A) all payments to it by any other party to the Trade Mark Licence are not subject to any right of set-off or similar right;
- (B) the Trade Mark Licence is its legally binding, and enforceable obligation;
- (C) it is not in default of any of its material obligations under any the Trade Mark Licence;

- (D) there is no prohibition on assignment in the Trade Mark Licence; and
- (E) its entry into and performance of this Deed will not conflict with any term of the Trade Mark Licence.

6.2 Documents

The Chargor shall promptly deliver to the Secured Party a copy of an executed original of the Trade Mark Licence as now in effect and as requested by the Secured Party and shall promptly deliver such other documents relating to the Trade Mark Licence as the Secured Party reasonably requires.

6.3 No variation etc

The Chargor shall not:

- (A) amend, vary or waive (or agree to amend, vary or waive) any provision of the Trade Mark Licence, exercise any right to rescind, cancel or terminate the Trade Mark Licence, release any counterparty from any obligations under the Trade Mark Licence;
- (B) waive any breach by any counterparty to the Trade Mark Licence or consent to any act or omission which would otherwise constitute such a breach of the Trade Mark Licence; or
- (C) novate, transfer or assign any of its rights under the Trade Mark Licence.

6.4 Breach

The Chargor shall notify the Secured Party of any breach of the Trade Mark Licence by it or any other party and any right of it or any other party arising to terminate or rescind the Trade Mark Licence promptly on becoming aware of the same.

6.5 Information

The Chargor shall promptly provide the Secured Party with any information it reasonably requires in relation to the Trade Mark Licence.

6.6 Rights

- (A) Subject to the rights of the Secured Party under clause 6.6(B), the Chargor must diligently pursue its rights under the Trade Mark Licence, but only if and to the extent that the exercise of those rights in the manner proposed would not result in an Enforcement Event.
- (B) At any time when an Enforcement Event is continuing, the Secured Party may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) any of the Chargor's rights under the Trade Mark Licence.

6.7 Notices of assignment

- (A) The Chargor shall immediately serve a notice of assignment, substantially in the form as set out in Schedule 1 (*Notice to Counterparty to the Trade Mark Licence*) to this Deed, on the counterparty to the Trade Mark Licence.

- (B) The Chargor shall use reasonable endeavours to ensure that each person referred to in clause 6.7(A) acknowledges receipt of that notice, substantially in the form as set out in Schedule 1 (*Notice to Counterparty to the Trade Mark Licence*) to this Deed.

7. Representations

The Chargor makes the representations and warranties set out in this clause 7 to the Secured Party.

7.1 Status

- (A) It is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (B) It has the power to own its assets and carry on its business as it is being conducted.

7.2 Binding obligations

The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.

7.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

- (A) any law or regulation applicable to it;
- (B) its constitutional documents; or
- (C) any agreement or instrument binding upon it or any of its assets.

7.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.

7.5 Validity and admissibility in evidence

All Authorisations required or desirable:

- (A) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
- (B) to make this Deed admissible in evidence in its jurisdiction of incorporation; and
- (C) to enable it to create the Security created or expressed to be created pursuant to this Deed and to ensure that such Security has the priority and ranking it is expressed to have,

have been obtained or effected and are in full force and effect.

7.6 Governing law and enforcement

- (A) The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- (B) Any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

7.7 Pari passu ranking

Its payment obligations under this Deed rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

7.8 Security

This Deed creates (or, once entered into, will create) in favour of the Secured Party, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have.

7.9 Legal and beneficial ownership

It is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed.

7.10 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it.

8. General Undertakings

8.1 Authorisations

The Chargor shall promptly:

- (A) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (B) supply certified copies to the Secured Party of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed.

8.2 Compliance with laws

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

8.3 **Negative pledge**

The Chargor shall not create or permit to subsist any Security over any Charged Property.

9. **Enforcement Events**

Each of the events or circumstances set out in this clause 9 is an Enforcement Event.

9.1 **Non-payment**

The Chargor does not pay on the due date any amount payable pursuant to the Investment Deed unless its failure to pay is caused by administrative or technical error and payment is made within 3 Business Days of its due date.

9.2 **Misrepresentation**

Any representation or statement made or deemed to be made by the Chargor in the Investment Deed is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

9.3 **Insolvency**

- (A) The Chargor is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
- (B) The value of the assets of the Chargor is less than its liabilities (taking into account contingent and prospective liabilities).
- (C) A moratorium is declared in respect of any indebtedness of the Chargor.

9.4 **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor;
- (B) a composition, compromise, assignment or arrangement with any creditor of the Chargor;
- (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or
- (D) enforcement of any Security over any assets of the Chargor,

or any analogous procedure or step is taken in any jurisdiction.

9.5 **Unlawfulness**

It is or becomes unlawful for the Chargor to perform any of its obligations under the Investment Deed.

10. Enforcement

10.1 When enforceable

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs and the Secured Party gives notice to the Chargor that the Security created by or expressed to be created by this Deed is enforceable.

10.2 Power of sale

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

10.3 Section 103 of the LPA

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed.

10.4 Section 93 of the LPA

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed.

10.5 No liability as mortgagee in possession

Neither the Secured Party nor any Receiver or Delegate will be liable, by reason of entering into possession of any Charged Property, to account as mortgagee in possession for any loss on realisation of for any default or omission for which a mortgagee in possession might be liable.

10.6 Privileges

The Secured Party, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (restricting the power of sale) does not apply.

10.7 No duty to enquire

No person dealing with the Secured Party, any Receiver or any Delegate shall be concerned to enquire:

- (A) whether the rights conferred by or pursuant to the Investment Deed are exercisable;
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (D) as to the application of any money borrowed or raised.

10.8 Protection to purchasers

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc.) of the LPA, Section 42(3)

of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Secured Party, any Receiver or any Delegate.

10.9 Financial collateral arrangements

- (A) To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "Regulations") apply to any Charged Property the Secured Party shall have the right to appropriate any Charged Property which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities.
- (B) The value of any Charged Property appropriated in accordance with this clause 10.9 shall be, in the case of cash, the amount of the cash appropriated.
- (C) The Chargor agrees that the method of valuation provided for in this clause 10 is commercially reasonable for the purposes of the Regulations.

11. Receiver

11.1 Appointment of receiver

- (A) The Secured Party may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if:
 - (1) an Enforcement Event occurs; or
 - (2) requested to do so by the Chargor.
- (B) Any appointment under clause 11.1(A) may be by deed, under seal or in writing under hand.

11.2 Removal

The Secured Party may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated.

11.3 Remuneration

The Secured Party may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply.

11.4 Agent of Chargor

- (A) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (B) The Secured Party will not incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons.

11.5 **Secured Party's rights**

Any rights conferred by the Investment Deed upon a Receiver may be exercised by the Secured Party, whether or not the Secured Party shall have taken possession or appointed a Receiver of the Charged Property.

12. **Powers of Receiver**

12.1 **General**

- (A) A Receiver has all of the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver under the LPA and a receiver or an administrative receiver under the Insolvency Act 1986.
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

12.2 **Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property.

12.3 **Carry on business**

A Receiver may carry on the business of the Chargor in any manner he thinks fit.

12.4 **Employees**

- (A) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (B) A Receiver may discharge any person appointed by the Chargor.

12.5 **Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Charged Property either in priority to the Security created by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit.

12.6 **Sale of assets**

- (A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.+

12.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property.

12.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit.

12.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Property.

12.10 Subsidiaries

A Receiver may form a subsidiary of the Chargor and transfer to that subsidiary any Charged Property.

12.11 Delegation

A Receiver may delegate his powers in accordance with this Deed.

12.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

12.13 Protection of assets

A Receiver may:

- (A) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property;
- (B) commence and/or complete any building operation; and
- (C) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

12.14 Other powers

A Receiver may:

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property; and

(C) use the name of the Chargor for any of the above purposes.

13. **Power of attorney**

13.1 **Appointment**

The Chargor by way of security irrevocably appoints the Secured Party, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise as such time and in such manner as the attorney may think fit to exercise any of the rights conferred on the Secured Party, any Receiver or any Delegate in relation to the Charged Property or under the LPA or the Insolvency Act 1986.

13.2 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause.

14. **Tacking**

The Secured Party shall comply with its obligations under the Investment Deed (including any obligation to make further advances).

15. **Delegation**

15.1 **Delegate and sub-delegates**

The Secured Party or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

15.2 **Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Secured Party or any Receiver thinks fit.

15.3 **Liability**

Neither the Secured Party nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

16. **Preservation of security**

16.1 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by Secured Party in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

16.2 **Waiver of defences**

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

obligations under this Deed (without limitation and whether or not known to it or the Secured Party) including:

- (A) any time, waiver or consent granted to, or composition with, any other person;
- (B) the release of any other person under the terms of any composition or arrangement with any creditor of any other person;
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of the Investment Deed or any other document or security;
- (F) any unenforceability, illegality or invalidity of any obligation of any person under the Investment Deed or any other document or security; or
- (G) any insolvency or similar proceedings.

16.3 Immediate recourse

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

16.4 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Investment Deed have been irrevocably paid in full, the Secured Party (or any trustee or agent on its behalf) may:

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

16.5 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Investment Deed have been irrevocably paid in full and unless the Secured Party otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Investment Deed or by reason of any amount being payable, or liability arising, under this Deed:

- (A) to be indemnified by any other person;
- (B) to claim any contribution from any other guarantor of the Chargor's obligations under the Investment Deed;
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Party under the Investment Deed or of any other guarantee or security taken pursuant to, or in connection with, the Investment Deed by the Secured Party;
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under the Investment Deed;
- (E) to exercise any right of set-off against any other person; and/or
- (F) to claim or prove as a creditor of any other person in competition with the Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Party by the Chargor under or in connection with the Investment Deed to be repaid in full on trust for the Secured Party and shall promptly pay or transfer the same to the Secured Party or as the Secured Party may direct for application in accordance with clause 21 (*Payments*) this Deed.

17. **Taxes**

17.1 **Stamp taxes**

The Chargor shall pay and, within three Business Days of demand, indemnify the Secured Party against any cost, loss or liability the Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of this Deed.

17.2 **Value added tax**

- (A) All consideration expressed to be payable under this Deed by any Party to the Secured Party shall be deemed to be exclusive of any VAT. Subject to paragraph 17.2(B) below, if VAT is chargeable on any supply made by the Secured Party to any Party in connection with this Deed, that Party shall pay to the Secured Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT.
- (B) If VAT is chargeable on any supply made by the Secured Party (the "Supplier") to any other person (the "Recipient") in connection with this Deed, and any Party is required by the terms of this Deed to pay an amount equal to the consideration for such supply to the Supplier, such Party shall also pay to the Supplier (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT.
- (C) Where this Deed requires any Party to reimburse the Secured Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Secured Party against all VAT incurred by the Secured Party in respect of the costs or expenses to the extent that the Secured Party reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of the VAT.

18. **Costs and expenses**

18.1 **Transaction expenses**

The Chargor shall promptly on demand pay the Secured Party the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing, execution and perfection of this Deed.

18.2 **Amendment costs**

If the Chargor requests an amendment, waiver or consent, the Chargor shall, within three Business Days of demand, reimburse the Secured Party for the amount of all costs and expenses (including legal fees) reasonably incurred by the Secured Party in negotiating or complying with that request or requirement.

19. **Enforcement expenses**

Enforcement expenses

The Chargor shall, within three Business Days of demand, pay to the Secured Party the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Secured Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Transaction Security and any proceedings instituted by or against the Secured Party as a consequence of taking or holding the Transaction Security or enforcing these rights.

20. **Changes to the Parties**

20.1 **Assignments and transfer by the Chargor**

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

20.2 **Assignment and transfer by the Secured Party**

The Secured Party may assign any of its rights or transfer any of its rights or obligations under this Deed to any person.

21. **Payments**

21.1 **Payments**

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Secured Party may direct.

21.2 **Order of distributions**

All amounts received or recovered by the Secured Party or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order:

- (A) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it;

- (B) second, in or towards payment of the Secured Liabilities in the order selected by the Secured Party; and
- (C) third, in payment of any surplus to the Chargor or other person entitled to it.

21.3 **No set-off by Chargor**

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

22. **Set-Off**

The Secured Party may set off any matured obligation due from the Chargor under the Investment Deed (to the extent beneficially owned by the Secured Party) against any matured obligation owed by the Secured Party to the Chargor, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

23. **Notices**

23.1 **Communications in writing**

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

23.2 **Addresses**

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is identified with its name below or any substitute address as the Party may notify to the other Party by not less than five Business Days' notice.

The addresses for service of notice are:

The Secured Party

Address: Daniel Green, 14 Downage, London, NW4 1AH

The Chargor

Address: Imagination Industries Limited, 3rd Floor, Astley House, London, W11 3JQ

For the attention of: Vincent Casey

23.3 **Delivery**

- (A) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.
- (B) Any communication or document to be made or delivered to the Secured Party will be effective only when actually received by the Secured Party and then only if it is

expressly marked for the attention of the department or officer identified with the Secured Party's signature below (or any substitute department or officer as the Secured Party shall specify for this purpose).

23.4 Notification of address and fax number

Promptly upon receipt of notification of an address or change of address pursuant to clause 23.2 (*Addresses*) or changing its own address or fax number, the Secured Party shall notify the other Party.

23.5 English language

- (A) Any notice given under or in connection with the Investment Deed must be in English.
- (B) All other documents provided under or in connection with the Investment Deed must be:
 - (1) in English; or
 - (2) if not in English, and if so required by the Secured Party, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

24. Release of Security

24.1 Release

At the end of the Security Period the Secured Party shall at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed by executing a deed of release in the form scheduled to the Investment Deed and by entering into such other documents and/or doing such other acts and things which are necessary to reassign the Charged Portfolio, including, but not limited to, reassigning all of the rights and interests under the Trade Mark Licence back to the Chargor.

24.2 Retention

If the Secured Party considers that any amount paid or credited to it under the Investment Deed is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

25. Partial Invalidity

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

26. **Remedies and Waivers**

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

27. **Counterparts**

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

28. **Costs**

Save as otherwise expressly provided in this Deed, the Chargor shall bear and pay (or procure the payment of) all of the Secured Party's costs arising, out of or in connection with the preparation, negotiation and implementation of this Deed. The Chargor shall bear its own costs arising, out of or in connection with the preparation, negotiation and implementation of this Deed.

29. **Governing Law**

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

30. **Enforcement**

30.1 **Jurisdiction**

- (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 or any non contractual obligations arising out of or in connection with 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.
- (C) This clause 30.1 is for the benefit of the Secured Party only. As a result, the Secured Party shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Party may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1 : NOTICE TO COUNTERPARTY TO THE TRADE MARK LICENCE

To: Ovo Energy Limited

Address: 1 Rivergate,
Temple Quay
Bristol, BS1 6ED

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] 2015 between Imagination Industries Limited as chargor and Daniel Green as secured party (the "Secured Party") we have assigned to the Secured Party all of our present and future right, title and interest in and to an Intra-Group Trade Mark Licence, dated 27 November 2014, between Ovo Group Limited (now known as Imagination Industries Limited) as licensor and Ovo Energy Limited as licensee in relation to certain trade marks owned by the licensor (the "Agreement").

We will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement. None of the Secured Party, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement.

We will be entitled to exercise all of its rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Secured Party to the contrary. In this event, all the rights, powers and discretions under the Agreement, including, but not limited to, the right to receive payment of Royalties under the Agreement, will be exercisable by, and notices must be given to, the Secured Party or as it directs.

Please note that we have agreed not to amend, waive or vary any provision of or terminate the Agreement without the prior consent of the Secured Party.

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions.

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

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Agreement as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Secured Party at 14 Downage, London, NW4 1AH.

.....

For and on behalf of
Imagination Industries Limited
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Agreement.

.....

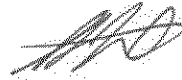
For and on behalf of
Ovo Energy Limited

Date:

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a deed by)
IMAGINATION INDUSTRIES LIMITED)
acting by STEPHEN FITZPATRICK)
as Director)



in the presence of:

Signature of Witness: 

Name: VINCENT CASEY

Address: 28 CARMALT GARDENS

SWIS GWE

Occupation: CORPORATE FINANCE

The Secured Party

EXECUTED as a deed by)
DANIEL GREEN)
)
)

in the presence of:

Signature of Witness:

Name:

Address:

Occupation:

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a deed by)
IMAGINATION INDUSTRIES LIMITED)
acting by STEPHEN FITZPATRICK)
as Director)

in the presence of:

Signature of Witness:

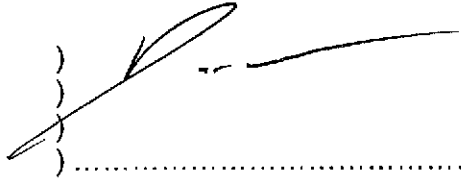
Name:

Address:

Occupation:

The Secured Party

EXECUTED as a deed by)
DANIEL GREEN)
.....



in the presence of:

Signature of Witness:

Name: C. HANAGE

Address: 16 GT QUEEN ST.

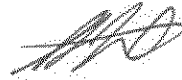
LONDON W22

Occupation: DIRECTOR

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a deed by)
IMAGINATION INDUSTRIES LIMITED)
acting by STEPHEN FITZPATRICK)
as Director)



in the presence of:

Signature of Witness: 

Name: VINCENT CASEY

Address: 28 CARMALT GARDENS

SWIS GWE

Occupation: CORPORATE FINANCE

The Secured Party

EXECUTED as a deed by)
DANIEL GREEN)
)
)

in the presence of:

Signature of Witness:

Name:

Address:

Occupation: