



**Registration of a Charge**

Company name: **INTELESANT LIMITED**

Company number: **08227235**



X84FAWGJ

Received for Electronic Filing: **29/04/2019**

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**Details of Charge**

Date of creation: **12/04/2019**

Charge code: **0822 7235 0004**

Persons entitled: **GRAHAM CLEMPSON**

Brief description:

**Contains fixed charge(s).**

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

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

**GATELEY PLC**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 8227235

Charge code: 0822 7235 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th April 2019 and created by INTELESANT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th April 2019 .

Given at Companies House, Cardiff on 30th April 2019

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

# Gateley

DATED 12 APRIL 2019

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- (1) INTELESANT LIMITED
- (2) GRAHAM CLEMPSON

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DEBENTURE

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DATE: 12 APRIL

2019

**PARTIES:**

(1) **INTELESANT LIMITED** a company incorporated and registered in England and Wales (registered number 08227235) whose registered address is at Unit 45 Greenheys Business Centre, Pencroft Way, Manchester, England, M15 6JJ (the **Chargor**); and

(2) **GRAHAM CLEMPSON** of 43 Glebe Place, London SW3 5JE (the **Chargee**).

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Debenture the following definitions will apply:

**Administrator**

any person appointed to be an administrator of the **Chargor** pursuant to paragraph 14 of Schedule B1 Insolvency Act;

**Business Day**

any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;

**Charged Assets**

all property and assets from time to time charged by or pursuant to this Debenture (and references to the **Charged Assets** shall include any part of them);

**Companies Act**

the Companies Act 2006;

**Debtor**

any person who is liable (whether as principal debtor or as surety and whether actually or contingently) to discharge or pay a Receivable;

**Default Interest**

any interest accruing in accordance with clause 3;

**Default Rate**

12% per annum;

**Disposal**

includes any sale, transfer, lease, licence, or parting with possession or granting any interest in;

**Encumbrance**

a mortgage, charge, pledge, trust, assignment by way of security, lien, hypothecation or other encumbrance, arrangement or security interest securing any obligation of any person or any other agreement or arrangement having a similar effect or any title retention rights or set-off rights created by agreement;

**Enfranchising Legislation**

any legislation conferring upon a tenant or tenants of property (whether individually or collectively with other tenants of that or other properties) the right to acquire a new lease of that property or to acquire, or require a nominee to acquire, the freehold or any intermediate reversionary interest in that property including (without limitation) the Leasehold Reform Act 1967, the Leasehold Reform, Housing and Urban Development Act 1993, the Housing Act 1996 and the Commonhold and Leasehold Reform Act 2002 but does not include Part II of the Landlord and Tenant Act 1954;

**Equipment**

all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations, apparatus and other tangible moveable property for the time being owned by

the Chargor, including any part of it and all spare parts, replacements, modifications and additions;

**Event of Default**

has the meaning given to that term in the Facility Agreement;

**Facility Agreement**

the facility letter to be dated the date of this debenture and to be made between (1) the Chargor (as borrower) and (2) the Chargee (as lender) pursuant to which the Chargee has agreed to provide a loan to the Chargor;

**Finance Documents;**

has the meaning given to that term in the Facility Agreement; and any other agreement or document designated as a Finance Document by the Chargor and the Chargee from time to time; and any Encumbrance granted in favour of the Chargee in respect of the obligations of the Chargor to the Chargee from time to time;

**Financial Collateral**

shall have the meaning given to that expression in the Financial Collateral Regulations;

**Financial Collateral Regulations**

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

**Insurances**

any policies of insurance in which the Chargor has an interest from time to time;

**Intellectual Property**

all intellectual property rights or equivalent, including:

- (a) patents, registered and unregistered trade and service marks, business names, domain names, copyright, rights in designs, rights in inventions, database rights and topography rights (whether or not registered);
- (b) applications for any or all of the rights in (a) above, together with the right to apply for registration of such rights;
- (c) know-how, trade secrets, confidential information, technical information, customer and supplier lists and any other proprietary knowledge and/or information of whatever nature and howsoever arising

together with any rights or types of protection of the same or of a similar nature to those listed in (a), (b) or (c) which may subsist anywhere in the world and in each case for their full term (including any reversions or extensions) and/or effect;

**Insolvency Act**

the Insolvency Act 1986;

**LPA**

the Law of Property Act 1925;

**Material Contracts**

all material agreements or arrangements entered into by the Chargor whether within or outside the Chargor's normal and ordinary course of trading;

**Permitted Disposal**

a Disposal that is not prohibited by the terms of any Finance Document of any Charged Asset charged by way of uncrystallised floating charge only for market value in the ordinary course of business;

**Property**

any freehold and leasehold property that is a Charged Asset;

**Receivables:**

- (a) all present and future book and other debts, rentals, royalties, fees, VAT and monetary claims due or owing to the Chargor and all other amounts recoverable or receivable by the Chargor from other persons or due or owing to the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever);
- (b) the benefit of all rights and remedies of any nature relating to any of the foregoing including claims for damages and other remedies for non-payment of the same, all entitlements to interest, negotiable instruments, guarantees, indemnities, Encumbrances, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights; and
- (c) all proceeds of any of the foregoing;

**Receiver**

any receiver, manager or receiver and manager appointed by the Chargee under this Debenture;

**Related Rights**

in relation to any Securities, means all dividends, distributions and other income paid or payable on such Securities (as the case may be), together with (a) all shares or other property derived from such Securities (as the case may be) and (b) all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to such Securities (whether by way of dividend, distribution, conversion, redemption, bonus, preference, warrant, option to acquire or subscribe or otherwise);

**Secured Liabilities**

all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or in any other capacity whatsoever or as the equivalent obligor under the laws of any other jurisdiction) of the Chargor to the Chargee under any of the Finance Documents and including any obligations and liabilities of the Chargor to third parties assigned, novated or otherwise vested in the Chargee (all such obligations and liabilities the Obligations ) together with:

- (a) all costs, charges and expenses incurred by the Chargee in connection with the protection, preservation or enforcement of the Chargee's rights under any of the Finance Documents;
- (b) any refinancing, novation, refunding, deferral or extension of any of the Obligations;
- (c) any further advances and additional facilities which may be made by the Chargee to the Chargor under any agreement expressed to be supplemental to any of the Finance Documents and all interest, fees and costs in connection with the same;
- (d) any claim for damages or restitution in the event of rescission of any of the Obligations or otherwise in connection with any of the Finance Documents;
- (e) any claim against the Chargor flowing from the recovery by the Chargor of a payment or discharge in respect of any of the Obligations on grounds of preference or otherwise;
- (f) all interest (including Default Interest) accruing in respect of the Obligations; and



- (g) any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

provided that no obligation or liability shall be included in this definition of Secured Liabilities to the extent that, if it were so included, this Debenture (or any part of it) would constitute unlawful financial assistance within the meaning of sections 678 and 680 of the Companies Act;

**Securities**

all present and future stocks, shares, loan capital, investments, debentures, bonds, warrants, coupons or other securities (whether or not marketable) held by the Chargor (at law or in equity) together with all Related Rights;

**Security Financial Collateral Arrangement**

has the meaning given to that expression in the Financial Collateral Regulations;

**Spot Rate of Exchange**

on a particular day, the spot rate of exchange of the Chargee, for the purchase of the relevant currency in the London foreign exchange market with sterling at or about 10.00am (London time) on such day;

**Taxes**

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); and

**VAT**

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

**1.2 In this Debenture, a reference to:**

- 1.2.1 a clause or a schedule is, unless otherwise stated, a reference to a clause of, or a schedule to, this Debenture;
- 1.2.2 a paragraph is, unless otherwise stated, a reference to a paragraph of a schedule;
- 1.2.3 a statutory provision includes a reference to that statutory provision as replaced, modified or re-enacted from time to time and any subordinate legislation made under that statutory provision from time to time, in each case whether before or after the date of this Debenture;
- 1.2.4 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- 1.2.5 a party means a party to this Debenture and a reference to the "Chargor", the "Chargee" or a party includes its permitted assignees and/or the successors in title to substantially the whole of its undertaking and, in the case of an individual, to his estate and personal representatives;
- 1.2.6 a company shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established;
- 1.2.7 writing shall include any mode of reproducing words in a legible and non-transitory form; and
- 1.2.8 this Debenture or any provision of this Debenture or any other document are to this Debenture, that provision or that document as in force for the time being and as amended, novated, supplemented, extended or restated from time to

time in accordance with the terms of this Debenture or that document or with the agreement of the relevant parties (as the case may be).

- 1.3 The schedules form part of this Debenture and have the same effect as if expressly set out in the body of this Debenture and shall be interpreted and construed as though they were set out in this Debenture.
- 1.4 The contents table and headings in this Debenture are for convenience only and do not affect the interpretation or construction of this Debenture.
- 1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.6 The words "other", "include", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.
- 1.7 For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement, the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated into this Debenture.
- 1.8 References to the "euro" shall be construed as a reference to the single currency of participating member states of the European Union.
- 1.9 "£" and "sterling" denotes lawful currency of the United Kingdom.

## **2. COVENANT TO PAY**

The Chargor covenants with the Chargee that it will pay or discharge on demand the Secured Liabilities when they fall due.

## **3. DEFAULT INTEREST**

- 3.1 Any amount which is not paid under this Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate.
- 3.2 Any amount payable under clause 22.1 shall bear interest from the date such costs, fees or other expenses are incurred until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate.
- 3.3 Default Interest will be calculated on the basis of the actual number of days elapsed and a year of 365 days and will be compounded at quarterly intervals.

## **4. FIXED AND FLOATING CHARGES AND ASSIGNMENT**

### **4.1 Fixed charges**

As a continuing security for the payment of the Secured Liabilities, the Chargor hereby, with full title guarantee, charges, and agrees to charge, in favour of the Chargee the following assets which are at any time owned by the Chargor or which it is from time to time interested:

- 4.1.1 by way of legal mortgage all the freehold and leasehold property (if any) vested in or charged to the Chargor, together with all buildings and fixtures (including trade fixtures) at any time thereon;
- 4.1.2 by way of fixed charge all other interests (not being charged by clause 4.1.1) in any freehold or leasehold property vested in or charged to the Chargor, the buildings and fixtures and fittings (including trade fixtures and fittings) at any time on or attached to such property, all proceeds of sale derived from such property, buildings, fixtures or fittings, the benefit of all covenants given in respect of such property, buildings, fixtures or fittings and all licences to enter upon or use land and the benefit of all other agreements relating to land;
- 4.1.3 where any leasehold property is charged pursuant to clause 4.1.1 or clause 4.1.2, by way of fixed charge any present or future right or interest conferred

upon the Chargor in relation to such leasehold property by virtue of any Enfranchising Legislation including any rights arising against any nominee purchaser pursuant to such Enfranchising Legislation;

- 4.1.4 by way of **fixed charge** all Equipment and all spare parts, replacements, modifications and additions for or to that Equipment and the benefit of all manuals, instructions, warranties, licences and maintenance agreements relating to it;
- 4.1.5 by way of **fixed charge** all the Securities;
- 4.1.6 by way of **fixed charge** all rights and interests of the Chargor in, and claims under, the Insurances and all proceeds of such Insurances held by, or written in favour of, the Chargor or in which the Chargor is otherwise interested;
- 4.1.7 by way of **fixed charge** all its right, title, interest and benefit in and to the Collections Accounts, all monies standing to the credit of the Collections Accounts, all interest accrued on monies standing to the credit of the Collections Accounts and all rights of the Chargor to repayment of any of the foregoing;
- 4.1.8 by way of **fixed charge** all monies standing to the credit of the Chargor from time to time on any and all accounts with any bank, financial institution, or other person;
- 4.1.9 by way of **fixed charge** all Intellectual Property;
- 4.1.10 under clause 4.2, by way of **fixed charge** all Material Contracts;
- 4.1.11 by way of **fixed charge** the benefit of all licences, consents, agreements and authorisations held or utilised by the Chargor in connection with its business or the use of any of its assets;
- 4.1.12 by way of **fixed charge** all Receivables; and
- 4.1.13 by way of **fixed charge** all the goodwill and uncalled capital of the Chargor.

#### **4.2 Assignment**

As a continuing security for the payment of the Secured Liabilities, the Chargor hereby, with full title guarantee, **assigns and agrees to assign** absolutely in favour of the Chargee all the rights, title, interest and benefit of the Chargor in and to:

- 4.2.1 to the extent not effectively charged pursuant to clause 4.1.6, the Insurances (together with all proceeds of such Insurances);
- 4.2.2 to the extent not effectively charged pursuant to clause 4.1.10, the Material Contracts and the benefit of any guarantee or Encumbrance for the performance of a Material Contract; and
- 4.2.3 to the extent not effectively charged pursuant to clause 4.1.12, the Receivables.

#### **4.3 Floating charge**

As further continuing security for the payment of the Secured Liabilities, the Chargor hereby charges with full title guarantee in favour of the Chargee by way of **floating charge** all its assets and undertaking whatsoever and wheresoever situated both present and future not effectively mortgaged, charged or assigned pursuant to the provisions of clause 4.1 and clause 4.2, including heritable property and all other property and assets in Scotland.

#### **4.4 Qualifying floating charge**

Paragraph 14 of schedule B1 Insolvency Act applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act).

**5. CONVERSION OF FLOATING CHARGE**

**5.1 Conversion of floating charge by notice**

The Chargee may, by written notice to the Chargor, convert the floating charge created by this Debenture into a fixed charge as regards all or any of the Chargor's assets specified in the notice at any time if:

5.1.1 an Event of Default has occurred and is continuing; or

5.1.2 the Chargee in its reasonable opinion considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

**5.2 Automatic conversion of floating charge**

The floating charge created by the Chargor under this Debenture shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge in relation to any of the Charged Assets subject to the floating charge created by clause 4.3 (a "Floating Charge Asset"):

5.2.1 if, without the Chargee's prior written consent, the Chargor creates or attempts to create any Encumbrance over all or any Floating Charge Asset;

5.2.2 if any person levies or attempts to levy any distress, execution, attachment or other process against all or any Floating Charge Asset;

5.2.3 if any person presents a petition to wind up the Chargor or applies for an administration order; or

5.2.4 upon the enforcement of this Debenture.

**5.3 No waiver**

The giving by the Chargee of a notice pursuant to clause 5.1 in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Chargee to serve similar notices in respect of any other class of assets or of any of the other rights of the Chargee.

**6. PROHIBITIONS ON CHARGING**

**6.1** There shall be excluded from the charge created by clause 4.1 and from the operation of clause 12.1:

6.1.1 any leasehold property held by the Chargor under a lease which prohibits either absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its leasehold interest until the relevant condition or waiver has been satisfied or obtained; and

6.1.2 any Intellectual Property in which the Chargor has an interest under any licence or other agreement which prohibits either absolutely or conditionally (including requiring the consent of any third party) the Chargor from creating any charge over its interest in that Intellectual Property

in each case until the relevant condition or waiver has been satisfied or obtained.

**6.2** For all leasehold property or Intellectual Property referred to in clause 6.1 the Chargor undertakes to apply for the relevant consent or waiver of prohibition or condition within 14 days of the date of this Legal Charge or, if later, 14 days from the date of acquisition of such property or the acquisition or creation of such rights in such Intellectual Property, and, in respect of any lease, licence or agreement which provides that the relevant third party will not unreasonably withhold its consent to charging, to use its best endeavours to obtain such consent as soon as possible and to keep the Chargee informed of the progress of its negotiations.

**6.3** Immediately upon receipt of the relevant waiver or consent, the formerly excluded leasehold property or Intellectual Property shall stand charged to the Chargee under clause 4.1. If

required by the Chargee, at any time following receipt of that waiver or consent, the Chargor will forthwith execute a valid fixed charge or legal assignment in accordance with clause 12.1.

**7. CONTINUING SECURITY**

7.1 This Debenture shall be in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or Encumbrance which the Chargee may at any time hold in respect of any of the Secured Liabilities and this Debenture may be enforced against the Chargor without the Chargee first having recourse to any other right, remedy, guarantee or Encumbrance held or available to it.

7.2 This Debenture shall remain in full force and effect as a continuing security until the Secured Liabilities have been discharged in full.

**8. CLAWBACK**

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

8.1.1 where any Encumbrance is held by the Chargee or its nominee in respect of this Debenture and/or the Secured Liabilities, the Chargee may retain such Encumbrance for such period as the Chargee shall, in its absolute discretion, deem necessary; and

8.1.2 the Chargee shall be entitled to recover the value or amount of such Encumbrance or payment from the Chargor as if such release, discharge or settlement had not occurred.

8.2 If any claim of the kind referred to in clause 8.1 is made against the Chargee under insolvency laws, the Chargee may agree the claim or settle it on any terms it chooses without asking for the Chargor's agreement. If the Chargee does agree or settle the claim, the Chargor will be liable under this Debenture as if a court order had been made containing the terms the Chargee has agreed. The Chargor will be responsible for all costs and expenses the Chargee properly incurs defending such a claim.

**9. WAIVER OF RIGHTS**

9.1 The obligations of the Chargor under this Debenture will not be affected by:

9.1.1 any time, waiver or consent granted to, or composition with the Chargor or any other person;

9.1.2 the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor;

9.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights or remedies against, or Encumbrance over assets of the Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument;

9.1.4 the Chargee failing to realise the full value of any Encumbrance held by it;

9.1.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person or any defective or excessive exercise of the Chargor's powers or authority;

9.1.6 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) termination or replacement of the Secured Liabilities or any document, guarantee or Encumbrance related to the Secured Liabilities including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility or other document or Encumbrance;

- 9.1.7 any unenforceability, illegality, invalidity, irregularity or frustration of any obligation (actual or purported) of any person under this Debenture or any other document, guarantee or Encumbrance held in connection with the Secured Liabilities;
- 9.1.8 any claim or enforcement of payment from the Chargor or any other person;
- 9.1.9 any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, dissolution, limitation, disability, the discharge by operation of law or any similar proceedings in respect of the Chargor or any other person; or
- 9.1.10 any change in the constitution, name or style of the Chargor or any other person, or if the Chargor or such other person is a partnership or other unincorporated organisation, its dissolution or any change in its status or membership.

## **10. CHARGEES PROTECTIONS**

- 10.1 Subject to clause 11, the Chargee may make one or more demands under this Debenture.
- 10.2 This Debenture shall be in addition to, and without prejudice to and shall not merge with, any other right, remedy, guarantee or Encumbrance which the Chargee may at any time hold in respect of any of the Secured Liabilities and this Debenture may be enforced without the Chargee first having:
  - 10.2.1 recourse to any other right, remedy, guarantee or Encumbrance held or available to it;
  - 10.2.2 to take action or obtain judgment in any court against the Chargor or any other person;
  - 10.2.3 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Chargor or any other person; or
  - 10.2.4 to make demand, enforce or seek to enforce any claim, right or remedy against the Chargor or any other person.

## **11. SUBORDINATION**

- 11.1 The Chargee agrees that all rights under this Debenture and the Facility Agreement are to rank *pari passu* to those of Mark Davies in relation to a debenture and facility letter entered into between Mark Davies and the Chargor on or around the date hereof.
- 11.2 It is further agreed and acknowledged that the Chargor, the Chargee and Mark Davies shall enter into a deed of priority on or around the same date of this Debenture under which it shall be agreed that all rights under this Debenture and the Facility Agreement shall rank equally (on a pro rata basis) with those of Mark Davies in relation to the amount owed by the Chargor to Mark Davies under a facility letter dated on or around the date hereof and a related debenture to be provided by the Chargor to Mark Davies on or around the same date as this Debenture.

## **12. FURTHER ASSURANCE AND POWER OF ATTORNEY**

- 12.1 **Further assurance**
  - 12.1.1 The Chargor will, whenever requested by the Chargee and at its own expense, promptly execute such deeds or documents and take any action required by the Chargee to perfect and protect the security created (or intended to be created) by this Debenture or to facilitate the realisation of such security or otherwise to enforce the same or exercise any of the rights of the Chargee hereunder. In particular, but without limitation, the Chargor will:
    - (a) execute a valid legal mortgage (or, in the case of property situated in Scotland, a valid standard security) in such form as the Chargee shall reasonably require of any freehold or leasehold property (or, in the case of property situated in Scotland, heritable property) now or in the future belonging to the Chargor which is not effectively charged under clause 4.1 by way of legal mortgage or effectively charged by way of legal

mortgage (or, as the case may be, standard security) pursuant to any other Finance Document;

- (b) execute a legal assignment in such form as the Chargee may reasonably require over all or any of the Insurances (together with all proceeds of such Insurances) and give notice of such assignment to the relevant Insurance providers;
- (c) execute a legal assignment in such form as the Chargee may reasonably require over all or any Material Contract and give notice of such assignment to the relevant third parties to such Material Contract;
- (d) execute a legal assignment in such form as the Chargee may reasonably require over all or any of the Receivables and give notice of such assignment to the relevant Debtors;
- (e) execute a valid fixed charge over any Collections Account and/or any monies in any Collections Account;
- (f) execute a valid fixed charge in such form as the Chargee may reasonably require over any asset the subject of the floating charge hereunder; and
- (g) otherwise execute all transfers, assignments, conveyances and assurances whatsoever and give all notices, orders, instructions and directions whatsoever which the Chargee (acting reasonably) may think expedient.

12.1.2 Any security document required to be executed by the Chargor pursuant to clause 12.1.1 will be prepared at the cost of the Chargor and will contain terms and conditions which are no more onerous than those contained herein.

12.1.3 The Chargor, as registered proprietor, hereby appoints the Chargee as its agent to apply for the particulars of this Debenture and of the interest of the Chargee in the Intellectual Property and any other or future trade marks or trade mark applications registered or to be registered in the United Kingdom in the name of the Chargor to be made on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994 and the Chargor hereby agrees to execute all documents and forms required to enable such particulars to be entered on the Register of Trade Marks.

## 12.2 Power of attorney

12.2.1 The Chargor by way of security irrevocably appoints the Chargee and any Receiver (in writing under hand signed by an officer of the Chargee or any Receiver) severally to be its attorneys in its name and on its behalf to:

- (a) do all things which the Chargor may be required to do under this Debenture;
- (b) sign, execute (using the company seal where appropriate), deliver and otherwise perfect any Encumbrance required to be signed or executed pursuant to the terms of this Debenture; and
- (c) sign, execute (using the company seal where appropriate), deliver and complete any deeds, instruments or other documents and following an Event of Default and for so long as the same is continuing to do all acts and things which may be required by the Chargee or any Receiver in the exercise of any of their powers under this Debenture, or to perfect or vest in the Chargee, any Receiver, its nominees or any purchaser, title to any Charged Assets or which they may deem expedient in connection with the getting in, Disposal, or realisation of any Charged Assets.

12.2.2 Each attorney may appoint a substitute or delegate his authority. The Chargor ratifies and confirms (and agrees to ratify and confirm) anything which an attorney does under the power of attorney conferred by clause 12.2.1.

**13. REPRESENTATIONS AND WARRANTIES**

**13.1 The Chargor represents and warrants to the Chargee that:**

**13.1.1 Incorporation**

it is a limited company duly organised, validly existing and registered under the relevant laws of the jurisdiction in which it is incorporated and has the power and all necessary governmental and other consents, approvals, licences and authorities to own its property and assets and carry on its business;

**13.1.2 Authority**

it is empowered to enter into and perform its obligations contained in this Debenture and has taken all necessary action to authorise the execution, delivery and performance of this Debenture, to create the security to be constituted by this Debenture and to observe and perform its obligations under this Debenture;

**13.1.3 Obligations binding**

this Debenture as executed and delivered constitutes and will constitute its legal, valid and binding obligations;

**13.1.4 No contravention**

neither the execution and delivery nor the performance of its obligations under and compliance with the provisions of this Debenture, nor the creation of the security constituted by it, does or will contravene, conflict with or breach any provisions of any law, regulation or statute to which it is subject, or any agreement, undertaking or other instrument in respect of, or binding on the Chargor or on any of its assets, or any provision of its memorandum and articles of association, or, as the case may be, other constitutional documentation;

**13.1.5 Securities**

it is the legal and beneficial owner of the Securities.

**13.2 Matters represented**

Each of the representations and warranties in clause 13.1 will be correct and complied with in all material respects at all times during the continuance of the security constituted by this Debenture.

**14. GENERAL COVENANTS OF THE CHARGOR**

The Chargor hereby covenants with the Chargee that it will:

**14.1 Comply with statutes**

in relation to the Charged Assets, comply with all obligations under any present or future statute, regulation, order and instrument or under any by-laws, regulations or requirements of any competent authority or other approvals, licences or consents and, if requested by the Chargee, produce to the Chargee, within 14 days of receipt of the same, every material notice, order or proposal given or made in relation to the Charged Assets by any competent authority and either comply with the same or make such objections and representations against the same as the Chargee may require or approve;

**14.2 Comply with covenants**

observe and perform all covenants and stipulations from time to time affecting any part of the Charged Assets, or the manner of use or the enjoyment of the same and shall not, except with the prior written consent of the Chargee, enter into any onerous or restrictive obligations affecting any part of the Charged Assets;



**14.3      Conduct of business**

carry on its trade and business on those parts (if any) of the Charged Assets as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business;

**15.        ENFORCEMENT OF SECURITY**

**15.1**      Subject to clause 11, the security constituted by this Debenture shall become immediately enforceable upon the occurrence of an Event of Default and the power of sale and other powers conferred by section 101 LPA, as varied or amended by this Debenture, shall be immediately exercisable without further notice upon and at any time after the occurrence of an Event of Default. Subject to clause 11, after the security constituted by this Debenture has become enforceable, the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Debenture in such manner as it sees fit.

**15.2**      For the purposes of all powers implied by statute, the Secured Liabilities shall be deemed to have become due and payable on the date of this Debenture and sections 93 and 103 LPA shall not apply to the security constituted by this Debenture.

**16.        REDEMPTION OF PRIOR ENCUMBRANCES**

Subject to clause 11, at any time after the security created under this Debenture has become enforceable, the Chargee may, at the sole cost of the Chargor (payable to the Chargee on demand) redeem any prior Encumbrance over any Charged Asset and/or procure the transfer of that Encumbrance to itself and/or settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor. All money paid by the Chargee to such prior mortgagee, chargee or encumbrancer in accordance with such accounts shall form part of the Secured Liabilities.

**17.        APPOINTMENT OF RECEIVER AND ADMINISTRATOR**

**17.1**      Subject to clause 11, at any time after the security constituted by this Debenture becomes enforceable, or if so requested by the Chargor by written notice at any time, the Chargee may:

**17.1.1**      without further notice appoint any person (or persons) to be a Receiver of all or any part of the Charged Assets and/or of the income from any Charged Asset; and/or

**17.1.2**      without further notice appoint any person (or persons) to be an Administrator in respect of the Charges. Such appointment shall take effect, in accordance with paragraph 19 of Schedule B1 Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied;

**17.1.3**      exercise in respect of all or any of the Charged Assets all or any of the powers and remedies given to mortgagees by the LPA, including the power to take possession of, receive the benefit of, or sell any of the Charged Assets;

**17.1.4**      exercise in the name of the Chargor (without any further consent or authority from the Chargor) any voting rights attached to the Securities and any other powers or rights exercisable by the registered holder or bearer of the Securities; and

**17.1.5**      direct that all dividends, distributions, interest and other monies received by it in respect of the Securities are paid to it.

**18.        APPLICATION OF PROCEEDS**

**18.1**      All monies received by the Chargee or any Receiver appointed under this Debenture shall (subject to clause 11 and to the rights and claims of any person having a security ranking in priority to the security constituted by this Debenture) be applied in the following order:

**18.1.1**      in payment of the costs, charges and expenses of and incidental to the appointment of the Receiver and the payment of his remuneration;

- 18.1.2 in payment and discharge of any liabilities incurred by the Receiver on the behalf of the Chargor in the exercise of any of the powers of the Receiver;
  - 18.1.3 In providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraphs of section 109(8) LPA;
  - 18.1.4 In or towards the satisfaction of the Secured Liabilities; and
  - 18.1.5 any surplus shall be paid to the Chargor or other person entitled to it.
- 18.2 The provisions of clause 18.1 shall take effect as and by way of variation and extension to the provisions of section 109 LPA, which provisions as so varied and extended shall be deemed incorporated in this Debenture.
- 19. PROTECTION OF THIRD PARTIES**
- No purchaser from or other person dealing with the Chargee or with any Receiver shall be obliged or concerned to enquire whether the right of the Chargee to appoint a Receiver or the right of the Chargee or any Receiver to exercise any of the powers conferred by this Debenture in relation to the Charged Assets or any part of the Charged Assets have arisen or become exercisable by the Chargee or by any such Receiver, nor be concerned with notice to the contrary, nor with the propriety of the exercise or purported exercise of any such powers and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.
- 20. CURRENCY AND THE EURO**
- 20.1 All monies received or held by the Chargee or any Receiver under this Debenture may be converted from their existing currency into such other currency as the Chargee considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Spot Rate of Exchange.
- 20.2 No payment to the Chargee (whether under any judgment or court order or in the liquidation or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made, unless and until the Chargee shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Chargee shall have a further separate cause of action against the Chargor and shall be entitled to enforce the security constituted by this Debenture to recover the amount of the shortfall.
- 20.3 If sterling is, or is to be replaced by the euro, the Chargee may notify the Chargor of any amendments to this Debenture which the Chargee considers necessary to reflect that replacement and to put the Chargee in the same position, so far as possible, that it would have been in if no such replacement had occurred. Upon such notification this Debenture shall be deemed to be amended in accordance with such notification.
- 21. PAYMENTS**
- 21.1 Subject to clause 21.2, all payments to be made by the Chargor in respect of this Debenture, shall be made in immediately available funds to the credit of such account as the Chargee may designate. All such payments shall be made free and clear of, and without any deduction for, or on account of, any set-off or counterclaim or, except to the extent compelled by law, any deduction on account of any Taxes.
- 21.2 If the Chargor is compelled by law to withhold or deduct any Taxes from any sum payable hereunder to the Chargee, the sum so payable by the Chargor shall be increased so as to result in the receipt by the Chargee of a net amount equal to the full amount expressed to be payable hereunder.
- 21.3 Any demand, notification or certificate given by the Chargee specifying amounts due and payable under or in connection with any of the provisions of this Debenture shall, in the absence of manifest error, be conclusive and binding on the Chargor.
- 22. COSTS AND EXPENSES**
- 22.1 The Chargor shall reimburse the Chargee, any Receiver and any Administrator for all costs and expenses, including legal fees (and any value added or similar tax thereon) incurred in

connection with the enforcement, attempted enforcement or preservation of any of their respective rights under this Debenture, or any of the documents referred to herein.

- 22.2 The Chargor shall pay all present and future stamp, registration and similar taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Debenture or any judgment given in connection therewith and shall indemnify the Chargee and the Receiver against any and all liabilities, including penalties with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar taxes or charges.

**23. ASSIGNMENT AND TRANSFER**

The Chargee may assign or transfer all or any part of its rights under this Debenture. The Chargor may not assign, transfer, charge, make the subject of a trust or deal in any other manner with this Debenture or any of its rights under this Debenture or purport to do any of the same without the prior written consent of the Chargee.

**24. THIRD PARTY RIGHTS**

- 24.1 Subject to clause 24.2, a person who is not a party to this Debenture shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or rely upon a provision of this Debenture. No party to this Debenture may hold itself out as trustee of any rights under this Debenture for the benefit of any third party unless specifically provided for in this Debenture. This clause 24.1 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Contracts (Rights of Third Parties) Act 1999.

- 24.2 Mark Davies and any person to whom the benefit of any provision of this Debenture is assigned in accordance with the terms of this Debenture is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture which confers (expressly or impliedly) any benefit on any such person.

**25. NOTICES**

The provisions of the Facility Agreement shall be deemed to be incorporated into this Debenture, *mutatis mutandis*, as if the same were set out in full herein.

- 25.1 Any notice given pursuant to this Debenture shall be in writing signed by, or on behalf of, the person issuing the notice, may be delivered by hand by prepaid recorded delivery first class post to:

25.1.1 in the case of the Chargor, its registered office address for the time being marked for the attention of Stuart Marks; and

25.1.2 in the case of the Chargee to the addresses specified in this Debenture.

or, in relation to any party, such other address for service in the United Kingdom as that party may from time to time notify to the other.

- 25.2 In the absence of evidence of earlier receipt and subject to clause 25.3, a notice served in accordance with clause 25.1 shall be deemed to have been received:

25.2.1 If delivered by hand, at the time of actual delivery to the address referred to in clause 25.1; and

25.2.2 If delivered by prepaid recorded delivery first class post, two Business Days from the date of posting.

- 25.3 If deemed receipt under clause 25.2 occurs on a day which is not a Business Day or after 5.00 p.m. on a Business Day, the relevant notice shall be deemed to have been received at 9.00 a.m. on the next Business Day.

**26. GENERAL**

- 26.1 No variation to this Debenture shall be effective unless made in writing and signed by or on behalf of all the parties to this Debenture. The Chargor and Chargee shall not be required to obtain the consent of any third party on whom a benefit is conferred under this Debenture to the termination or variation of this Debenture or to the waiver or settlement of any right or claim arising under it. A waiver given or consent granted by the Chargee under this

Debenture will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

- 26.2 Each provision of this Debenture is severable and distinct from the others. If at any time any provision of this Debenture is or becomes unlawful, invalid or unenforceable to any extent or in any circumstances for any reason, it shall to that extent or in those circumstances be deemed not to form part of this Debenture but (except to that extent or in those circumstances in the case of that provision) the legality, validity and enforceability of that and all other provisions of this Debenture shall not be affected in any way.
- 26.3 If any provision of this Debenture is found to be illegal, invalid or unenforceable in accordance with clause 26.2 but would be legal, valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such modification(s) as may be necessary to make it legal, valid or enforceable.
- 26.4 The failure or delay in exercising a right or remedy provided by this Debenture or by law does not constitute a waiver of that (or any other) right or remedy. No single or partial exercise, or non-exercise or non-enforcement of any right or remedy provided by this Debenture or by law prevents or restricts any further or other exercise or enforcement of that (or any other) right or remedy.
- 26.5 The Chargee's rights and remedies contained in this Debenture are cumulative and not exclusive of any rights or remedies provided by law.
- 26.6 This Debenture may be executed in any number of counterparts each of which when executed and delivered shall be an original. All the counterparts together shall constitute one and the same document.

**27. GOVERNING LAW**

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

**28. JURISDICTION**

- 28.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or any non-contractual obligation arising out of or in connection with this Debenture) (a "Dispute").
- 28.2 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.
- 28.3 This clause 28 is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

**IN WITNESS** whereof the Chargor has duly executed this Debenture as a deed and it is delivered on the date first set out above.

**CHARGOR**

EXECUTED and DELIVERED as a DEED )  
by INTELESANT LIMITED acting by a )  
director in the presence of: )

Director

J. C. BURR,

Witness Signature

Witness Name Lauren Dickinson

Address 36 fairhurst street  
Manchester  
M27 4EE

Occupation Student.

**CHARGE**

EXECUTED and DELIVERED as a DEED )  
by GRAHAM CLEMPSON in the presence )  
of: )

Witness Signature

Witness Name

Address

Occupation

Graham M. Richards

320 Park Avenue, 15<sup>th</sup> Fl.  
New York, NY 10022

Compliance Officer