

101107-46

In accordance with
Sections 859A and
859J of the Companies
Act 2006

MR01

Particulars of a charge



Companies House



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www.gov.uk/companieshouse

A fee is payable with this form
Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where
instrument Use form M

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refer to our guidance at
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This form **must** be delivered to the Registrar for registration
21 days beginning with the day after the date of creation of the
delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery

MONDAY



A08 *A5BZDXJS* 25/07/2016 #52
COMPANIES HOUSE



You **must** enclose a certified copy of the instrument with this form
scanned and placed on the public record **Do not send the original**

1 Company details

Company number 0 8 7 5 2 9 8 6 ✓

Company name in full Payment Assist Ltd ✓



→ Filling in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 9 m 0 m 7 y 2 y 0 y 1 y 6 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Bank and Clients PLC, as Lender ✓

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description	
	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument	
Brief description	None	Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument" Please limit the description to the available space
5	Other charge or fixed security	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
7	Negative Pledge	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ¹	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>	¹ This statement may be filed after the registration of the charge (use form MR06)
9	Signature	
Signature	Please sign the form here Signature X King & Spalding International LLP This form must be signed by a person with an interest in the charge	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name
Emily Pittman

Company name
King & Spalding International LLP

Address
125 Old Broad Street

Post town
London

County/Region

Postcode
E C 2 N 1 A R

Country

DX

Telephone
+44 20 7551 7532



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8752986

Charge code: 0875 2986 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th July 2016 and created by PAYMENT ASSIST LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2016

Given at Companies House, Cardiff on 29th July 2016



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Dated 19 July 2016

PAYMENT ASSIST (UK) LTD

and

PAYMENT ASSIST LTD,

as the Chargors,

- and -

BANK AND CLIENTS PLC,

as Lender

DEBENTURE

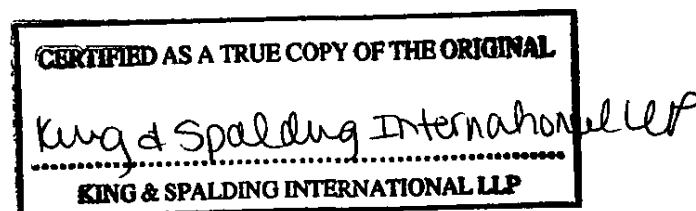


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THIS DEED is dated 7 July 2016

BETWEEN:

- (1) The companies detailed in Schedule 1 (*The Chargors*), as the Chargors, and
- (2) **BANK AND CLIENTS PLC**, as Lender

IT IS AGREED as follows

DEFINITIONS AND INTERPRETATION

1.1 Definitions: In this Deed

"Administrator" means an administrator appointed under Schedule B1 of the Insolvency Act 1986

"Additional Material Contract" means future intercompany loan agreements and contracts material to a Chargor's business

"Assigned Contracts" means the contracts listed in Part 1 of Schedule 9 (*Assigned Contracts*), the Additional Material Contracts and any other contract which is assigned pursuant to Clause 3.3 (*Assignment by way of Security*)

"Bank Account" means any account with any bank or financial institution in which any Chargor now or in the future has an interest (including any replacement or substitute account or subdivision or sub-account of that account) and to the extent of such interest, all credit balances now or in the future on such accounts and all Related Rights

"Charged Assets" means the assets and undertakings from time to time which are the subject of any Security created or purported to be created by or pursuant to this Deed and, where the context permits, the proceeds of sale of such assets

"Charged Investments" means Investments forming part of the Charged Assets.

"Charged Real Property" means all Real Property forming part of the Charged Assets and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such Real Property and all Related Rights

"Charges" means Security from time to time created or expressed to be created by or pursuant to this Deed

"Chargors" means the companies detailed in Schedule 1 (*The Chargors*) and any member of the Group which accedes to this Deed pursuant to Clause 27 (*Changes to parties*)

"Delegate" means a delegate, sub-delegate, attorney or co-trustee appointed, directly or indirectly, pursuant to Clause 17.3 (*Delegation*)

"Derivative Rights" include:

- (a) all rights relating to Investments which are deposited with, or registered in the name of, any security agent, depositary, custodian, nominee, trustee,

fiduciary, investment manager or clearing house or system or other similar person or its nominee, in each case whether or not on a fungible basis (including rights against such person); and

- (b) all other present and future rights or cash or other assets attaching or relating to or accruing or offered on or deriving from Investments or from such rights (whether by way of redemption, conversion, exercise of option rights, substitution, exchange, preference, bonus or otherwise)

"Excluded Monetary Claims" means, collectively, the "Debts" and the "Goods" (as such terms are defined in the Rivers Facility) and the "Unassigned Receivables" and the "Equipment" (as such terms are defined in the Conister Facility)

"Excluded Property" has the meaning given to it in Clause 6.1 (Leases restricting charging)

"Facility Agreement" means the facility agreement dated on or about the date of this Deed between the Chargors and Lender

"First Ranking Debenture" means the charge dated 21 May 2015 between Conister Bank Limited and Payment Assist

"Fixtures" means trade and other fixtures and fittings and fixed plant, machinery and other apparatus.

"Hive Down Agreement" means the intra group hive down agreement dated on or about the date of this Deed between the Borrower and Payment Assist.

"Hive Down Receivables" means the Debtor Book (as defined in the Hive Down Agreement) set forth on the Schedule to the Hive Down Agreement.

"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary

"Insurance Policy" means any contract or policy of insurance (including life insurance or assurance) in which any Chargor may from time to time have an interest as a beneficiary under its terms.

"Intellectual Property" means any patents, trademarks, service marks, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow, utility models, plant variety rights and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered

"Investments" means

- (a) any shares, stocks, debentures, certificates of deposit, securities, bonds or other securities,
- (b) all interests in collective investment schemes, and
- (c) all warrants, options and other rights to subscribe for or acquire any of the investments referred to in paragraph (a) or (b),

(including, without limitation, the Scheduled Investments), in each case whether held directly by the relevant Chargor or by the Lender, depositary, custodian, trustee, nominee, fiduciary, investment manager or clearing house or system on its behalf and all Related Rights (including all rights against such person) and all Derivative Rights

"LPA" means the Law of Property Act 1925

"Monetary Claims" means any book and other debts and monetary claims of any nature owing to any Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, any claim, return of premium or the proceeds paid or payable in respect of any Insurance Policy, any court order or judgment, any contract or other agreement to which any Chargor is a party and any other assets, property, rights or undertaking of any Chargor, but excluding the Bank Accounts)

"Notice of Contract Assignment" means a notice of assignment in the form set out in Part 1 (*Form of Notice of Assignment of Assigned Contract*) of Schedule 10 or such other form as the Lender may approve

"Notice of Insurance Assignment" means a notice of assignment in the form set out in Part 3 (*Form of Notice of Assignment to Insurers*) of Schedule 10 or such other form as the Lender may approve

"Pensions Notice" means a contribution notice or a financial support direction issued by the Pensions Regulator under the Pensions Act 2004.

"Personal Chattels" means any plant, machinery, office and other equipment, computers, vehicles, goods and other chattels (including all spare parts, replacements, modifications and additions) but excluding Fixtures on Real Property charged under Clause 3 2(a) (*Real Property*) or stock in trade or work in progress and all Related Rights

"Planning Acts" means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and any re-enactment, variation or modification of any of them and any orders, regulations or permissions made, issued or granted under or by virtue of the foregoing Acts or any of them.

"Real Property" means freehold, leasehold or immovable property in England and Wales (including, without limitation, the Scheduled Real Property) and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property, and includes all Related Rights

"Receiver" means a receiver, receiver and manager or, where permitted by law, administrative receiver appointed in respect of the Charged Assets by the Lender pursuant to this Deed or otherwise.

"Related Rights" means, in relation to any asset

- (a) the proceeds of sale of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, negotiable instruments, remedies, Security, guarantees, indemnities or covenants for title in respect of that asset, and
- (d) any moneys and proceeds paid or payable in respect of that asset

"Release Date" has the meaning given to that term in Clause 23.11 (*Final redemption*)

"Scheduled Bank Accounts" means the Bank Accounts described in Schedule 6 (*Details of the Scheduled Bank Accounts*)

"Scheduled Intellectual Property" means the Intellectual Property described in Schedule 3 (*Details of the Scheduled Intellectual Property*)

"Scheduled Investments" means the Investments described in 0 (*Details of the Scheduled Investments*)

"Scheduled Personal Chattels" means the Personal Chattels described in Schedule 5 (*Details of the Scheduled Personal Chattels*)

"Scheduled Real Property" means the Real Property described in Schedule 2 (*Details of the Scheduled Real Property*) and all Related Rights.

"Secured Liabilities" means all present and future obligations and other liabilities of any nature in any currency, at any time, of each Obligor due, owing or incurred under or in connection with the Finance Documents to the Lender or any Receiver, including, without limitation, under any amendments, supplements or restatements of any Finance Document (however fundamental) or in relation to any change of purpose, new or increased advances or utilisations, any extensions of any date for payment, incremental commitments or facilities (in each case to the extent permitted under the Finance Documents),

- (a) whether originally owed to the Lender and/or any Receiver or other person or persons,
- (b) whether actual or contingent, matured or unmatured, liquidated or unliquidated,
- (c) whether incurred solely or jointly with any other person, and
- (d) whether incurred as principal or surety or in any other capacity whatsoever, together with all interest accruing thereon (calculated in accordance with Clause 2.2 (*Interest*)), (both before and after judgment) and all costs, charges and expenses (to the extent payable by the relevant Obligor pursuant to the terms of the Finance Documents) incurred in connection therewith, but excluding any liabilities which, if they did constitute part of the Secured Liabilities, would result in this Deed contravening section 678 or 679 of the Companies Act 2006 or any equivalent and applicable provisions under the laws of the jurisdiction of incorporation of the relevant Obligor and **"Secured Liability"** shall be construed accordingly

"Security Accession Deed" means a deed of accession in the form as the Lender may approve.

"Supplemental Legal Charge" means a legal charge in the form as the Lender may approve

"this Deed" means this debenture as varied, amended or supplemented from time to time

- 1.2 **Facility Agreement:** Unless otherwise expressly defined in this Deed or the context otherwise requires, words and expressions defined in the Facility Agreement have the same meaning in this Deed or any notice given under or in connection to this Deed

1.3 **Construction**

- (a) The provisions of Clause 1.2 (*Construction*) of the Facility Agreement shall apply to this Deed with all necessary modifications as if they were expressly set out in full in this Deed
- (b) **"assets"** includes present and future properties, revenues and rights of every description
- (c) **"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
- (d) A **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality)
- (e) 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 of any regulatory, self-regulatory or other authority or organisation
- (f) **"rights"** shall be construed as including rights, benefits, privileges, consents, authorities, discretions, remedies and powers and **"right"** shall be construed accordingly
- (g) A reference to **"Secured Liabilities"** includes any liabilities which would be treated as such but for the liquidation or dissolution or similar event affecting an Obligor
- (h) Any reference to the Lender or a Chargor shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees or permitted assigns in accordance with their respective interests.
- (i) A provision of law is a reference to that provision as amended or re-enacted
- (j) References in this Deed to any Clause or Schedule shall be to a clause or schedule of this Deed unless otherwise specified
- (k) Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

(i) Clause and schedule headings are for ease of reference only.

- 1.4 **Deed:** This document is to take effect as a deed notwithstanding that the Lender has executed it under hand only
- 1.5 **Law of Property (Miscellaneous Provisions) Act 1989** The terms of the other Finance Documents and other documents under which the Secured Liabilities arise and of any side letters relating thereto between each Chargor and the Lender are incorporated herein to the extent required for any purported disposition of the Charged Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- 1.6 **Law of Property (Miscellaneous Provisions) Act 1994** The obligations of the Chargors under this Deed and any document entered into pursuant to this Deed shall be in addition to the covenants deemed to be included in this Deed or such other document by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994
- 1.7 **Schedules:** Any failure to state any Intellectual Property, Real Property, Investments or Personal Chattels of any Chargor on the date of this Deed in any of Schedule 2 (*Details of the Scheduled Real Property*), Schedule 3 (*Details of the Scheduled Intellectual Property*), Schedule 4 (*Details of the Scheduled Investments*) or Schedule 5 (*Details of the Scheduled Personal Chattels*) will not affect any Charges over such assets
- 1.8 **Third party rights:** Save as expressly stated in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed
- 1.9 **Covenants and representations**
- (a) Each covenant of a Chargor contained in this Deed remains in force until the Release Date.
 - (b) The representations and warranties set out in this Deed are made on the date of this Deed and are, unless otherwise stated herein, deemed to be repeated by a Chargor on each day from the date of this Deed until the Release Date with reference to the circumstances existing at such time of repetition
- 2 **COVENANT TO PAY**
- 2.1 **Covenant to pay:** Each Chargor shall on demand pay or discharge to the Lender the Secured Liabilities when the same have become due in the manner provided for in the Finance Documents
- 2.2 **Interest:** If a Chargor fails to pay any Secured Liabilities on the due date for payment of that sum, such Chargor shall on demand pay to the Lender interest on all such sums from the due date until the date of payment (both before and after judgment) to the extent interest at a default rate is not otherwise being paid on such sum calculated and payable in accordance with the rate and in the manner specified in the Facility

Agreement. Any such interest not paid when due shall be compounded and bear interest calculated as provided above

- 2.3 Proportionate discharge.** Each sum appropriated by the Lender in accordance with the Finance Documents towards payment of accrued default interest on any Secured Liabilities which have not been paid on their due date under any obligation under the Finance Documents which constitutes a Secured Liability shall to the extent of that appropriation discharge a Chargor's obligations to pay such interest under Clause 2.2 (*Interest*).

3 SECURITY

- 3.1 Creation of Charges:** All Charges and assignments under this Deed are.

- (a) made in favour of the Lender;
- (b) made with full title guarantee, and
- (c) Security for the payment and discharge of all Secured Liabilities

All Charged Assets are excluded from the Charges created pursuant to Clause 3.2 (*Fixed Charges*) to the extent specifically assigned pursuant to Clause 3.3 (*Assignment by way of Security*).

- 3.2 Fixed Charges:** Each Chargor charges.

(a) Real Property

- (i) by way of first legal mortgage the Scheduled Real Property and all other Real Property in England or Wales now belonging to it, and
- (ii) by way of first fixed charge all its rights, title and interest, present and future, in and to Real Property in England or Wales not mortgaged pursuant to paragraph (i) above,

(b) Investments

- (i) by way of first fixed charge all its rights, title and interest in and to the Scheduled Investments and all other Investments now belonging to it; and
- (ii) by way of first fixed charge all its rights, title and interest in and to all Investments belonging to it (present and future) not referred to in paragraph (i) above,

- (c) Monetary Claims:** by way of first fixed charge all its rights, title and interest present and future in and to all Monetary Claims and all Related Rights other than (i) any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Deed or (ii) any Excluded Monetary Claims;

- (d) Intellectual Property:** by way of first fixed charge all its rights, title and interest present and future in and to Intellectual Property and all Related Rights (including the Scheduled Intellectual Property),

- (e) Bank Accounts:** by way of first fixed charge all its rights, title and interest present and future in and to the Bank Accounts (including, without limitation, the Scheduled Bank Accounts and the Collections Account),

- (f) **Insurance Policies:** by way of first fixed charge all its rights, title and interest present and future in and to the Insurance Policies and all Related Rights;
- (g) **Personal Chattels:** by way of first fixed charge all its rights, title and interest present and future in and to the Personal Chattels (including Scheduled Personal Chattels), and
- (h) **Goodwill and uncalled capital and pension fund** by way of first fixed charge all its rights, title and interest present and future in and to.
 - (i) all its uncalled capital;
 - (ii) all its goodwill; and
 - (iii) any pension fund and plan (to the extent such Security does not breach the terms of such plan).

To the extent any Monetary Claim becomes an Excluded Monetary Claim, the fixed charge created pursuant to this Clause 3.2 shall be released over that Excluded Monetary Claim

3.3 Assignment by way of Security

- (a) Each Chargor hereby assigns absolutely (subject to the right to reassignment on redemption pursuant to Clause 23.11 (*Final redemption*)) all its present and future rights, title, interest and benefit in and to the Assigned Contracts, including all moneys payable to each Chargor, and any claims, awards and judgments in favour of such Chargor, under or in connection with the Assigned Contracts
- (b) Until the Charges become enforceable, each Chargor shall be entitled to exercise all its rights in the Assigned Contracts, subject to the other provisions of this Deed
- (c)
 - (i) Subject to paragraph (ii) below, each Chargor shall, promptly on request of the Lender and at the cost of the relevant Chargor, execute and deliver to the Lender a legal assignment by way of security in such form as the Lender may reasonably require over any Additional Material Contract entered into by the relevant Chargor after the date of this Deed, and
 - (ii) a Chargor shall not be required to comply with paragraph (i) above in relation to any Additional Material Contract if the consent of a third party is required for such security to be created for so long as such consent has not been obtained, provided that such consent is not required from a member of the Group or a direct or indirect Holding Company of that member of the Group. The relevant Chargor shall use its reasonable endeavours to obtain such consent, unless (prior to the charges becoming enforceable) requesting such consent is likely to be commercially prejudicial in the reasonable judgment of the relevant Chargor and, if forthcoming, will grant the legal assignment promptly following receipt of such consent.

3.4 Floating Charge

- (a) Each Chargor charges by way of first floating charge its undertaking and all its assets both present and future other than any asset effectively mortgaged, charged or assigned under *Clause 3 2 (Fixed Charges)* or *Clause 3 3 (Assignment by way of Security)* including any assets comprised within a Charge reconverted under *Clause 3 7 (Reconversion)* and Parent charges by way of second floating charge all of its Excluded Monetary Claims. The floating Charges created by each Chargor under this Clause is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act 1986
- (b) The floating Charges created by this *Clause 3.4 (Floating Charge)* shall be deferred in point of priority to all fixed Security validly and effectively created by a Chargor under the Finance Documents in favour of the Lender as Security for the Secured Liabilities
- (c) The second floating charge on the Excluded Monetary Claims shall be automatically released upon the sale of such Excluded Monetary Claims pursuant to the Conister Facility or the Rivers Facility, as applicable, so long as such sale is in accordance with the terms, conditions and restrictions on such facilities set forth in the Facility Agreement

3.5 Automatic crystallisation

- (a) Notwithstanding any other provision of this Deed (and without prejudice to any law which may have a similar effect), the floating charge created under this Deed will automatically be converted without notice and with immediate effect into a fixed charge as regards the Charged Assets subject to such floating charge but subject to *Clause 14 3 (Effect of moratorium)*, if:
 - (i) any person levies or attempts to levy any distress, execution, attachment, expropriation, sequestration or other legal process against any of those Charged Assets; or
 - (ii) any Chargor creates or attempts to create any Security or trust over any of those Charged Assets which is prohibited under the terms of the Finance Documents, or
 - (iii) a resolution is passed or an order is made or a petition is presented for the winding-up or administration, dissolution or reorganisation of any Chargor which (in the case of a winding-up petition) is not discharged within 14 days or in any event before such petition is heard or a resolution is passed for a creditors voluntary winding-up or a creditors' voluntary winding-up is commenced; or
 - (iv) an Administrator or Receiver is appointed in respect of a Chargor or any person (who is entitled to do so) gives notice of its intention to appoint an Administrator in respect of a Chargor pursuant to paragraphs 15 or 26 of Schedule B1 of the Insolvency Act 1986 or files such notice with the court
- (b) Notwithstanding *Clause 3 6 (Crystallisation of Floating Charge by notice)* and without prejudice to any law which may have a similar effect, the floating charge created by *Clause 3 4 (Floating Charge)* will be automatically converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to that

floating charge immediately after the first floating charge created by the First Ranking Debenture over such assets is crystallised

3.6 Crystallisation of Floating Charge by notice

The Lender may at any time by notice in writing to any Chargor convert the floating Charge created by such Chargor pursuant to Clause 3.4 (*Floating Charge*) with immediate effect into a fixed Charge as regards such assets as may be specified (whether generally or specifically) in such notice if

- (a) an Event of Default has occurred and is continuing, or
- (b) the Lender considers those assets to be in jeopardy (whether due to a risk of being seized or sold pursuant to any distress, attachment, execution, sequestration or other legal process), or
- (c) the Lender considers that it is necessary in order to protect the priority of Security, or
- (d) the Lender may at any time by notice in writing to the Chargor convert the floating Charge created by Clause 3.4 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if the First Ranking Debenture has been crystallised.

3.7 Reconversion: Any Charge which has converted into a fixed charge under Clause 3.5 (*Automatic crystallisation*) or Clause 3.6 (*Crystallisation of Floating Charge by notice*) may be reconverted into a floating Charge by notice in writing given at any time by the Lender to the relevant Chargor in relation to the assets specified in such notice

3.8 Intentionally Omitted.

3.9 Excluded assets If the rights of any Chargor under any instrument or agreement cannot be the subject of legal, valid, binding and enforceable Security pursuant to any Charges or assignment which this Deed purports to create under Clause 3.2(c) (*Monetary Claims and Related Rights*), 3.2(d) (*Intellectual Property*), 3.2(g) (*Personal Chattels*), paragraph 3.2(h)(iii) of Clause 3.2(h) (*Goodwill and uncalled capital and pension fund*) or Clause 3.3 (*Assignment by way of Security*) without the consent of another party

- (a) the relevant Chargor shall notify the Lender promptly,
- (b) this Deed will charge all amounts which the relevant Chargor may receive, or has received, under that document, and
- (c) if the Lender so requires, the relevant Chargor shall use all reasonable endeavours (which shall not require the relevant Chargor to offer monetary consideration other than to pay nominal amounts or expenses) to promptly obtain any necessary consent or waiver relating to third party arrangements (including shareholder agreements or joint venture agreements) which would otherwise prevent or prohibit such rights being charged or assigned under this Deed and, if such consent or waiver is obtained, such rights shall immediately become subject

to an effective fixed charge or assignment pursuant to Clause 3.2 (*Fixed Charges*) or an assignment under Clause 3.3 (*Assignment by way of Security*) (as the case may be) and the Chargor shall promptly provide a copy of such consent to the Lender

Each Chargor shall use reasonable endeavours to ensure that instruments and agreements which it enters into after the date of this Deed do not contain restrictions which would cause them to be excluded from the charges pursuant to paragraph (c) above

4. GENERAL OBLIGATIONS

4.1 Negative pledge and disposals: Subject to Clause 8 (*Monetary Claims*), except with the written consent of the Lender, each Chargor shall not

- (a) create or permit to subsist any Security over any Charged Assets and Excluded Property and/or assign the benefit of an Assigned Contract or Charged Asset save as expressly permitted pursuant to the Finance Documents, or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, assign, lease, license, sub-license, hire out, grant, lend or otherwise dispose of any of the Charged Assets or the equity of redemption therein or permit any person to do any such thing except as permitted pursuant to the terms of this Deed and the Finance Documents.

4.2 General undertakings

Each Chargor shall, promptly on request from the Lender, furnish the Lender with such information as the Lender may reasonably require about the Charged Assets to determine the compliance by the Chargors with this Deed and the other Finance Documents. Each Chargor shall permit the Lender, its representatives and professional advisers, free access at all reasonable times and on reasonable notice to.

- (a) inspect and take copies and extracts from the accounts and records of such Chargor, and
- (b) to view the Charged Assets

5. FURTHER ASSURANCE

Each Chargor shall, at its own expense, promptly do all such acts and things as the Lender may reasonably require for

- (a) creating, registering, perfecting, maintaining or protecting the Charges or any Security intended to be created by or pursuant to this Deed or any of the Charged Assets,
- (b) creating a fixed charge over Monetary Claims or, at any time after the occurrence of an Event of Default or the Charges shall have otherwise become enforceable, a legal assignment of Monetary Claims,

- (c) executing a Supplemental Legal Charge over Real Property owned by it;
- (d) facilitating the realisation of any Charge after the Charge has become enforceable or the exercise of any right, power or discretion in relation to any Charged Asset or Charge vested in the Lender, any Receiver or any Delegate, including, without limitation, the execution (including by sealing) of any transfer, assignment, mortgage, charge or Security or any other document or any notice or instruction which the Lender may reasonably require, including any such document, notice or instruction required to enable the Lender or its nominee to obtain legal title to any Charged Assets in circumstances in which it is entitled to obtain such legal title under this Deed

6. REAL PROPERTY

6.1 Leases restricting charging

- (a) There shall be excluded from the charge created by Clause 3.2 (*Fixed Charges*), Clause 3.4 (*Floating Charge*) and from the operation of Clause 5 (*Further assurance*) any Real Property referred to in Schedule 2 (*Details of the Scheduled Real Property*) (or, as the case may be, as specified in any Security Accession Deed) held by a Chargor under a lease or which is subject to any other property agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge or assignment over its interest in that Real Property (each an "Excluded Property") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Property, the relevant Chargor undertakes to
 - (i) notify the Lender that the relevant Real Property is an Excluded Property,
 - (ii) apply for the relevant consent or waiver of prohibition or condition within 10 Business Days of the date of this Deed and, in respect of each such Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours (for a reasonable amount of time) to obtain that consent as soon as possible and, if requested by the Lender, to keep the Lender informed of the progress of its negotiations but shall not be required to take legal proceedings, and
 - (iii) notify the Lender in writing upon receipt of the relevant waiver or consent

The relevant Chargor shall not be required to create a fixed charge or legal mortgage over such Excluded Property until it has received the landlord's waiver or consent (as applicable)

- (c) Promptly upon receipt of the relevant waiver or consent, the charge by way of first legal mortgage granted in Clause 3.2(a)(i) (*Fixed Charges*) shall take effect in respect of the former Excluded Property. If required by the Lender at any time following receipt of that waiver or consent, the relevant Chargor will promptly execute a Supplemental Legal Charge.

6.2 Acquisition of Real Property

- (a) Each Chargor shall promptly notify the Lender of any acquisition by it or on its behalf of any Real Property after the date of this Deed ("**After-acquired Property**")
- (b) Each Chargor shall promptly, on request of the Lender and at the cost of the relevant Chargor, execute and deliver to the Lender a Supplemental Legal Charge in favour of the Lender over any After-acquired Property
- (c) If any After-acquired Property is held by such Chargor under a lease or is subject to any other property agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge or assignment over its interest in that After-acquired Property ("**After-acquired Excluded Property**") then that Chargor shall not be required to execute and deliver to the Lender any Supplemental Legal Charge referred to in paragraph (b) above until the relevant condition or waiver has been satisfied or obtained. For each After-acquired Excluded Property the relevant Chargor undertakes, at the cost of that Chargor, to
 - (i) notify the Lender that the relevant After-acquired Property is an After-acquired Excluded Property,
 - (ii) promptly, on request of the Lender, apply for the relevant consent or waiver of prohibition or condition and, in respect of each such After-acquired Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours (for a reasonable amount of time) to obtain that consent as soon as possible and, if requested by the Lender, to keep the Lender informed of the progress of its negotiations but shall not be required to take legal proceedings;
 - (iii) notify the Lender in writing upon receipt of the relevant waiver or consent, and
 - (iv) promptly upon receipt of the relevant waiver or consent execute and deliver to the Lender a Supplemental Legal Charge in favour of the Lender over such After-acquired Property
- (d) If title to any After-acquired Property is or is to be registered at the Land Registry, such Chargor shall, as soon as reasonably practicable after acquisition of the After-acquired Property, notify the Lender of the relevant title number and shall apply to the relevant Land Registry to enter
 - (i) a notice of the Supplemental Legal Charge referred to in paragraph (b) or (c)(iv) above (as applicable) on the charges register of such After-acquired Property, and
 - (ii) the restriction set out in *Clause 6.6(a) (Registered land)* (as repeated in such legal mortgage) on the proprietorship register of such property

In the case of any other After-acquired Property in England or Wales, the relevant Chargor shall apply to register this Deed at the Land Charges Registry if, for any reason, the title

deeds and documents relating thereto are not deposited with the Lender. In relation to any After-acquired Property anywhere else in the world, such Chargor shall take such equivalent action as the Lender shall deem appropriate.

6.3 Delivery of title documents: Each Chargor shall, upon the execution of this Deed or, if later, upon receipt, deposit with the Lender (or as it may direct) all deeds, certificates and other documents evidencing title relating to any Charged Real Property. If any such documents are at the relevant time at the Land Registry, such Chargor shall, promptly following a demand by the Lender, provide or procure the provision to the Lender of such undertakings and such letters addressed to the Land Registry as the Lender may reasonably require.

6.4 Real Property undertakings: Each Chargor shall (whether in exercise of any statutory power or otherwise) comply with the provisions of Schedule 8 (*Real Property Undertakings*).

6.5 Real Property representations and warranties Each Chargor represents and warrants to the Lender that:

- (a) it is the sole legal and beneficial owner of all the Scheduled Real Property listed against its name in Schedule 2 (*Details of the Scheduled Real Property*) and no other person has any legal or beneficial interest or rights on, over or in any part of the Charged Real Property (other than as disclosed to and approved by the Lender),
- (b) no part of the Charged Real Property is subject to any covenants, restrictions, easements or rights, orders, agreements, notices or disputes which are of an unusual or onerous nature or which may materially and adversely affect its intended use or its disposal and nothing has arisen or been created or is subsisting which could be or could create an overriding interest over such Charged Real Property,
- (c) there subsists no breach of any Planning Acts, by-laws or local authority or statutory requirements which materially and adversely affects or which materially or adversely affects the value of the Charged Real Property owned by such Chargor,
- (d) no facilities necessary for the enjoyment and use of the Charged Real Property or any part of it are enjoyed or used by such Charged Real Property on terms entitling any person to terminate or curtail its or their use,
- (e) the Charged Real Property or any part of it is free from any lease, tenancy, licence or right to occupy other than as disclosed to and approved by the Lender, and
- (f) except for the Scheduled Real Property, neither it nor any of its Subsidiaries owns any estate or interest in any Real Property save as disclosed to and approved by the Lender prior to the date of this Deed.

6.6 Registered land

- (a) Each Chargor consents to an application being made to the Land Registry for a restriction in the following terms to be entered on the Proprietorship Register of such of the Charged Real Property as is now or hereafter registered at the Land Registry under the Land Registration Act 2002

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the Charge dated __ July 2016 in favour of Bank and Clients plc referred to in the Charges Register or if appropriate signed on such proprietor's behalf by its authorised signatory "

- (b) To the extent that the Lender is under an obligation to make further advances, each Chargor shall also make an application (and consents to an application being made) to the Land Registry for a note of such obligation to be entered on the Charges Register of any registered land forming part of the Charged Real Property
- (c) Each Chargor hereby certifies, in respect of any part of its Charged Real Property title to which is registered at the Land Registry, that the Charges created by this Deed do not contravene any of the provisions of the constitution of such Chargor

6.7 Right to remedy: If a Chargor fails to perform any obligation affecting its Charged Real Property, that Chargor shall allow the Lender or its agents and contractors

- (a) to enter any part of its Charged Real Property and carry out any repairs or other works which the Chargor has failed to do; and
- (b) to comply with or object to any notice served on that Chargor in respect of its Charged Real Property.

and the Chargor shall reimburse the Lender on demand for all costs and expenses incurred by the Lender in doing so together with interest from the date of payment by the Lender until the reimbursement calculated in accordance with Clause 2.2 (*Interest*)

7. INVESTMENTS

7.1 Deposit of documents

Each Chargor shall, immediately upon the execution of this Deed or, if later, (the date required in accordance with the Facility Agreement) and upon its becoming entitled to the relevant Investment, deliver (or procure delivery) to the Lender, or as it directs

- (a) all certificates and other documents of title or evidencing title in respect of each of the Scheduled Investments listed against its name in Schedule 4 (*Details of the Scheduled Investments*) and each of the other Charged Investments belonging to it,

- (b) all stock transfer forms and other documents which the Lender may request in such form and executed in such manner as the Lender may require with a view to perfecting or maintaining the Charges over the Charged Investments or registering any Charged Investment in the name of the Lender or its nominees, and
- (c) declarations of trust in relation to any Investments in which a Chargor has an interest but which are not held in its sole name as required by the Lender.

All documents required by this Clause 7.1 shall be in such form as the Lender shall require

7.2 Voting rights and distributions

- (a) Until the Charges have become enforceable, the relevant Chargor shall be entitled to
 - (i) receive and retain all dividends, distributions and other amounts paid on or derived from any shares or stock comprised in its Charged Investments, and
 - (ii) exercise or direct the exercise of the voting rights and other rights and powers attached to its Charged Investments in any manner as it sees fit other than in a manner which
 - (A) is in breach of any Finance Document or which may adversely affect the validity or enforceability of the Charges or the value of such Charged Investments, or
 - (B) would cause the Lender or its nominee to incur any cost or expense or render itself subject to any liability for which it has not previously been indemnified to its satisfaction) or would otherwise prejudice the Lender.
- (b) After an Event of Default has occurred and is continuing
 - (i) the Lender or any applicable Receiver may at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor) but shall not be obliged to
 - (A) transfer the Charged Investments of each Chargor on behalf of the relevant Chargor to such nominee as the Lender shall select,
 - (B) receive and retain all dividends, distributions and other moneys paid on the Charged Investments and apply the same in accordance with Clause 16.1 (*Application*), and
 - (C) exercise any voting rights and any other rights and powers attached to any Charged Investments in such manner as it considers fit as if it were the sole beneficial owner of the Charged Investment (including all powers given to trustees under Part II of the Trustee Act 2000),
 - (ii) each Chargor shall comply, or procure the compliance, with any directions of the Lender or any Receiver in respect of the exercise of any rights and powers exercisable in relation to such Charged Investments and

shall promptly execute and/or deliver to the Lender or any Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights, and

- (iii) any Derivative Rights shall, if received by the Chargor or its nominee, be held on trust for and forthwith paid or transferred to the Lender or the Receiver

7.3 Notification of dividends

Each Chargor shall promptly notify the Lender of the declaration, payment, allotment, offer or issue of any dividend, distribution or other Related Right accruing or deriving from the Charged Investments

7.4 Calls

- (a) Each Chargor shall promptly pay all calls or other payments which may at any time become due in respect of any of its Charged Investments
- (b) If a Chargor fails to comply with paragraph (a) above, the Lender may, if it thinks fit, pay such calls or other payments on behalf of the relevant Chargor. Such Chargor shall promptly on request from the Lender reimburse the Lender for any such payment plus interest from the date of payment by the Lender until the date of reimbursement at the rate and in accordance with Clause 2.2 (*Interest*).

7.5 Offers

If any Investments are offered for subscription or purchase by way of rights in respect of any of the Charged Investments.

- (a) if those Investments are vested in any Chargor or its nominee, such Chargor shall forthwith notify the Lender of the offer and if the Lender so requires by notice to such Chargor, such Chargor shall accept or procure the acceptance of the offer and make any payments required in connection with such acceptance, or
- (b) if those Investments are vested in the Lender or its nominee and if the Lender so requires by notice to such Chargor, such Chargor shall immediately put the Lender in funds to enable it or its nominee to accept the offer and make any payments required in connection with such acceptance.

7.6 Representations regarding Investments

Each Chargor represents and warrants to the Lender that

- (a) it is the sole legal and beneficial owner of the Scheduled Investments listed against its name in 0 (Details of the Scheduled Investments),
- (b) such Investments are free from all Security, options and other third party rights (except as created by this Deed),
- (c) its Scheduled Investments and, where applicable, its other Investments are fully paid,

- (d) the constitutions of the Scheduled Investments do not restrict or otherwise limit the relevant Chargor's right to transfer or charge such Scheduled Investments,
- (e) neither it nor any member of the Group is or has at any time been an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pensions Schemes Act 1993), and
- (f) neither it nor any member of the Group has been issued with a Pensions Notice or received any written communication from the Pensions Regulator that on its face is preparatory to the issue of a Pensions Notice

8. MONETARY CLAIMS

8.1 Dealing with Monetary Claims

- (a) Save as permitted by the Facilities Agreement, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to release, sell, transfer, assign, factor, discount or otherwise deal in any way with any of the Monetary Claims except as required by paragraph (b) below
- (b) Subject to the terms of the Facility Agreement and the Servicing Agreement, each Chargor shall get in and realise in a prudent manner (on behalf of the Lender) all its Monetary Claims and the Borrower shall pay such moneys into the Collections Account and Payment Assist shall pay such moneys into a Bank Account or, after the Charges have become enforceable, as the Lender may require. Each Chargor shall hold such moneys on trust for the Lender prior to such payment into such account

8.2 Release of Monetary Claims

- (a) Prior to the Charges becoming enforceable, the proceeds of the realisation of the Monetary Claims received by Payment Assist shall, upon such proceeds being credited to a Bank Account, be released from the fixed charge created by Clause 3.2(c) (*Monetary Claims*) and only be subject to the floating Charge created by Clause 3.4 (*Floating Charge*) and Payment Assist may withdraw such proceeds from such Bank Accounts and shall be free to deal with such moneys or proceeds in the ordinary course of business, subject to any applicable restrictions set out in the Facilities Agreement and this Deed
- (b) With respect to the Borrower, at all times, and with respect to Payment Assist, after the Charges have become enforceable, the applicable Chargor shall not, except with the prior written consent of the Lender, be entitled to withdraw or otherwise transfer the proceeds of realisation of any Monetary Claims standing to the credit of the Collections Account or any Bank Account, as applicable, and shall
 - (i) pay all moneys received or receivable by it from any source (including all proceeds of collection of Monetary Claims) into the Collections Account or the Bank Account, as applicable, and
 - (ii) give notice to the debtors of any of its Monetary Claims of the Security created by this Deed in such form as the Lender may require.

9 BANK ACCOUNTS

9.1 Notification, maintenance and variation

Each Chargor shall

- (a) promptly after any Bank Account becomes charged pursuant to this Deed, deliver to the Lender a duly completed notice and acknowledgement in respect of each Bank Account, including, without limitation, the Collections Account,
- (b) use all reasonable endeavours to procure the prompt delivery to the Lender of a duly completed acknowledgement in respect of any notice delivered pursuant to paragraph (a) above in the relevant form set out in **Error! Reference source not found.** (as applicable) or in such other form as the Lender may approve, acting reasonably,
- (c) deliver to the Lender on the date of this Deed (and, if any Bank Account becomes charged by this Deed thereafter, on the date falling five Business Days after such Bank Account becomes charged), details of each Bank Account maintained by such Chargor (other than with the Security Agent); and
- (d) not without the Lender's prior written consent,
 - (i) permit or agree to any variation of the rights attached to any Bank Account the result of which is materially prejudicial to the Lender; or
 - (ii) close any Bank Account unless (i) such Bank Account is not the Collections Account, (ii) such Bank Account is no longer required by the Group, (iii) the Lender receives five Business Days' notice prior to the closing of such Bank Account and (iv) any credit balance held in such Bank Account is transferred to another bank account over which Security is granted in favour of the Lender or such credit balance is otherwise applied in a manner permitted (or not prohibited) by the Facility Agreement

If any Account Bank on the date of this Deed fails to return an acknowledgement referred to in paragraph (b) above or agree, in a manner satisfactory to the Lender, to the matters referred to in the acknowledgement, within four weeks of delivery of the notice to it, it will, unless the Lender agrees otherwise, cease to be approved for the purposes of this Clause 9.1. Any person which becomes an Account Bank after the date of this Deed will not, unless the Lender agrees otherwise, be an approved Account Bank for the purposes of this Clause 9.1 until it has returned such an acknowledgement or has agreed, in a manner satisfactory to the Lender, to the matters referred to in the acknowledgement.

9.2 Location of Bank Accounts

- (a) Each Chargor shall maintain all its Bank Accounts with an Account Bank approved by the Lender in accordance with Clause 9.1 above
- (b) Each Chargor which maintains a Bank Account which is not in compliance with paragraph (a) above shall transfer the Bank Account to an Account Bank which complies with paragraph (a) promptly after the date of this Deed

9.3 Operation of Bank Accounts

- (a) Until the Charges become enforceable, the Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account (other than the Collections Account) subject to the terms of the Facility Agreement
- (b) After the Charges have become enforceable, the Chargors shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account except with the prior written consent of the Lender

9.4 Application of moneys

- (a) The Lender (or its Receiver) may apply, transfer or set-off any credit balances from time to time on any Bank Accounts in or towards payment or satisfaction of all or part of the Secured Liabilities in accordance with Clause 16.1 (*Application*) after the Charges have become enforceable or at any time when the Lender is entitled to exercise the relevant set-off rights under the terms of the Facility Agreement
- (b) Save as provided in this Clause 9 (*Bank Accounts*), each Chargor shall not release, sell, transfer, assign, factor, discount or otherwise deal in any way with any of the Bank Accounts other than in a manner which is expressly permitted by the Facility Agreement

9.5 Cash Collateral Accounts and other Relevant Accounts

No Chargor may withdraw or otherwise transfer any credit balance from time to time on any Collections Account, unless expressly permitted to do so by the Facility Agreement or with the express written consent of the Lender.

9.6 Exercise of rights following enforcement by Lender

After the Charges have become enforceable, the Lender shall be entitled without notice to exercise all rights and powers held by it in relation to the Bank Accounts and to

- (a) demand and receive any moneys due under or arising out of each Bank Account, and
- (b) exercise all rights the relevant Chargor was then entitled to exercise in relation to the Bank Accounts or would, but for this Deed, be entitled to exercise

10 INTELLECTUAL PROPERTY

10.1 Intellectual Property licence agreements restricting charging, etc

- (a) There shall be excluded from Clause 3.2 (*Fixed Charges*), Clause 3.3 (*Assignment by way of Security*) or Clause 3.4 (*Floating Charge*) any Intellectual Property licence agreement where Clauses 3.2, 3.3 or 3.4 would breach the terms of that licence agreement (an "Excluded IP Licence").
- (b) in respect of each Excluded IP Licence:
 - (i) the relevant Chargor shall notify the Lender promptly of that Excluded IP Licence;

- (ii) this Deed will charge all amounts which the relevant Chargor may receive, or has received, under that Excluded IP Licence;
- (iii) if the Lender so requires, the relevant Chargor shall use all reasonable endeavours (which shall not require the relevant Chargor to offer monetary consideration other than to pay nominal amounts or expenses) to promptly obtain any necessary consent or waiver relating to that Excluded IP Licence which would otherwise prevent or prohibit such rights being charged or assigned under this Deed and, if such consent or waiver is obtained, such rights shall immediately become subject to an effective fixed Charge, floating Charge or assignment pursuant to Clause 3.2 (*Fixed Charges*), Clause 3.3 (*Assignment by way of Security*) or Clause 3.4 (*Floating Charge*) (as the case may be) and the Chargor shall promptly provide a copy of such consent or waiver to the Lender.

10.2 Intellectual Property undertakings

- (a) Each Chargor undertakes that it shall, in respect of its present and future Intellectual Property
 - (i) duly pay all fees for the Intellectual Property registrations,
 - (ii) not amend, abandon or cancel the Intellectual Property registrations;
 - (iii) duly maintain the prosecution of the Intellectual Property applications (including payment of all fees);
 - (iv) continue to use the trade marks in all countries and in respect of all goods and services for which they are currently used by any Chargor,
 - (v) promptly seek to prevent any material infringement of the Intellectual Property
- (b) Each Chargor undertakes that, in respect of its present and future Intellectual Property, it shall
 - (i) not consent to the trade mark application of another person,
 - (ii) not make any admissions that are prejudicial to the validity of the intellectual Property,
 - (iii) not grant any exclusive or sole licences in respect of the Intellectual Property,
 - (iv) not grant any non-exclusive licences other than in the ordinary course of business and on ordinary terms.

10.3 Representations regarding Intellectual Property

Each Chargor represents and warrants to the Lender at the date hereof that:

- (a) it is the sole legal and beneficial owner of the Scheduled Intellectual Property listed against its name in Schedule 3 (*Details of the Scheduled Intellectual Property*) free from all Security, and

(b) in respect of all of its Intellectual Property

- (i) none of such Intellectual Property is subject to an exclusive or sole licence;
- (ii) the validity and ownership of such Intellectual Property is not being challenged in any proceedings, and no such proceedings have been threatened, and
- (iii) so far as it is aware, there is currently no material infringement of such Intellectual Property

11 INSURANCE

11.1 Notices

Each Chargor shall promptly serve (with a copy to the Lender) a Notice of Insurance Assignment to the brokers or underwriters of each Insurance Policy and each Chargor shall use all its reasonable endeavours to procure the prompt delivery to the Lender of a duly completed acknowledgement in the form set out in Part 3 (*Form of Notice of Assignment to Insurers*) of Schedule 10 or in such other form as the Lender may approve

11.2 Insurance undertakings

- (a) Each Chargor shall maintain insurances on and in relation to the Charged Assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business
- (b) All insurances shall be with reputable independent insurance companies or underwriters
- (c) Such Chargor shall also comply with any obligations imposed on it by any tenancy agreement or lease to insure or to reimburse the landlord under such tenancy or lease for any costs of insurance incurred by such landlord
- (d) The insurance required to be effected pursuant to paragraph (a) above shall be in an amount which is not less than the aggregate cost of rebuilding, reinstating or replacing such Charged Assets in the event of their being completely destroyed, together with architects' and surveyors' fees
- (e) Any such insurance shall be in the joint names of the Lender and the relevant Chargor or, at the option of the Lender, such Chargor shall procure that a note of the Lender's interest is endorsed upon all policies of insurance maintained by that Chargor or any person on its behalf in respect of its Charged Assets

11.3 Application of moneys

Any moneys received under any Insurance Policies relating to Charged Assets shall be applied (subject to person having prior rights to such moneys)

- (a) prior to the occurrence of an Event of Default which is continuing in accordance with the Facility Agreement, and

- (b) following an Event of Default, the Chargor shall hold such moneys upon trust for the Lender pending payment to the Lender for application in accordance with Clause 16 1 (*Application*)

11.4 Premiums, etc

- (a) Each Chargor shall:
 - (i) promptly pay all premiums and other moneys payable under its Insurance Policies required to be maintained under this Deed;
 - (ii) promptly on request by the Lender, produce to the Lender a copy of each policy effected by it and the related premium receipts and of such other documents relating to the Insurance Policies, as the Lender shall require, and
 - (iii) (if required by the Lender), but subject to the provisions of any lease of Charged Assets, deposit all its Insurance Policies with the Lender
- (b) If a Chargor fails to comply with its obligations under this Clause 11 (*Insurance*), the Lender may effect such insurance with a reputable insurance company that provides similar risks as are specified in this Clause 11 and the relevant Chargor shall reimburse the Lender on demand for the cost of effecting such insurance, together with interest thereon (calculated in accordance with Clause 2 2 (*Interest*)).

12. ASSIGNED CONTRACTS

12.1 Assigned Contracts

- (a) Except for the Assigned Contracts that relate to the Hive Down Receivables which such assignment shall be governed by the Hive Down Agreement, each Chargor shall, on the date of this Deed (or the date on which the relevant Additional Material Contract is assigned pursuant to Clause 3 3(c) (*Assignment by way of Security*) (if later)) give notice of the assignments in Clause 3 3 (*Assignment by way of Security*) in relation to the Assigned Contracts substantially in the form set out in Schedule 10 (*Notices of assignment*) (or in such other form as is acceptable to the Lender) and shall use all reasonable endeavours to ensure (or, if the counterparty to the Assigned Contract is a member of the Group or a direct or indirect Holding Company of that member of the Group, shall ensure) that each recipient of any notice promptly signs and returns the relevant form of acknowledgement requested in that notice
- (b) This Deed constitutes notice in writing to each Chargor of any Security over any debt owed by that Chargor to any other member of the Group or over any contract or agreement between that Chargor and any other member of the Group whether created under this Deed or any other Finance Document.
- (c) Each Chargor shall remain liable to perform all its obligations under each Assigned Contract in accordance with the terms thereof Neither the Lender nor any Receiver or Delegate shall be under any obligation or liability to any Chargor or any other person under or in respect of any Assigned Contract

- (d) Each Chargor undertakes that if it acquires any Personal Chattel after the date of this Deed and the consent of any third party is required for the Chargor to create any Charges under this Deed over such Personal Chattel the Chargor shall use all reasonable endeavours to obtain such consent and notify the Lender in writing upon receipt of such consent

12.2 No variation, etc.

No Chargor shall, without the prior written consent of the Lender (in respect of (a) or (d) below, in any manner which could reasonably be expected to affect adversely the Finance Parties in any material aspect):

- (a) amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of an Assigned Contract;
- (b) exercise any right to rescind, cancel or terminate an Assigned Contract;
- (c) release any counterparty from any obligations under an Assigned Contract;
- (d) waive any breach by any counterparty or consent to any act or omission which would otherwise constitute such a breach; or
- (e) except as provided in this Deed or the Finance Documents, novate, transfer or assign any of its rights under an Assigned Contract.

12.3 Breach

The Chargor shall notify the Lender of:

- (a) any breach of or default under an Assigned Contract by it or any other party;
- (b) any right of it or any other party arising to rescind, cancel or terminate an Assigned Contract, and
- (c) the details of any material claim which is current, threatened or pending in respect of an Assigned Contract,

promptly on becoming aware of the same.

13. FIXTURES AND PERSONAL CHATTELS

- (a) Each Chargor undertakes that it shall maintain in good working order and condition (reasonable wear and tear excepted) all Personal Chattels necessary in the conduct of its business
- (b) If so requested by the Lender following an Event of Default, each Chargor undertakes that it shall place and maintain on each Scheduled Personal Chattel and each other Personal Chattel subject to a fixed charge hereunder, in a conspicuous place, an identification marking as appears below and not conceal, alter or remove such marking or permit it to be concealed, altered or removed

"NOTICE OF CHARGE"

This [*specify nature of Personal Chattel*] and additions and ancillary equipment are subject to a first fixed charge in favour of "Bank and Clients plc"

- (c) Each Chargor represents and warrants to the Lender that the Scheduled Personal Chattels listed against its name in Schedule 5 (*Details of the Scheduled Personal Chattels*) are beneficially owned by such Chargor free from all Security, options and other third party rights (except as created by this Deed)

14. ENFORCEMENT

- 14.1 Power of sale:** The power of sale or other disposal and other powers conferred on the Lender and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale and other powers conferred on mortgagees under section 101 of the LPA and such powers shall arise on the date of this Deed free from the restrictions imposed by section 103 of the LPA, which shall not apply to the Charges

14.2 Enforceability of Security

- (a) For the purposes of all powers implied by the LPA or any other applicable statute, the Secured Liabilities shall be deemed to have become due and payable upon the date of this Deed
- (b) Save as provided in Clause 14.3 (*Effect of moratorium*) below, the Security created by or pursuant to this Deed shall become immediately enforceable upon
 - (i) the occurrence of an Event of Default) which is continuing, or
 - (ii) a petition being presented or application made for the appointment of an Administrator in respect of the relevant Chargor, or
 - (iii) notice being given by a person entitled to do so of the intention to appoint an Administrator or such notice being filed with the court,and the power of sale conferred by section 101 of the LPA and all other powers conferred on mortgagees and Receivers by law (as varied and extended by this Deed) shall be exercisable in relation to the Charges and the Lender may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion, take possession, hold or dispose of any Charged Asset at any time after the Charges have become enforceable
- (c) The statutory power of leasing conferred upon the Lender shall be extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender thinks fit and without the need to comply with any of the provisions of sections 99 and 100 of the LPA and any lease granted will bind any holder of a subsequent Security deriving title under the Lender

- 14.3 Effect of moratorium:** The Charges will not become enforceable solely as a result of any person obtaining or taking steps to obtain a moratorium under Schedule A1 of the Insolvency Act 1986

14.4 Contingencies: If the Charges are enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account

14.5 Renewal of deposits: Without prejudice to any right of set-off the Lender may have under any other Finance Document or otherwise, if any time deposit matures on any account a Chargor has with the Lender prior to the Release Date when.

- (a) the Charges have become enforceable; and
- (b) no Secured Liability is at that time due and payable,

that time deposit will automatically be renewed for any further period which that the Lender considers appropriate

14.6 Right of appropriation: financial collateral: To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of any Chargor hereunder constitute a 'security financial collateral arrangement' (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No. 3226) (the "Regulations")), the Lender shall have the right following enforcement of this Deed to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be

- (a) in the case of cash, the amount standing to the credit of the Collections Account, together with any accrued but unposted interest, at the time the right of appropriation is exercised, and
- (b) in the case of Investments, the market price of such Investments determined by the Lender by reference to a public index or by such other process as the Lender may select, including independent valuation

In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

15 APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS

15.1 Appointment of Receivers and Administrators

- (a) If
 - (i) an Event of Default occurs and is continuing;
 - (ii) so requested by the relevant Chargor, or
 - (iii) subject to Clause 14.3 (*Effect of moratorium*), a petition is presented or application made for the appointment of an administrator, a liquidator or a provisional liquidator in respect of the relevant Chargor or notice is given

by any person entitled to do so of the intention to appoint an Administrator or such notice is filed with the court,

the Lender may, by deed or otherwise in writing signed by any officer of the Lender or any other person authorised by the Lender for this purpose without the prior consent of the relevant Chargor.

- (A) appoint one or more persons to be Receiver of any Charged Assets of the relevant Chargor and/or appoint two or more Receivers of separate parts of the Charged Assets, or
 - (B) when permitted by law, appoint one or more persons to be an Administrator of the relevant Chargor pursuant to paragraph 14 of Schedule B of the Insolvency Act 1986, or
 - (C) (subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) remove any Receiver so appointed and, at its option, appoint another person(s) to be an additional or replacement Receiver.
- (b) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise
 - (c) Section 109(1) of the LPA does not apply to this Deed.
 - (d) The powers of appointment of a Receiver under this Deed shall be in addition to all other statutory and other powers of appointment of the Lender under the LPA or otherwise

15.2 Rights of Receivers: Any Receiver appointed pursuant to this Deed shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the relevant Chargor) have and be entitled to exercise, in relation to the Charged Assets (and any other assets which when got in, would be Charged Assets) in relation to which he is appointed.

- (a) all the rights, powers, privileges and immunities conferred on an administrative receiver or other receivers duly appointed under the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all the powers conferred by the LPA or any other applicable law on mortgagees, mortgagees in possession and on receivers, and
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do

In addition, a Receiver shall be entitled (either in his own name or in the name of the relevant Chargor or any trustee or nominee for the relevant Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit and either alone or jointly with any other person

- (a) **Take possession:** to enter upon, take possession of, get in and collect the Charged Assets, to require directors of such Chargor to call up unpaid share

capital and to take action to enforce payment of unpaid calls and to require payment to him or the Secured Parties of any Monetary Claims or credit balance on the Collections Account,

- (b) **Carry on business:** to manage or carry on any business of such Chargor,
- (c) **Contracts:** to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party to the extent necessary to dispose of the Charged Assets and to perform its obligations,
- (d) **Deal with Charged Assets:** to sell, transfer, assign, exchange, hire out, lend or otherwise dispose of, convert into money or realise the Charged Assets (including any Fixtures, other than landlord's fixtures, which may be severed and sold separately from the Real Property containing them) either by public offer or auction, tender or private contract to any person on any terms and for a consideration of any nature he thinks fit,
- (e) **New Subsidiary:**
 - (i) to form or procure the formation of any new corporation, trust or partnership (a "new vehicle");
 - (ii) to subscribe for or acquire any Investment in such new vehicle;
 - (iii) to transfer or transfer any right in or grant any lease or licence in any Charged Assets to such new vehicle, and
 - (iv) to sell, transfer, assign, exchange or otherwise dispose of any such investments or any rights attaching thereto,
- (f) **Borrowings:** to borrow or raise money either unsecured or on the Security of the Charged Assets either in priority to the Charges or otherwise and on such terms as he thinks fit,
- (g) **Covenants and guarantees:** to lend money or advance credit to any customer of a Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and to make all requisite payments to effect, maintain or satisfy the same;
- (h) **Rights of ownership:** to the extent permitted by law to manage and use the Charged Assets and to exercise and do (or permit the relevant Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets,
- (i) **Leases and tenancies:** to grant leases, tenancies or licences and rights of user in relation to any Charged Assets to any person on any terms and for any rent or fee, to agree to any change to such terms or rent and to accept any surrender of such lease, tenancy, licence or rights of user on any terms (including the payment of any surrender premium) and to make agreements and arrangements with and make allowances to any lessees, tenants or other persons from whom any rents and profits may be payable, in each case it shall think fit,

- (j) **Repairs:** to effect any repairs or improvements to or insurance on, or do any act which he may think desirable to protect or improve, any Charged Asset or any business of any Chargor or make it more productive, to carry out and/or complete any building operations and to apply for and maintain any planning permissions, building regulation approvals and other consents, in each case as he thinks fit,
- (k) **Proceedings and claims:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or the business of the relevant Chargor;
- (l) **Compromise of claims:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to the Charged Assets;
- (m) **Redemption of Security:** to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of encumbrancers;
- (n) **Employment:** to appoint and discharge officers, employees, agents and advisors and others for the purposes of this Deed and to discharge any person appointed by the relevant Chargor,
- (o) **Receipts:** to give a valid receipt for any moneys and execute any document which is necessary or desirable for realising any Charged Assets,
- (p) **Insolvency Act 1986:** to exercise all powers set out in Schedule 1 or Schedule B1 (whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule B1, as the case may be, after the date of this Deed, and
- (q) **Other powers:** to do all such other acts and things the Receiver may consider necessary or expedient for preserving, improving or realising the Charged Assets or the getting in and collection of the Charged Assets (or any assets which when got in would constitute Charged Assets) or which are incidental to the exercise of any of the rights, powers and discretions conferred on the Receiver under or by virtue of this Deed or by law.

Each of the powers specified in each of the above paragraphs shall (except as otherwise provided) be distinct and shall not be in any way limited by reference to any other paragraph or the order in which they appear

- 15.3 Agent of Chargor:** Any Receiver shall be the agent of the relevant Chargor for all purposes unless and until the relevant Chargor goes into liquidation after which time the Receiver shall act as principal and shall not become agent of the Lender. Subject to any applicable law, the Chargors alone shall be responsible for his contracts, engagements, acts, omissions, defaults and liabilities. The Lender shall not incur any liability by reason of the appointment of a Receiver under this Deed

- 15.4 **Remuneration:** The Lender may from time to time determine the remuneration of any Receiver and the maximum rate specified in section 109(6) of the LPA will not apply. The Lender may direct payment of such remuneration out of moneys accruing to the Receiver but the Chargors alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver

16 **DISTRIBUTION**

- 16.1 **Application:** All moneys from time to time received or recovered by the Lender or a Receiver or Delegate pursuant to this Deed or pursuant to the powers conferred by it shall (subject to the payment of any liabilities having priority to the Secured Liabilities by law and by way of variation of the provisions of the LPA), be applied in the following order:

- (a) in or toward the payment of or provision for all costs, losses, liabilities and expenses incurred by the Lender or any Receiver or Delegate under or in connection with this Deed or their appointment and the Receiver's remuneration due in connection with this Deed,
- (b) in or toward discharge of the Secured Liabilities in such order as the Lender may require, and
- (c) in payment of any surplus to the relevant Chargor or other person entitled thereto

17. **SECURITY AGENT'S RIGHTS**

- 17.1 **General rights:** All or any of the rights which are conferred by this Deed (either expressly or impliedly) or by law upon a Receiver may be exercised after the Charges become enforceable by the Lender or, to the extent permitted by law, an Administrator, irrespective of whether the Lender shall have taken possession or appointed a Receiver of the Charged Assets

17.2 **Redemption of prior Security:**

- (a) Subject to Clause 14.3 (*Effect of moratorium*), in the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise of any power of sale under this Deed by the Lender or any Receiver, the Lender may at any time redeem any Security having priority to any Charges or procure the transfer of that Security to itself and may settle the accounts of the prior encumbrancer and any accounts so settled shall, in the absence of manifest error, be conclusive and binding on each Chargor
- (b) Each Chargor shall, on demand by the Lender, pay to the Lender all the costs and expenses incurred by it in connection with any such redemption or transfer
- (c) All the rights conferred by a prior charge upon the chargee or any receiver thereunder shall be exercisable by the Lender or a Receiver in like manner as if the same were expressly included herein and the Lender shall be entitled to exercise all the rights of a receiver appointed thereunder.

17.3 Delegation:

- (a) The Lender, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period any of the rights, powers or discretions vested in it under this Deed
- (b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Lender, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Lender and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct, omission or default on the part of any such delegate or sub delegate.

17.4 Continuation of accounts: At any time following the commencement of the winding-up of any Chargor or if the Lender receives notice or is deemed to have received notice of any subsequent Security affecting the Charged Assets or of any assignment or transfer, the Lender may open a new account with it in the name of such Chargor. If the Lender does not open a new account, it shall nevertheless be treated as if it had done so at the time when the winding-up commenced or the Lender received, or was deemed to have received, notice of such subsequent Security. All payments made thereafter by a Chargor to the Lender shall be treated as having been credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities as at the time when the winding-up commenced or the Lender received such notice.

17.5 Retention of documents: The Lender shall be entitled to continue to retain any document delivered to it under this Deed relating to a Charged Asset until the Charges over such Charged Asset are released in accordance with this Deed. If, for any reason, it ceases to hold any such document before such time, it may by notice to the relevant Chargor require that the relevant document be redelivered to it and the relevant Chargor shall promptly comply with that requirement or procure that it is complied with.

17.6 Custody: The Lender shall be entitled to keep all certificates and documents of title relating to the Charged Assets in safe custody at any of its branches or otherwise provide for their safe custody by third parties and shall not be responsible for any loss or damage occurring to or in respect thereof unless such loss or damage shall be caused by its own gross negligence or wilful misconduct.

17.7 Recovery of debts: The Lender and any manager or officer of the Lender or of any branch is hereby irrevocably empowered on or after the date the Charges are first enforced to receive all Monetary Claims and on payment to give an effectual discharge therefor and on non-payment to take (if the Lender in its sole discretion so decides) all steps and proceedings either in the name of each Chargor or in the name of the Lender for the recovery thereof and also to agree accounts and to make allowances and to give time to any surety. Neither the Lender nor any Receiver shall be obliged to make any enquiry as to the sufficiency of any sums received in respect of any Monetary Claims or to make any claims or take any other action to collect or enforce the same.

18. RESPONSIBILITIES OF SECURITY AGENT, RECEIVERS AND DELEGATES

- 18.1 No obligation to remain in possession:** If the Lender, any Receiver or any Delegate shall take possession of the Charged Assets, it may from time to time in its absolute discretion relinquish such possession
- 18.2 No liability as mortgagee in possession:** Neither the Lender nor any Receiver or Delegate will be liable, by reason of entering upon or into possession of a Charged Asset (or viewing or repairing any Charged Assets or otherwise), to account as mortgagee in possession in respect of any Charged Assets or for any loss upon realisation or for any neglect, default or omission in respect of any Charged Assets for which a mortgagee in possession might otherwise be liable
- 18.3 Lender's obligation to account:** Neither the Lender nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason),
- (a) be liable to account to any Chargor or any other person for anything except the Lender's own actual receipts which have not been distributed or paid to such Chargor or the persons entitled (or at the time of payment believed by the Lender to be entitled) thereto, or
 - (b) be liable to such Chargor or any other person for any costs, losses, liabilities or
 - (c) expenses related to any realisation of any Charged Assets or from any act, default, omission or misconduct of the Lender, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with any Finance Document unless caused by its own gross negligence or wilful misconduct

19. POWER OF ATTORNEY

- 19.1 Appointment:** Each Chargor by way of Security irrevocably appoints the Lender, every Receiver and every Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit
- (a) to do all acts and things which such Chargor is obliged to do under this Deed (or any other Finance Document) but has failed to do, including, without limitation
 - (i) to fill in the name of the transferee and to date and complete any instrument of transfer in respect of any Charged Investments which has been executed in blank by such Chargor and, in the case of registered Charged Investments, to procure the registration of the transferee as the holder of the relevant Charged Investments in circumstances in which the Charged Investments are to be transferred under the terms of this Deed,

- (ii) to execute charges over, transfers, conveyances, assignments and assurances of, and all other instruments, notices, orders and directions relating to, the Charged Assets, and
 - (iii) to register or renew registration of the existence of the Charges or the restrictions on dealing with the Charged Assets in any register,
 - (b) to transfer any interest in any Charged Assets in the circumstances in which such transfer may be required under this Deed, including on an enforcement of the Charges over such Charged Assets, and
 - (c) to exercise any right conferred on the Lender, any Receiver or any Delegate in relation to the Charged Assets under this Deed or any other Finance Document or by law after such right has become exercisable.
- 19.2 Ratification:** Each Chargor agrees to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of the power of attorney granted by Clause 19.1 (*Appointment*)
- 19.3 Sums recoverable:** All moneys expended by the Lender, any Receiver, any Delegate or any attorneys shall be recoverable from the Chargor under Clause 21 (*Expenses, stamp duty and indemnities*) below
- 20. PROTECTION OF THIRD PARTIES**
- 20.1 No duty to enquire:** No person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire'
- (a) whether any right which the Lender or any Receiver or Delegate is purporting to exercise or any of its powers has arisen or become exercisable,
 - (b) whether the Secured Liabilities have become payable or any amount remains outstanding under the Finance Documents,
 - (c) as to the application of any money borrowed or raised or paid to the Lender or any Receiver, Administrator or Delegate; or
 - (d) as to the propriety or regularity of such dealings
- 20.2 Receipt.** The receipt of the Lender or any Receiver or Delegate shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or in making any acquisition, the Lender or any Receiver may do so for any such consideration, in such manner and on such terms as it thinks fit
- 20.3 Statutory protection:** All the protection to purchasers contained in sections 104 and 107 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 Lender, any Receiver or any Delegate.
- 20.4 Tacking:** Subject to the terms of the Facility Agreement, each Lender is under an obligation to make further advances and that obligation will be deemed to be incorporated in this Deed as if set out in this Deed

21 EXPENSES, STAMP DUTY AND INDEMNITIES

- 21.1 Expenses:** Each Chargor shall on demand pay to and reimburse the Lender, Receiver, Delegate, agent or attorney, on the basis of a full indemnity, all costs and expenses (including legal fees and other out of pocket expenses and any VAT in accordance with Clause 9.4 (VAT) of the Facility Agreement) incurred by the Lender, Receiver, Delegate, agent or attorney in connection with this Deed and shall indemnify them against any failure to pay such amounts including any amounts arising from any actual or alleged breach of any Environmental Law or other law
- 21.2 Indemnity:** Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Lender, its attorneys and any Receiver in accordance with the Facility Agreement
- 21.3 Stamp Taxes:** Each Chargor shall on demand pay to and indemnify the Lender and any Receiver, Delegate, agent or attorney from and against any liability for any stamp duty, stamp duty reserve, stamp duty land tax, documentary or registration or similar Taxes or notarial fees which are or may subsequently become payable in connection with the entry into, performance, execution or enforcement of this Deed or to which this Deed may otherwise be or become subject or give rise. Each Chargor shall in addition on demand indemnify the Lender, any Receiver, Delegate, agent or attorney from and against any losses or liabilities which they incur as a result of any delay or omission by such Chargor to so pay any such amounts
- 21.4 Currency indemnity:**
- (a) If any sum (a "Sum") owing by a Chargor under this Deed, or any judgment, award or order given in relation to this Deed, has to be converted from the currency in which that Sum is payable into another currency for the purpose of
 - (i) making or filing a claim or proof against that Chargor,
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings, or
 - (iii) applying the Sum in satisfaction of any Secured Liabilities,that Chargor shall, as an independent obligation, within three Business Days of demand, indemnify the Lender or any Receiver or Delegate from any cost, loss or liability incurred as a result of the conversion including any discrepancy between (A) the rate of exchange used to make the conversion and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.
 - (b) Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable unless required to do so by any applicable law

22. PAYMENTS

- 22.1 Certificates:** A certificate, determination, notification or opinion of the Lender as to the amount of the Secured Liabilities or any other matter connected with this

Deed or the Charges shall, in the absence of manifest error, be conclusive evidence of the matters to which it relates

- 22.2 Payments:** All payments under or pursuant to this Deed (including damages in respect of breaches hereof) shall be made in accordance with the Facility Agreement or in such other manner as the Lender may agree and direct

23. EFFECTIVENESS OF SECURITY

- 23.1 Chargors' obligations continuing:** Each Chargor's obligations under Clause 2 (*Covenant to pay*) and the Charges are continuing obligations and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

- 23.2 Cumulative rights:** The rights and remedies provided in this Deed are cumulative and in addition to and independent of and not in any way prejudiced by any rights or remedies provided by law or any other Security, guarantees or rights of set-off or combination thereof held by the Lender.

- 23.3 Failure to exercise rights:** No failure by the Lender to exercise or delay in the exercise of any right or remedy under this Deed will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy

- 23.4 Immediate recourse:** This Deed and the Chargors' obligations under this Deed are in addition to, and not to be prejudiced by or to be merged with, any other guarantee, indemnity or Security at any time existing in favour of any person. Each Chargor waives any right it may have to require the Lender (or any trustee or agent on its behalf) to make demand of, proceed against or enforce any other rights or Security or claim payment from any person before claiming against such Chargor. This waiver applies irrespective of any law or any provision of any Finance Document to the contrary

- 23.5 Grant of waivers:** A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given

- 23.6 Waiver of defences:** As between each Chargor and the Lender but without affecting the obligations of the Borrower (as defined in the Facility Agreement), each Chargor shall be liable under Clause 2 (*Covenant to pay*) as if it were the principal debtor and not merely a surety. Neither the Charges nor the obligations of each Chargor under this Deed shall be discharged or affected by (and each Chargor hereby irrevocably waives any defences it may now or hereafter acquire in any way relating to) any act, omission, matter or thing which, but for this Clause 23.6, would reduce, release or prejudice any of its obligations under any Finance Document (without limitation and whether or not known to such Chargor or the Lender) including:

- (a) any time, waiver or consent given to, or any composition with, any Chargor, Obligor or any other person,

- (b) the release of any Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group (other than any express release of the Charges given in accordance with this Deed),
- (c) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatever nature) or replacement of any Finance Document or any other document or Security, including without limitation any change in the purpose of any new or increased advances or utilisations, any extension of any date for payment or any increase in any commitment or facility or the addition of any new facility under any Finance Document or other document or Security;
- (d) the taking, perfection, enforcement, variation, compromise, exchange, renewal, release of, or the refusal or neglect to take, perfect or enforce, any rights against, or Security over, assets of, or any guarantee or undertaking given by, any Chargor, Obligor or 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,
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or constitution or status of any Chargor, Obligor or any other person,
- (f) the illegality, invalidity or unenforceability of any obligation of any person under, or expressed to arise under, any Finance Document or other document or Security;
- (g) any insolvency or similar proceedings under the laws of any jurisdiction or the making of any arrangement or composition with or for the benefit of creditors by any Chargor, Obligor, the Lender or any other person,
- (h) the Lender ceasing or refraining from giving credit or making loans or advances to or otherwise dealing with any Obligor or any other person (but without prejudice to any rights which any Chargor may have against the Lender by reason of default by the Lender under the Finance Documents), or
- (i) the failure of the Lender to disclose to any Chargor any information relating to the business, assets, financial condition or prospects of any other Obligor now or hereafter known to the Lender (each Chargor waiving any duty on the part of the Lender to disclose such information).

23.7 Deferral of Chargors' rights: Until all Secured Liabilities have been irrevocably and unconditionally paid and discharged in full or the Lender otherwise directs, no Chargor shall exercise any rights which it may have (by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed)

- (a) to be indemnified by any other Obligor;
- (b) to claim any contribution or payment from any other provider of Security or surety of any Obligor's obligations under the Finance Documents,

- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other Security or guarantee taken pursuant to, or in connection with, the Finance Documents by the Lender,
- (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 any Chargor has given a guarantee, undertaking or indemnity under this Deed,
- (e) to exercise any right of set-off against any Obligor, and/or
- (f) to claim or prove as a creditor of any Obligor in competition with the Lender

Such Chargor shall hold any benefit, payment or distribution received or recovered by it as a result of any exercise of any such right on trust for the Lender and shall pay an amount equal to the amount received or recovered immediately to the Lender

23.8 Partial invalidity: If at any time any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect (or any of the Charges intended to be created by or pursuant to this Deed is ineffective) in any jurisdiction, that shall not affect the legality, validity or enforceability of:

- (a) the remaining provisions or the effectiveness of any of the remaining Charges in that jurisdiction, or
- (b) that or any other provision or the effectiveness of such Charges in any other jurisdiction.

23.9 Reinstatement: If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or any Security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, Security or other disposition which is avoided or reduced (or must be restored in insolvency, liquidation, administration or otherwise, without limitation), then

- (a) the liability of each Chargor and the Charges will continue or be reinstated as if the discharge, release or arrangement, avoidance or reduction had not occurred,
- (b) the Lender shall be entitled to recover the value or amount of that payment, Security or arrangement from each Chargor, as if the avoidance or reduction had not occurred, together with any other cost, loss, expense or liability incurred by the Lender as a result of such avoidance or reduction, and
- (c) each Chargor shall on demand indemnify the Lender against any funding or other cost, loss, liability or expense incurred by the Lender as a result of the Lender being required for any reason to refund all or part of any amount received by it in respect of any of the Secured Liabilities

23.10 Security retention: If the Lender considers that any amount paid or credited under any Finance Documents is capable of being avoided or otherwise set aside under any laws relating to insolvency or otherwise that amount shall not be treated as paid for the purposes of determining whether the Secured Liabilities have been paid

23.11 Final redemption:

- (a) The Lender shall at the cost of the relevant Chargor on the date on which it is satisfied that all the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and no further Secured Liabilities are capable of becoming outstanding (the "Release Date") or following receipt of a notice under paragraph (b) below, take all reasonable steps to release and/or re-assign the Charged Assets from the Charges but without recourse to or any representation or warranty by the Lender or any of its nominees.
- (b) If the Chargors are entitled to, under the terms of the Facility Agreement, and wish to require the release of the Charges in whole or part, they shall give the Lender not less than seven Business Days' prior notice in writing requesting release of the Charges
- (c) All documents which are necessary in connection with the redemption of the Charges or the transfer of the Charged Assets back to the relevant Chargor shall be in such form as the Lender shall require

23.12 Consolidation: Section 93 of the LPA (restricting the right of consolidation of the Charges with any other Security) shall not apply to the Charges and the Lender may consolidate all or any of the Charges with any other Security to the extent lawful

23.13 Appropriations: Until all Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and all facilities which might give rise to Secured Liabilities have been terminated, the Lender (or any trustee or agent on its behalf) may, without affecting the liability of any Chargor under this Deed

- (a) refrain from applying or enforcing any other moneys, Security or rights held or received by the Lender (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 no Chargor shall be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed

24 SET-OFF

24.1 Set-Off: After an Event of Default has occurred and for so long as it is continuing, the Lender may (without notice to the relevant Chargor) set off or otherwise apply against the Secured Liabilities any credit balance to which any Chargor is entitled on any account with the Lender and any other obligation (contingent or otherwise) owing by the Lender regardless of the place of payment, booking branch or currency of either obligation or the terms of any deposit standing to the credit of such account

24.2 Currency conversion: The Lender may exercise such rights notwithstanding that the obligations concerned may be expressed in different currencies and the Lender is authorised to convert either obligation at a market rate of exchange in its usual course of business for the purpose of the setoff.

- 24.3 Set-off rights cumulative:** This Clause 24 (*Set-off*) shall be in addition to and without prejudice to any rights of set-off or any other rights or remedies which the Lender may have.

25. COMMUNICATIONS

- 25.1 Communications in writing:** Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, may be made by fax or letter

- 25.2 Addresses:** The address and fax number (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

- (a) in the case of the Lender and each Chargor listed in Schedule 1 (*The Chargors*), that shown immediately after its name on the signature page of this Deed or set out under its name in Schedule 1 (*The Chargors*), or
- (b) in the case of each Chargor which accedes to this Deed in accordance with Clause 27 (*Changes to parties*), that set out in the Security Accession Deed by which it becomes a party hereto,

or any substitute address, facsimile number, person or department as the relevant Chargor may notify the Lender (or, in the case of a change made by the Lender, the Lender to the other parties) by not less than five Business Days' notice

25.3 Delivery

- (a) Subject to Clause 25.3(b), any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective
 - (i) if sent by fax, when first received in legible form; or
 - (ii) if by way of letter, 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,

and, if a particular department or officer is specified as part of its address details provided under Clause 25.2 (*Addresses*), if addressed to that department or officer

- (b) Any communication or document to be made or delivered to the Lender under or in connection with this Deed will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose)
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) to (d) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

25.4 Electronic communication

- (a) Any communication to be made by one person to another under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that those two persons agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those two persons.
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice
- (b) Any electronic communication made between those two persons will be effective only when actually received in readable form and in the case of any electronic communication made by a Chargor to the Lender only if it is addressed in such a manner as the Lender shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5 00 p m in the place of receipt shall be deemed only to become effective on the following day

26. COUNTERPARTS

- 26.1 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
- 26.2 Non-signatories:** Failure by one or more parties ("Non-Signatories") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other parties who do execute this Deed. Such Non-Signatories may execute this Deed (or a counterpart thereof) on a future date and will thereupon become bound by its provisions

27 CHANGES TO PARTIES

- 27.1 Assignment:** The Lender may at any time assign or otherwise transfer all or any part of its rights under this Deed in accordance with and subject to the Finance Documents. Subject to the provisions of the Facility Agreement, the Lender shall be entitled to disclose such information concerning the Chargors and this Deed as the Lender considers appropriate to any actual or proposed direct or indirect successor, or to any person to whom information may be required to be disclosed by any applicable law
- 27.2 Accession:**
 - (a) Each Chargor shall procure that any new Subsidiary of it which is required to do so by the terms of the Facility Agreement executes a Security Accession Deed and thereby charges its assets and undertaking contemplated by this Deed to the Lender

- (b) Each Chargor consents to new Subsidiaries becoming Chargors as contemplated by Clause 27.1 (*Assignment*) and irrevocably appoints Payment Assist as its agent for the purpose of executing accession deeds on its behalf

28. GOVERNING LAW AND SUBMISSION TO JURISDICTION

28.1 Governing law: This Deed and any non-contractual obligations arising out of or in connection with this Deed are governed by, and construed in accordance with, English law

28.2 Jurisdiction.

- (a) Subject to paragraph (c) below, 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 obligation arising out of or in connection with this Deed) or the consequences of its nullity (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle any Disputes between them and accordingly no party shall argue to the contrary
- (c) This Clause is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking,
 - (i) proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (ii) to the extent allowed by law, concurrent proceedings in any number of jurisdictions.

IN WITNESS WHEREOF the parties hereto have caused this Deed to be duly executed and delivered as a deed on the date first written above

SCHEDULE 1
THE CHARGORS

<u>Chargor</u>	<u>Register Number</u>
Payment Assist Ltd	10178777
Payment Assist (UK) Ltd	08752986

SCHEDULE 2
DETAILS OF THE SCHEDULED REAL PROPERTY

None

SCHEDULE 3
DETAILS OF THE SCHEDULED INTELLECTUAL PROPERTY

None

SCHEDULE 4
DETAILS OF THE SCHEDULED INVESTMENTS

<u>Charge</u>	<u>Shares held in</u>
Payment Assist Limited	Payment Assist (UK) Limited

SCHEDULE 5
DETAILS OF THE SCHEDULED PERSONAL CHATTELS

None

SCHEDULE 6
DETAILS OF THE SCHEDULED BANK ACCOUNTS

Account Holder	Bank	Bank Account number
Payment Assist Limited	HSBC Grove Park, Lakeside 5a, Penman Way, Narborough Road South, Enderby, Leicester LE19 1SY	80033030
Payment Assist (UK) Limited ¹	Santander Commercial Banking, Carlton Park, Narborough, Leicester LE19 0LF	10532922

¹ Collection Account

SCHEDULE 7

NOTICE TO ACCOUNT BANKS

Part 1

Form of Notice to Account Bank for a Bank Account (other than the Collections Account)

To [name of Account Bank]

[address]

Dated [•]

Dear Sirs

[•] (the "Chargor")

Name of account

Account number and sort code

Debenture dated 17 July 2016 made between, amongst others, the Chargor and Bank and Clients plc, as the Lender (the "**Deed**")

- 1 We hereby give notice that, pursuant to the Deed, the Chargor has charged (by way of first fixed charge) in favour of the Lender all its rights, title and interest in and to, the accounts with you listed above (the "**Specified Accounts**") and any other bank account maintained with you (the "**Accounts**"), including all moneys which may at any time be standing to the credit of such accounts. A copy of the Deed is enclosed. The Deed prohibits any dealing with the Accounts except with the consent of the Lender as provided in the Deed. Unless otherwise defined herein, all defined terms used shall have the meaning given to them in the Deed.
- 2 The Chargor hereby irrevocably and unconditionally instructs and authorises you.
- (a) to disclose to the Lender any information relating to the Accounts which the Lender requests you to disclose,
 - (b) to pay or to release any moneys standing to the credit of the Accounts, in accordance with any instructions which you receive from the Lender,
 - (c) following notice from the Lender that the Security created under the Deed has become enforceable, not to permit any withdrawal of any moneys standing to the credit of the Accounts, without the prior written consent of the Lender and to hold all such moneys to the order of the Lender, and
 - (d) to comply with the terms of any written notices or instructions relating to the Deed and/or the Accounts and the debts represented by them which you receive from the Lender.
- 3 The Lender hereby confirms that it consents to the following transactions in relation to the Accounts in accordance with the terms of the mandates relating to such Accounts
- (a) you may collect and pay to the credit of any Specified Accounts the proceeds of credits for the account of the Chargor,
 - (b) you may make payments to third parties or to other Accounts in the name of the Chargor on the instructions of the Chargor and debit the amounts involved to any Accounts.

- (c) you may debit to any Account amounts due to you from the Chargor for operating such account, and
- (d) in order to enable you to make available net overdraft facilities on the Accounts, you may set-off debit balances against credit balances on any of the Specified Accounts
- 4. The Lender may, by notice to you, amend or withdraw the consents given in paragraph 3 above
- 5. If the consent referred to in paragraph 3(d) above is withdrawn, you may immediately set off debit balances and credit balances on the Accounts existing immediately prior to the receipt by you of the notice of such withdrawal
- 6. The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Chargor and the Lender together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Chargor
- 7. The instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of any Chargor
- 8. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law
- 9. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Lender at 30 King Street, London EC2V 8EH copied to us

Yours faithfully

PAYMENT ASSIST LTD

BANK AND CLIENTS PLC

By

By

Authorised Signatory

Authorised Signatory

Part 2
Form of Acknowledgement of Notice to Account Bank for a Bank Account (other than the Collections Account)

To Bank and Clients plc

Copy Payment Assist Ltd

Dear Sirs

Debenture dated 17 July 2016 between, amongst others, the Chargor and the Lender (the "Deed")

We hereby acknowledge receipt of the notice (a copy of which is attached hereto (the "Notice")) dated 17 July 2016 and addressed to us by you regarding the Accounts. Terms defined in the Notice shall have the same meanings when used in this letter. We hereby confirm that we:

- (a) accept the instructions and authorisations contained in the Notice and agree to comply with the terms thereof,
- (b) do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, Security, rights of combination, consolidation or set-off or rights against the Chargor in respect of the Accounts and/or the debts represented by them,
- (c) have not received notice of any interest of any third party in any Account and/or the debts represented by them and to our knowledge there are no restrictions on the creation of Security over the Accounts pursuant to the Deed, and
- (d) have not designated *[any of the [Specified] Account[s] a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008 and we agree that we will not so designate the [Specified] Account[s] or take any steps to transfer the balance standing to the credit of the [Specified] Account to the reclaim fund without the Security Agent's prior written consent*

We agree that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Accounts and/or the debts represented by them, we will promptly notify you.

The only Account[s] maintained with us *[is] [are]* the Specified Account[s] referred to in the Notice *[and /•]*

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

Yours faithfully

[name of bank]

Part 3
Form of Notice for the Collections Account to Account Bank

To *[name of Account Bank]*
 [address]

Dated __ July 2016

Dear Sirs

Payment Assist (UK) Ltd (the "Chargor")

Name of account

Account number and sort code

Debenture dated 19 July 2016 made between, amongst others, the Chargor and Bank and Clients plc, as Lender (the "Deed")

- 1 We hereby give notice that, pursuant to the Deed, the Chargor has charged (by way of first fixed charge) in favour of the Lender all its rights, title and interest in and to, the accounts with you listed above (the "Specified Accounts"), including all moneys which may at any time be standing to the credit of such accounts. A copy of the Deed is enclosed. The Deed prohibits any dealing with the Specified Accounts except with the consent of the Lender as provided in the Deed. Unless otherwise defined herein, all defined terms used shall have the meaning given to them in the Deed.
2. The Chargor hereby irrevocably and unconditionally instructs and authorises you
 - (a) to disclose to the Lender any information relating to the Specified Accounts which the Lender requests you to disclose,
 - (b) to pay or to release any moneys standing to the credit of the Specified Accounts, in accordance with any instructions which you receive from the Lender,
 - (c) not to permit any withdrawal of any moneys standing to the credit of the Specified Accounts other than in accordance with the express provisions of the Facility Agreement insofar as it relates to the Collections Account, without the prior written consent of the Lender and to hold all such moneys to the order of the Lender, and
 - (d) to comply with the terms of any written notices or instructions relating to the Deed and/or the Specified Accounts and the debts represented by them which you receive from the Lender
- 3 The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Chargor and the Lender together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Chargor.
- 4 The instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of the Chargor.

5. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
6. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Lender at 30 King Street, London EC2V 8EH copied to us

Yours faithfully

PAYMENT ASSIST (UK) LTD

BANK AND CLIENTS PLC

By
Authorised Signatory

By
Authorised Signatory

Part 4
Form of Acknowledgement of Notice for the Collections Account to Account Bank

To Bank and Clients plc
 30 King Street
 London
 EC2V 8EH

Copy PAYMENT ASSIST (UK) LTD

Dear Sirs

Debenture dated 19 July 2016 between, among others, the Chargor and the Lender (the "Deed")

We hereby acknowledge receipt of the notice (a copy of which is attached hereto (the "Notice")) dated __ July 2016 and addressed to us by you regarding the Specified Account Terms defined in the Notice shall have the same meanings when used in this letter. We hereby confirm that we

- (a) accept the instructions and authorisations contained in the Notice and agree to comply with the terms thereof,
- (b) do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, Security, rights of combination, consolidation or set-off or rights against the Chargor in respect of the Specified Accounts and/or the debts represented by them,
- (c) have not received notice of any interest of any third party in any Specified Account and/or the debts represented by them and to our knowledge there are no restrictions over the creation of Security over the Specified Accounts pursuant to the Deed;
- (d) have not designated the Specified Account a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008 and we agree that we will not so designate the Specified Account or take any steps to transfer the balance standing to the credit of the Specified Account to the reclaim fund without the Lender's prior written consent, and
- (e) shall not permit any amount to be withdrawn from the Specified Account without your prior written consent.

We agree that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Specified Account and/or the debts represented by them, we will promptly notify you.

The only accounts maintained with us is the Specified Account referred to in the Notice.

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

Yours faithfully

[name of bank]

SCHEDULE 8
REAL PROPERTY UNDERTAKINGS

1. **Registration:** Each Chargor shall promptly provide, if so requested by the Lender:
 - (a) a clear Land Charges Registry search against each Chargor or clear Land Registry priority search results in favour of the Lender on the appropriate Land Registry forms against all of the registered titles comprising each Chargor's interests comprised within the Charged Real Property and giving not less than 28 days priority,
 - (b) appropriate Land Registry application forms duly completed accompanied by all necessary Land Registry fees; and
 - (c) notice to the reversioner of the assignment/transfer of any headlease to the relevant Chargor and the charging of that headlease to the Lender, together with the appropriate registration fees, where such notification is required under those headleases.
- 2 **Leasing** Each Chargor shall.
 - (a) not grant, or agree to grant, any lease or tenancy of all or any part of any Charged Real Property or confer or agree to confer upon any person any contractual licence or right to occupy or use any Charged Real Property,
 - (b) pay any applicable rents and shall not accelerate or defer payment of any moneys due or agree to any reduction in rent or waive or vary any obligation to pay rent or other moneys due under the terms of any lease or other property agreement comprised in the Charged Real Property;
 - (c) duly and promptly implement any rent review under any lease comprised in the Charged Real Property but not agree to the reviewed rent or appoint or agree to the appointment of a third party to determine the same without the prior written approval of the Lender;
 - (d) comply with all material obligations imposed on it and enforce the performance of all material obligations owed to it by any person under any lease, licence or other agreement giving the right to occupy any Charged Real Property and shall not do anything or permit anything to be done which could result in the termination of any such lease, licence or other agreement,
 - (e) not extend or renew on substantially different terms or determine or accept any surrender of any lease, tenancy, licence or right to occupy comprised in the Charged Real Property or agree to do any of these things, and
 - (f) give prompt notice in writing to the Lender if any tenant, lessee or licensee shall withhold rent or exercise any right of set-off against sums payable under any lease or other property agreement comprised in the Charged Real Property or purports, attempts or threatens to do so
- 3 **Compulsory acquisition:** Each Chargor shall not, without the consent of the Lender, enter into any negotiations with any competent agency of any state with regard to the compulsory acquisition of any Charged Assets nor consent to the compulsory

acquisition thereof. However, if so requested by the Lender, such Chargor shall permit the Lender or its representatives to conduct such negotiations or give such consent on such Chargor's behalf

4. **Affixing of Charged Assets:** Each Chargor shall not fix or permit the affixing of the Charged Assets to any Real Property other than Charged Real Property.
5. **Compliance:** Each Chargor shall comply with all laws or material regulations, directives, consents, authorisations, covenants or planning permissions relating to or affecting any Charged Real Property
6. **Planning:** No Chargor shall, without the prior written consent of the Lender, carry out or permit to be carried out on any part of its Charged Real Property any development (within the meaning of that expression in the Planning Acts) nor to make any application for planning permission for the development or change of use of its Charged Real Property or carry out any work for which planning permission has been granted or enter into any agreement under section 106 of the Town and Country Planning Act 1990, section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or any other agreement with any local government, planning or other regulatory authority to build roads, amenities or carry out other works
7. **VAT:** No Chargor shall elect to charge VAT or to transfer the right to recover or levy VAT or to treat supplies made by it as taxable supplies for the purposes of VAT or fail to do any of the foregoing without the prior written consent of the Lender.
8. **Repair:** Each Chargor shall keep all buildings on its Charged Real Property in good and substantial repair and shall keep all Fixtures and other Personal Chattels from time to time on or in any Charged Real Property belonging to it or its Subsidiaries in good and substantial repair and in good working order
9. **Valuation reports:** Each Chargor shall, promptly on receipt, cause a copy of each professional valuation report that it obtains in relation to its Charged Real Property to be provided to the Lender
10. **No building:** No Chargor shall, without the prior written consent of the Lender, save in the ordinary course of business where such works do not adversely affect the value of such Charged Real Property or as required by law or regulation, carry out any building work on its Charged Real Property, nor make any structural alteration to any building on its Charged Real Property, nor at any time sever, alter, remove or dispose of any Fixtures on it
11. **No onerous obligations:** No Chargor shall, without the prior written consent of the Lender, enter into onerous or restrictive obligations affecting its Charged Real Property or create or permit to arise any overriding interest or any easement or right whatever in or over it which would be reasonably likely to adversely affect its value or the value of the Security constituted by this Deed over it.
12. **User:** Each Chargor shall use its Charged Real Property only for such purpose or purposes as may from time to time be authorised as the permitted use or user thereof under or by virtue of the Planning Acts.
13. **Investigation of title:** Each Chargor shall grant the Lender or its lawyers on request all facilities within the power of the Chargor to enable such lawyers to carry out investigations of title of all or any part of the Chargor's Real Property which is or may

become charged by it under this Deed and enquires into such matters in connection therewith at the expense of the Chargor

14. **Certificate of title:** Each Chargor shall promptly on demand by the Lender provide to the Lender at the expense of the Chargor a certificate of title in such form as the Lender may require addressed to the Lender or the Lender in relation to any of its Real Property which is or may become charged by it under this Deed.
15. **Notices:** Each Chargor shall promptly deliver a copy of any material communication received by it which has been given with respect to any Charged Real Property and take such steps as the Lender shall reasonably require in relation thereto.
16. **Entry:** Each Chargor shall permit the Lender and any person nominated by it at all reasonable times and with reasonable prior notice to enter any of its Charged Real Property to view its condition

SCHEDULE 9
ASSIGNED CONTRACTS

Part 1

None

Part 2

None

SCHEDULE 10
NOTICES OF ASSIGNMENT

Part 1
Form of Notice of Assignment of Assigned Contract

To *[insert name and address of counterparty]*

[•]

Dear Sirs

Re *[identify the Assigned Contract]* (the "Document")

We give notice to you that *[insert name of relevant Chargor]* (the "Company") has charged in favour of Bank and Clients plc (the "Lender") all its right, title and interest in the Document as Security for certain obligations owed by the Company to the Lender pursuant to a debenture dated *19 July 2016* made between, amongst others, the Company and the Lender (the "Deed").

I We further notify you that

- (a) the Company shall remain entitled to exercise all its rights, powers and discretions under the Document, except that the Company shall not and you agree that the Company shall not, in any manner which could reasonably be expected to affect adversely the Lender in any material respect, amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of the Document or exercise any right to rescind, cancel or terminate the Document or give any consent under the Document without the prior written consent of the Lender,
- (b) subject to paragraph (a) above you may continue to deal with the Company in relation to the Document until you receive written notice to the contrary from the Lender. Thereafter the Company will cease to have any right to deal with you in relation to the Document and therefore from that time you should deal only with the Lender,
- (c) you are authorised to disclose information in relation to the Document to the Lender on request,
- (d) following notice from the Lender that the Security created under the Deed has become enforceable you must hold all sums from time to time due and payable by you to the Company under the Document to the order of the Lender,
- (e) you will pay or release all moneys to which the Company is entitled under the Document to such persons only as the Lender shall direct,
- (f) the provisions of this notice may only be revoked with the written consent of the Lender,
- (g) you must send copies of all notices and other information under the Document to the Lender, and

- (h) the Company will remain liable to perform all its obligations under the Document and neither the Lender nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Document
- 2. Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Company) by way of confirmation that:
 - (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
 - (b) you have not received notice that the Company has assigned its rights under the Document to a third party or created any other interest (whether by way of Security or otherwise) in the Document in favour of a third party,
 - (c) you will pay any sums payable to the Company or any other person under or pursuant to the Document as directed by or pursuant to this notice or by the Lender, and
 - (d) you do not have and will not exercise any rights of counterclaim or set-off in respect of any Document

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

Yours faithfully

[name of Chargor]

BANK AND CLIENTS PLC

By
Authorised Signatory

By
Authorised Signatory

Part 2
Form of Acknowledgement of Notice of Assignment of Assigned Contract

To Bank and Clients plc
 30 King Street
 London
 EC2V 8EH

Copy to *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraphs 2(a) to 2(d) above.

.....
for and on behalf of

[insert name of counter party]

Dated.

Part 3
Form of Notice of Assignment to Insurers

To. [insert name and address of insurance company]

[•]

Dear Sirs,

Re [identify the relevant Insurance Policy(ies)] (the "Policies")

- 1 We hereby notify you that [insert name of [relevant] Chargor] (the "Company") has charged in favour of Bank and Client plc (the "Lender") all its right, title and interest in the Policies as Security for certain obligations owed by the Company to the Lender
- 2 We further notify you that:
 - (a) the Company may not agree to amend, modify or terminate the Policies without the prior written consent of the Lender;
 - (b) you may continue to deal with the Company in relation to the Policies until you receive written notice to the contrary from the Lender. Thereafter the Company will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Lender,
 - (c) you are authorised to disclose information in relation to the Policies to the Lender on request,
 - (d) following notice from the Lender that the Security has become enforceable, you must hold all sums from time to time due and payable by you to us under the Policies to the order of the Lender;
 - (e) you will pay or release all moneys to which the Company is entitled under the Policies,
 - (f) you will notify the Lender promptly of any claim, or notification likely to result in a claim, under any Policy for an amount in excess of £500,000; and
 - (g) the provisions of this notice may only be revoked with the written consent of the Lender
- 3 Please sign and return the enclosed copy of this notice to the Lender (with a copy to the Company) by way of confirmation that
 - (i) you agree to the terms set out in this notice and to act in accordance with its provisions;
 - (ii) you have noted the Lender's interest as assignee/chargee on the Policies,
 - (iii) you will not cancel, avoid, release or otherwise allow the Policies to lapse without giving the Lender at least 30 days' written notice;
 - (iv) you have not received notice that the Company has assigned its rights under the Policies to a third party or created any other interest (whether by way of Security or otherwise) in the Policies in favour of a third party,

- (v) you shall not permit any sums to be paid to the Company or any other person under or pursuant to the Policies without the prior written consent of the Lender,
- (vi) the Lender shall not in any circumstances be liable for the premiums in relation to the Policies; and
- (vii) the Policies shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

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

Yours faithfully

for and on behalf of

[insert name of Company]

Part 4
Form of Acknowledgement of Notice of Assignment to Insurers

To. Bank and Chents plc
 30 King Street
 London
 EC2V 8EH

Copy to: *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraph 3 above

.....
for and on behalf of

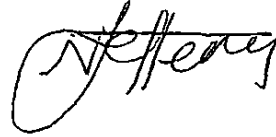
[insert name of Company]

Dated:

SIGNATURES

EXECUTED AS A DEED by
PAYMENT ASSIST LIMITED
acting by a director or
two authorised signatories

)
)
)
)



Name(s) NEIL JEFFERY

Witness's signature [Signature]
(if signed by one director only)
Name CLAIR WARD
Address Spearing Waite LLP

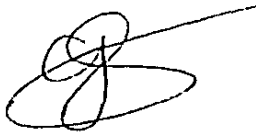
34 Pocklington Walk
Leicester

Notice Details:

Address UNIT 5A, LETSBURY DRIVE, MECTON MOWBRAY
Facsimile 01664 503152
Attention NEIL JEFFERY

EXECUTED AS A DEED by
PAYMENT ASSIST (UK) LIMITED
acting by a director or
two authorised signatories

)
)
)
)



Name(s) COLIN LISTER

Witness's signature [Signature]

(if signed by one director only)

Name CHARLES WARD

Address Spearing Waite LLP

34 Pocklington's Wa.

Leicester

Notice Details

LE1 6BU

Address UNIT 5A DICKY DRIVE, MILLER MANSION LKS LEBOR


Facsimile 01664 503152

Attention COLIN LISTER

EXECUTED AS A DEED by
BANK AND CLIENTS PLC
acting by a director or
two authorised signatories

) 
) 
)

Name(s) E. BRIDEL
N. COLL

Witness's signature 

(if signed by one director only)

Name JOHN KANE

Address 

Notice Details

Address: 30 KING STREET, LONDON, EC2V 8EH

Facsimile: 0207 042 9749

Attention: KARIM SUMANI / JOHN KANE