



**Registration of a Charge**

Company Name: **ETHICAL INTRODUCTIONS LTD**

Company Number: **09280849**



Received for filing in Electronic Format on the: **21/01/2022**

XAW51UMI

**Details of Charge**

Date of creation: **21/01/2022**

Charge code: **0928 0849 0002**

Persons entitled: **ADG PREFCAP I LP**

Brief description: **EACH CHARGOR CHARGES BY WAY OF FIRST LEGAL MORTGAGE ALL ESTATES OR INTERESTS IN ANY FREEHOLD OR LEASEHOLD PROPERTY NOW OWNED BY IT. EACH CHARGOR CHARGES BY WAY OF A FIRST FIXED CHARGE ALL OF ITS RIGHTS IN RESPECT OF ANY INTELLECTUAL PROPERTY.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**DAC BEACHCROFT**



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

Company number: 9280849

Charge code: 0928 0849 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st January 2022 and created by ETHICAL INTRODUCTIONS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st January 2022 .

Given at Companies House, Cardiff on 24th January 2022

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



**Companies House**



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

# DAC BEACHCROFT

Dated 21 January 2022

(1) **ETHICAL INTRODUCTIONS LTD**

- and -

(2) **ADG PREFCAP I LP**

---

## Security Agreement

---

---

## CONTENTS

Clause	Page
1. DEFINITIONS AND INTERPRETATION .....	3
2. CREATION OF SECURITY .....	6
3. RESTRICTIONS ON DEALINGS .....	9
4. LAND .....	9
5. INVESTMENTS .....	10
6. ACCOUNTS .....	11
7. INSURANCES .....	12
8. INTELLECTUAL PROPERTY .....	12
9. EQUIPMENT .....	12
10. WHEN SECURITY BECOMES ENFORCEABLE .....	13
11. ENFORCEMENT OF SECURITY .....	13
12. ADMINISTRATOR .....	15
13. RECEIVER .....	15
14. POWERS OF RECEIVER .....	16
15. APPLICATION OF PROCEEDS .....	18
16. EXPENSES AND INDEMNITY .....	19
17. DELEGATION .....	19
18. FURTHER ASSURANCES .....	19
19. POWER OF ATTORNEY .....	20
20. MISCELLANEOUS .....	20
21. RELEASE .....	20
22. GOVERNING LAW .....	20
 <b>Schedules</b>	
<i>Form of Letter for Account Bank</i> .....	21
<i>Form Of Letter For Insurers</i> .....	23
SIGNATORIES .....	31

**THIS DEED** is dated

21

January 2022

**BETWEEN:**

- (1) **ETHICAL INTRODUCTIONS LTD**, a company registered in England and Wales (with company number 09280849) whose registered office is at Unit 3, Vista Place, Coy Business Pond Business Park, Ingworth Road, Poole, Dorset, United Kingdom BH12 1JY (the "**Chargor**"); and
- (2) **ADG PREFCAP I LP**, a limited partnership registered in England and Wales with number LP021643 whose registered office is at Floor 3 10 Chiswell Street, London, United Kingdom, EC1Y 4UQ as security trustee for the Noteholders (as defined below) (the "**Chargee**").

**BACKGROUND:**

- (A) The Chargee has agreed to subscribe for certain Loan Notes to be issued by the Chargor on the terms set out in the Loan Note Instrument.
- (B) It is a condition precedent to the subscription of the Loan Notes that the Chargor simultaneously enters into and delivers this Deed.
- (C) Under this Deed, the Chargor provides Security in support of the Loan Notes.

**IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed:

**Account** means each of the accounts opened or maintained by the Chargor with any person from time to time.

**Account Bank** means any bank, building society or other financial institution or other person with whom the Chargor has an Account.

**Act** means the Law of Property Act 1925.

**Administration Event** means:

- (a) the presentation of an application to the courts for the making of an administration order in relation to the Chargor; or
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an administrator in respect of the Chargor or the filing of such a notice with the court.

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

**Delegate** means any delegate, agent or attorney appointed by the Chargee or any Receiver.

**Equipment** means all present and future equipment, plant, machinery, office equipment, computers, tools, vehicles, furniture, fittings, installations and apparatus and other chattels for the time being owned by the Chargor or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions.

**Finance Document** has the meaning given to the term "Transaction Document" as defined in the Loan Note Instrument.

**Fixed Security** means any Security expressed to be created by Clauses 2.1 to 2.10 inclusive of this Deed.

**Group** means in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group.

**Insurance** means each contract and policy of insurance maintained by, or for the benefit of, the Chargor from time to time.

**Intellectual Property** means any present and future patents, rights to inventions, copyright and neighbouring and related rights (including moral rights), trade-marks, service marks, business names, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, designs, rights to use, and protect the confidentiality of, confidential information (including know-how) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world, and any agreements and licences relating to the rights to use such assets or exploitation of any such rights and assets, in each case held by or for the benefit of the Chargor.

**Investments** means:

- (a) all shares, stocks, debentures, loan capital, bonds, certificates of deposit, any other instrument creating or acknowledging indebtedness or other securities or investments owned by the Chargor or held by any nominee or trustee on its behalf;
- (b) interests in collective investment schemes, in whatever form or jurisdiction such scheme is established, including partnership interests;
- (c) warrants and other instruments entitling the lender to subscribe for or acquire any investments described in paragraphs (a) or (b) above;
- (d) certificates and other instruments conferring contractual or property rights (other than options) in respect of the investments in paragraphs (a), (b) or (c) above; and
- (e) options to acquire any investments described in paragraphs (a), (b), (c) or (d) above, in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against such trustee, nominee, custodian, fiduciary or clearance system including, without limitation, any contractual rights or any right to delivery of all or part of such investments from time to time),

and includes all related rights.

**Loan Note** has the meaning given to such term in the Loan Note Instrument.

**Loan Note Instrument** means the loan note instrument dated on or about the date of this Deed between the Chargor as issuer constituting secured discounted loan notes.

**Mortgaged Property** means all freehold or leasehold property included in the definition of Security Asset.

**Noteholder** has the meaning given to such term in the Loan Note Instrument.

**Party** means a party to this Deed.

**Receiver** means a receiver or receiver and manager or administrative receiver, in each case appointed in respect of the Chargor or any Security Asset.

**Secured Liabilities** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to any Secured Party including, without limitation, under or in connection with any Finance Document.

**Secured Party** means the Chargee, any Receiver or Delegate.

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

**Security Asset** means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

**Security Period** means the period beginning on the date of this Deed and ending on the date on which (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and (b) the Chargee is under no further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Finance Documents.

**Security Trust Deed** means the security trust deed entered into by the Chargee dated on or about the date of this Deed in relation to the Loan Notes and this Deed.

## 1.2 Construction

- (a) Capitalised terms defined in the Loan Note Instrument have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1 (Definitions and Interpretation) and 16 (Third party rights) of the Loan Note Instrument apply to this Deed as though they were set out in full in this Deed except that references to the Loan Note Instrument will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
  - (i) a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (ii) any **rights** in respect of an asset includes:
    - all amounts and proceeds paid or payable;
    - all rights to make any demand or claim; and
    - all powers, remedies, causes of action, security, guarantees and indemnities,
    - in each case in respect of or derived from that asset;
  - (iii) any **share, stock, debenture, bond or other security or investment or investments** includes:
    - (A) any dividend, interest or other distribution paid or payable;
    - (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
    - in each case in respect of that share, stock, debenture, bond or other security or investment; and



- (iv) the term **this Security** means any Security created by this Deed.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Chargee reasonably considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

### **1.3 Receivers**

Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph the provisions of the Contracts (Rights of Third Parties) Act 1999.

## **2. CREATION OF SECURITY**

### **2.1 General**

- (a) The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the Security created under this Deed:
  - (i) is created in favour of the Chargee as security trustee pursuant to the Security Trust Deed;
  - (ii) is created over the present and future assets of the Chargor;
  - (iii) is security for the payment of all the Secured Liabilities; and
  - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) The Chargor creates each Fixed Security subject to obtaining any necessary consent to such Fixed Security from any relevant third party.

### **2.2 Land**

- (a) The Chargor charges:
  - (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; and
  - (ii) (to the extent that they are not the subject of a mortgage under paragraph (i) above) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.

- (b) A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:
- (i) all buildings, fixtures, fittings, fixed plant and machinery on that property;
  - (ii) the proceeds of the sale of any part of that property and any other monies paid or payable in respect of or in connection with that property;
  - (iii) all rights under any licence, agreement for sale or agreement for lease in respect of that property; and
  - (iv) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

### **2.3 Investments**

The Chargor charges by way of first fixed charge all rights, money, interest in any Investments or property accruing, offered or issued at any time by way of redemption, substitution, exchange, conversion, preference or otherwise.

### **2.4 Equipment**

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (Land), the Chargor charges by way of a first fixed charge all Equipment.

### **2.5 Credit balances**

The Chargor charges by way of a first fixed charge all of its rights in respect of any Account, any amount standing to the credit of any such Account and the debt represented by it.

### **2.6 Book debts etc.**

The Chargor charges by way of a first fixed charge:

- (a) all of its book and other debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights in relation to any item under paragraphs (a) and (b) above.

### **2.7 Insurances**

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights the benefit of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest (together, the "**Insurance Rights**").
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its Insurance Rights.

### **2.8 Intellectual Property**

The Chargor charges by way of a first fixed charge all of its rights in respect of any Intellectual Property.

**2.9 Other contracts**

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any document, agreement or instrument to which it or any nominee or trustee is party.
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a) above.

**2.10 Miscellaneous**

The Chargor charges by way of first fixed charge:

- (a) its goodwill (to the extent that this is not charged by virtue of clause 2.8);
- (b) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (c) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (b) above;
- (d) its uncalled capital;
- (e) all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other provision of this Clause 2; and
- (f) the benefit of all rights in relation to any item under paragraphs (a) to (e) above.

**2.11 Floating charge**

- (a) The Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- (b) Except as provided below, the Chargee may by notice to the Chargor convert the floating charge created by this Clause 2.11 (Floating charge) into a fixed charge as regards any of the Chargor's assets specified in that notice if:
  - (i) an Event of Default is continuing; or
  - (ii) the Chargee considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this Clause 2.11 (Floating charge) may not be converted into a fixed charge solely by reason of:
  - (i) the obtaining of a moratorium; or
  - (ii) anything done with a view to obtaining a moratorium,under section 1A of the Insolvency Act 1986.
- (d) The floating charge created by this Clause 2.11 (Floating charge) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Chargor's assets if an Administration Event occurs.

- (e) The floating charge created by this Clause 11 (Floating charge) is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

### **3. RESTRICTIONS ON DEALINGS**

#### **3.1 Security**

Except as expressly allowed under the Loan Note Instrument or this Deed, the Chargor must not create or permit to subsist any Security over or in respect of all or any part of any Security Asset.

#### **3.2 Disposals**

Except as expressly allowed under the Loan Note Instrument or this Deed, the Chargor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of all or any part of any Security Asset.

### **4. LAND**

#### **4.1 Acquisitions**

If the Chargor acquires any freehold or leasehold property in England and Wales after the date of this Deed it must:

- (a) notify the Chargee immediately;
- (b) immediately on request by the Chargee and at the cost of the Chargor, execute and deliver to the Chargee a legal mortgage over that property in favour of the Chargee in the form which the Chargee requires; and
  - (i) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and
  - (ii) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

#### **4.2 Land Registry**

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of [ ] referred to in the charges register or their conveyancer. (Standard Form P)".

#### **4.3 Deposit of title deeds**

The Chargor must immediately:

- (a) deposit with the Chargee all deeds and documents necessary to show good and marketable title to any property referred to in Clause 4.1 (Acquisitions) (the "**Title Documents**");
- (b) procure that the Title Documents are held at the applicable Land Registry to the order of the Chargee; or
- (c) procure that the Title Documents are held to the order of the Chargee by a firm of solicitors approved by the Chargee for that purpose.

---

**5. INVESTMENTS****5.1 Deposit**

The Chargor must immediately (in the case of Investments held by the Chargor at the date of this Deed, on the date of this Deed, and in the case of any Investment acquired after the date of this Deed, upon acquisition of such Investment):

- (a) deposit with the Chargee, or as the Chargee may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- (b) execute and deliver to the Chargee all share transfers and other documents which may be requested by the Chargee in order to enable the Chargee or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

**5.2 Calls**

- (a) The Chargor must pay all calls or other payments due and payable in respect of any of its Investments.
- (b) If the Chargor fails to do so, the Chargee may (but is not required to) pay the calls or other payments in respect of any of its Investments on behalf of the Chargor. The Chargor must immediately on request reimburse the Chargee for any payment made by the Chargee under this Clause 5.2 (Calls).

**5.3 Other obligations in respect of Investments**

- (a) The Chargor must promptly send a copy to the Chargee of, and comply with all requests for, information which is within its knowledge and provision of which is made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Chargee may elect to provide such information as it may have on behalf of the Chargor.
- (b) The Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) The Chargee is not obliged to:
  - (i) perform any obligation of the Chargor;
  - (ii) make any payment;
  - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
  - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any of its Investments.

**5.4 Voting rights**

- (a) Before this Security becomes enforceable:
  - (i) the voting rights, powers and other rights in respect of its Investments will be exercised:

- (A) by the Chargor; or
  - (B) if exercisable by the Chargee, in any manner which the Chargor may direct the Chargee in writing; and
- (ii) all dividends, distributions or other income paid or payable in relation to any of its Investments must be paid into an Account.
- (b) The Chargor must indemnify the Chargee against any loss or liability incurred by the Chargee as a consequence of the Chargee acting in respect of any of its Investments as permitted by this Deed on the direction of the Chargor.
- (c) After this Security has become enforceable, the Chargee may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

## **6. ACCOUNTS**

### **6.1 Book debts and receipts**

- (a) The Chargor must get in and realise its book and other debts and other moneys due and owing to it in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an Account if required in accordance with paragraph (b) below) on trust for the Chargee.
- (b) The Chargor must, except to the extent that the Chargee otherwise agrees, pay all the proceeds of the getting in and realisations under paragraph (a) above into an Account.

### **6.2 Operation of Accounts**

- (a) The Chargor shall, prior to the occurrence of an Event of Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.
- (b) After the occurrence of an Event of Default:
  - (i) the Chargor shall not be entitled to, receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Chargee; and
  - (ii) the Chargee may (but without any obligation to do so) in its absolute discretion:
    - (A) operate any Account;
    - (B) notify the Account Bank that the Chargor's rights to operate the Accounts are suspended (such notice to take effect in accordance with its terms); and
    - (C) withdraw from, and apply amounts standing to the credit of, an Account in or towards any purpose for which moneys in any Account may be applied,
 until such point in time as the Chargee may otherwise notify the Chargor in writing.
- (c) The Chargor shall promptly deliver to the Chargee on the date of this Deed (and if any change occurs or any new account is opened or maintained thereafter, on the date of such change or such account being opened or maintained), details of each Account opened or maintained with any Account Bank.

- (d) The Chargor shall not, without the Chargee's prior written consent, permit or agree to any variations of the rights attaching to any Account or close any Account.

### **6.3 Notices of charge**

The Chargor must (in the case of Accounts held by the Chargor at the date of this Deed, on the date of this Deed, and in the case of any Account opened or maintained after the date of this Deed, upon such Account being opened or maintained):

- (a) immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 1 (Form of Letter for Account Bank), on each Account Bank; and
- (b) use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 1 (Form of Letter for Account Bank).

## **7. INSURANCES**

Promptly upon the request of the Chargee, the Chargor must:

- (a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (Form Of Letter For Insurers), on each counterparty to an Insurance; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (Form Of Letter For Insurers).

## **8. INTELLECTUAL PROPERTY**

- (a) The Chargor must:
  - (i) maintain an up-to date record of all of its Intellectual Property and provide a copy to the Chargee following written request;
  - (ii) take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property which is material to or required in connection with its business including (without limitation) by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, registration fees, licence fees and other outgoings necessary to maintain all Intellectual Property rights in full force and effect; and
  - (iii) use all reasonable efforts to register applications for the registration of any such Intellectual Property, and shall keep the Chargee informed of all matters relating to each such registration.
- (b) The Chargor must not permit any Intellectual Property which is material to or required in connection with its business to be sold, transferred, licenced, abandoned, cancelled or to lapse.

## **9. EQUIPMENT**

- (a) The Chargor must:
  - (i) maintain the Equipment in good and serviceable condition (except for fair wear and tear in the ordinary course) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules; and

- (ii) at its own expense, renew and replace any parts of the Equipment when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value.
- (b) The Chargor must not permit any Equipment to be:
  - (i) used or handled other than properly qualified and trained persons; or
  - (ii) overloaded or used for any purpose for which it is not designed or reasonably suitable.
- (c) The Chargor shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on demand, produce evidence of such payment to the Chargee.

## **10. WHEN SECURITY BECOMES ENFORCEABLE**

### **10.1 Event of Default**

This Security will become immediately enforceable if:

- (a) an Event of Default occurs;
- (b) any event occurs or the Chargee receives any information or becomes aware of any matter or thing which causes the Chargee to reasonably believe that all or part of the Security Assets are in danger of seizure, distress or other legal process or that all or part of this Security is otherwise for any reason in jeopardy; or
- (c) the Chargor requests that the Chargee exercises any of its powers under this Deed.

### **10.2 Discretion**

After this Security has become enforceable, the Chargee may, without notice to the Chargor or prior authorisation from any court, enforce all or any part of this Security in any manner it sees fit in its absolute discretion including, without limitation, securing and perfecting its title to all or part of the Security Assets and (whether or not it has appointed a Receiver) exercising all or any of the rights, powers, authorisation and directions conferred by the Law of Property Act 1925 (as varied or excluded by this Deed) on mortgagees and by this Deed or any Receiver or otherwise conferred by law on mortgagees or Receivers.

### **10.3 Statutory powers**

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

## **11. ENFORCEMENT OF SECURITY**

### **11.1 General**

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Chargee are extended so as to authorise the Chargee to lease, make agreements for leases, accept surrenders of leases and grant options



---

as the Chargee may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

### **11.2 No liability as mortgagee in possession**

Neither the Chargee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

### **11.3 Privileges**

The Chargee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

### **11.4 Protection of third parties**

No person (including a purchaser) dealing with the Chargee, a Delegate, Receiver or its or his/her agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Chargee, a Delegate or Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Chargee, a Delegate or Receiver is to be applied.

### **11.5 Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable, the Chargee may:
  - (i) redeem any prior Security against any Security Asset; and/or
  - (ii) procure the transfer of that Security to itself; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Chargee, immediately on demand, the costs and expenses incurred by the Chargee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

### **11.6 Contingencies**

If this Security is 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 Chargee (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

### **11.7 Financial collateral**

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003) (the "**Regulation**"), the Chargee will have the right after this Security has become enforceable to appropriate all or any part of that financial

collateral in or towards the satisfaction of the Secured Liabilities and may exercise such right upon giving written notice to the Chargor.

- (b) Where any financial collateral is appropriated:
  - (i) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time of appropriation;
  - (ii) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
  - (iii) in any other case, its value will be such amount as the Chargee reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and the Chargee will give credit for the proportion of the value of the financial collateral appropriated to its use. In each case, the parties further agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purpose of the Regulation.

## **12. ADMINISTRATOR**

- (a) At any time after the Security created pursuant to this Deed becomes enforceable, the Chargee may:
  - (i) appoint any one or more persons to be an administrator under paragraph 14 of Schedule B1 of the Insolvency Act 1986; and/or
  - (ii) make an application to the Court for an administration order against the Chargor in accordance with paragraph 12 of Schedule B1 of the Insolvency Act 1986.
- (b) An administrator appointed by virtue of this clause 13 or by operation of law shall have all of the powers conferred upon it by the Insolvency Act 1986.
- (c) The Chargee may (subject to any necessary approval from the court) end the appointment of an administrator by writing under its hand and appoint a replacement for any administrator whose appointment may end for any reason.

## **13. RECEIVER**

### **13.1 Appointment of Receiver**

- (a) Except as provided below, the Chargee may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
  - (i) this Security has become enforceable; or
  - (ii) the Chargor so requests to the Chargee at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

- (d) The Chargee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Chargee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Chargee is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

### **13.2 Removal**

The Chargee may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### **13.3 Remuneration**

The Chargee may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

### **13.4 Agent of the Chargor**

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **13.5 Relationship with Chargee**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Chargee in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

## **14. POWERS OF RECEIVER**

### **14.1 General**

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 14 in addition to those conferred on it by any law. This includes:
  - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
  - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **14.2 Possession**

A Receiver may take immediate possession of, get in and realise any Security Asset.

**14.3 Carry on business**

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

**14.4 Employees**

(a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

(b) A Receiver may discharge any person appointed by the Chargor.

**14.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

**14.6 Sale of assets**

(a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

(b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

(c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

**14.7 Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

**14.8 Compromise**

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

**14.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

**14.10 Receipts**

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

**14.11 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

---

**14.12 Delegation**

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

**14.13 Lending**

A Receiver may lend money or advance credit to any person.

**14.14 Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

**14.15 Other powers**

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

**15. APPLICATION OF PROCEEDS**

- (a) All amounts from time to time received or recovered by the Chargee or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Chargee and applied:
  - (i) first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Chargee (and any Receiver or Delegate appointed by it);
  - (ii) second in paying the remuneration of any Receiver or Delegate (as agreed between it and the Chargee);
  - (iii) third in or towards discharge of the Secured Liabilities in such order and manner as the Chargee shall direct in its absolute discretion; and
  - (iv) finally in paying any surplus to the Chargor or any other person entitled to it.
- (b) This Clause 15 is subject to the payment of any claims having priority over this Security and does not prejudice the right of any Secured Party to recover any shortfall from the Chargor.

---

**16. EXPENSES AND INDEMNITY**

The Chargor must:

- (a) immediately on demand pay to a Secured Party the amount of all costs and expenses (including legal fees) incurred by the Chargee in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep the Secured Party indemnified against any failure or delay in paying those costs or expenses.

**17. DELEGATION****17.1 Power of Attorney**

The Chargee or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

**17.2 Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Chargee or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

**17.3 Liability**

Neither the Chargee nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

**18. FURTHER ASSURANCES**

- (a) The Chargor must promptly, at its own expense, take whatever action the Chargee, a Delegate or a Receiver may require for:
  - (i) creating, perfecting, maintaining or protecting the security created or intended to be created under this Deed over any Security Asset; or
  - (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Chargee or any Delegate or Receiver in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
  - (i) the execution of any document (including any mortgage, charge, transfer, conveyance, assignment or assurance of any asset), whether to the Chargee or to its nominees; or
  - (ii) the giving of any notice, order or direction and the making of any filing or registration, which, in any such case, the Chargee may consider necessary or desirable.
- (c) The Chargor shall, as soon as possible, use its best endeavours to obtain any consents necessary or to remove any restrictions on the creation of Security (in each case in a form and substance satisfactory to the Chargee (acting reasonably)) to enable the assets of the Chargor to be the subject of the relevant Fixed Security pursuant to this Deed. Immediately upon obtaining any such consent or removing any such restriction, the asset concerned will

become subject to that Fixed Security and the Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Chargee.

## **19. POWER OF ATTORNEY**

The Chargor, by way of security, irrevocably and severally appoints the Chargee, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Chargee or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 19.

## **20. MISCELLANEOUS**

### **20.1 Continuing Security**

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

### **20.2 Tacking**

The Chargee must perform its obligations under the Loan Note Instrument (including any obligation to make available further advances or subscriptions).

### **20.3 New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Chargor.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

## **21. RELEASE**

At the end of the Security Period, the Chargee will, at the request and cost of the Chargor, take whatever action is necessary to release its Security Assets from this Security.

## **22. GOVERNING LAW**

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

**THIS DEED** has been executed and delivered as a deed on the date stated at the beginning of this Deed.

**SCHEDULE 1****FORM OF LETTER FOR ACCOUNT BANK****PART 1: NOTICE TO ACCOUNT BANK**

To: [Account Bank]

Copy: ADG Prefcap I LP (as Chargee as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [        ] 2022 between Ethical Introductions Ltd  
and ADG Prefcap I LP (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of ADG Prefcap I LP (as trustee for the Noteholders as referred to in the Security Agreement, the **Chargee**) all our rights in respect of any account, and any amount standing to the credit of any account, maintained by us with you (each an **Account**).

We irrevocably instruct and authorise you to:

- (a) disclose to the Chargee any information relating to any Account requested from you by the Chargee;
- (b) comply with the terms of any written notice or instruction relating to any Account received by you from the Chargee;
- (c) hold all sums standing to the credit of any Account to the order of the Chargee; and
- (d) pay or release any sum from time to time standing to the credit of any such Account in accordance with the written instructions of the Chargee.

We are permitted to withdraw any amount from the Accounts for any purpose unless and until you receive a notice from the Chargee to the contrary stating that we are no longer permitted to withdraw any amount from the Accounts without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from the Accounts without the prior written consent of the Chargee.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Chargee.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Chargee at ADG Prefcap I LP, Floor 3, 10 Chiswell Street, London EC1Y 4UQ, Attn: Marc Young and Avi Dutt with a copy to us.

Yours faithfully,

.....  
(Authorised Signatory)  
**Ethical Introductions Ltd**



**PART 2: ACKNOWLEDGEMENT OF ACCOUNT BANK**

To: ADG Prefcap I LP (as Chargee)

Copy: Ethical Introductions Ltd

[Date]

Dear Sirs,

**Security Agreement dated [ ] 2022 between Ethical Introductions Ltd  
and ADG Prefcap I LP (the Security Agreement)**

We confirm receipt from Ethical Introductions Ltd (the **Chargor**) of a notice dated [ ] 2022 (the **Notice**) of a charge upon the terms of the Security Agreement over all the rights of the Chargor to any amount standing to the credit of any of the Chargor's account(s) with us (each an **Accounts**).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, any Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account; and
- (d) will comply with any notice we may receive from the Chargee in respect of the Accounts.

The Accounts maintained with us are:

[Specify accounts and account numbers]

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

Yours faithfully,

.....  
(Authorised signatory)  
[Account Bank]

**SCHEDULE 2****Form Of Letter For Insurers****PART 1: NOTICE TO INSURER**

To: [Insurer]

Copy: ADG Prefcap I LP (as Chargee as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [ ] 2022 between Ethical Introductions Ltd  
and ADG Prefcap I LP (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely, subject to a proviso for re-assignment on redemption, to ADG Prefcap I LP (as trustee for the Noteholders as referred to in the Security Agreement, the **Chargee**) all our rights to the benefit of [insert details of contract of insurance] (the **Insurance**).

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) none of the Chargee, its agents, any receiver or administrator or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Chargee in respect of the Insurance), unless and until you receive notice from the Chargee to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Chargee or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance).

We irrevocably instruct and authorise you to disclose to the Chargee any information relating to the Insurance requested from you by the Chargee.

The instructions in this letter may not be revoked or amended without the prior written consent of the Chargee.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Chargee at ADG Prefcap I LP, Floor 3, 10 Chiswell Street, London EC1Y 4UQ, Attn: Marc Young and Avi Dutt with a copy to us.

Yours faithfully,

.....  
(Authorised signatory)  
**Ethical Introductions Ltd**

**PART 2: ACKNOWLEDGEMENT OF INSURER**

To: ADG Prefcap I LP (as Chargee)

Copy: Ethical Introductions Ltd

[Date]

Dear Sirs,

**Security Agreement dated [ ] 2022 between Ethical Introductions Ltd  
and ADG Prefcap I LP (the Security Agreement)**

We confirm receipt from Ethical Introductions Ltd (the **Chargor**) of a notice dated [ ] 2022 (the **Notice**) of an assignment on the terms of the Security Agreement of all the Chargor's rights to the benefit of [insert details of the contract of insurance] (the **Insurance**).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Insurance as directed in the Notice.

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

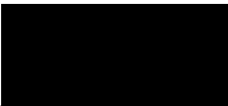
Yours faithfully,

.....  
(Authorised signatory)  
[Insurer]

SIGNATORIES

**EXECUTED AS DEED** by  
**ETHICAL INTRODUCTIONS LTD**

acting by, Tom Old  
a director, in the presence of:



Director B97095D2CC8F4C3...

Signature of witness:



Name: Ross Nichols

Address: 96 Brookbank Road, London,  
SE13 7DA

Occupation: Director

Chargee

Signed for and on behalf of  
**ADG PREFCAP I LP** acting by ADG Prefcap GP  
Limited, general partner, acting by Marc Young a  
director of ADG Prefcap GP Limited

Director of ADG Prefcap GP Limited

SIGNATORIES

EXECUTED AS DEED by  
ETHICAL INTRODUCTIONS LTD

acting by, \_\_\_\_\_  
a director, in the presence of:

\_\_\_\_\_  
Director

Signature of witness:

Name:

Address:

Occupation:

Chargee

Signed for and on behalf of  
ADG PREFCAP I LP acting by ADG Prefcap GP  
Limited, general partner, acting by Marc Young a  
director of ADG Prefcap GP Limited

  
\_\_\_\_\_  
Director of ADG Prefcap GP Limited