

000013 - 23

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

MR01

## Particulars of a charge



Companies House



Go online to file this information  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

A fee is be 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.

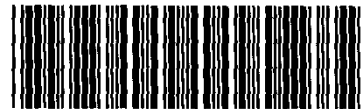
☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument Use form MR09

For further information, please  
refer to our guidance at:  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

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



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



\*AC6Y6YVC\*

A07

03/07/2023

#82

COMPANIES HOUSE

MONDAY

For official use

1

## Company details

Company number 0 9 7 2 1 6 2 2

Company name in full WRISK LIMITED

→ **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 2 2 m 0 6 y 2 0 y 2 3

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 FLOW CAPITAL CORP.

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.

06/16 Version 2.1

1/7/23 0014 538

MR01

Particulars of a charge

<b>4</b>	<b>Brief description</b> 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 The trade marks of Wrisk Limited including "StayMoveGo", "Pro Tection", " Pro Motion", "Wrisk" and other trademarks as detailed in the instrument. For more details, please refer to the instrument.	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.
<b>5</b>	<b>Other charge or fixed security</b> 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"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>6</b>	<b>Floating charge</b> Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> <b>Yes</b> Continue <input type="checkbox"/> <b>No</b> Go to <b>Section 7</b> Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> <b>Yes</b>	
<b>7</b>	<b>Negative Pledge</b> 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"/> <b>Yes</b> <input type="checkbox"/> <b>No</b>	
<b>8</b>	<b>Trustee statement <sup>①</sup></b> 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"/>	<b>①</b> This statement may be filed after the registration of the charge (use form MR06).
<b>9</b>	<b>Signature</b> Please sign the form here.  Signature X <i>Humphreys Law Limited</i> X  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	Chris White
Company name	Humphreys Law Limited
Address	20 Eastbourne Terrace, London
Post town	
County/Region	
Postcode	W 2 6 L G
Country	United Kingdom
DX	
Telephone	+44(0) 203 468 8030



### 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

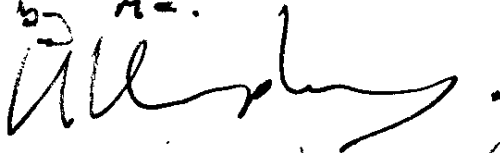
For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

# HUMPHREYS LAW

Debenture  
relating to

I certify that, save for the  
material redacted pursuant  
to section 859G of the  
Companies Act 2006, this  
document is a true copy  
of the original seen  
by me.



Henry Humphreys (SRA no: 391301)  
Humphreys Law Limited (SRA no: 639271)  
Date: 3 July 2023

Wrisk Limited

Dated 22 June 2023

Wrisk Limited (1)

Flow Capital Corp. (2)

Humphreys Law Ltd  
20 Eastbourne Terrace  
London  
W2 6LG

T: +44 (0)203 468 8030  
[www.humphreys.law](http://www.humphreys.law)

**EXECUTION VERSION**  
Ref: CW/HH/SC/JC/1206.1

1. The first part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future.

2. The second part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present and for the development of a sound policy for the future.

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DATE

22 June

2023

PARTIES

- (1) **WRISK LIMITED**, a private limited company incorporated under the laws of England and Wales with company registration number 09721622 and whose registered address is 45 Gresham Street, London EC2V 7BG (the "**Borrower**"); and
- (2) **FLOW CAPITAL CORP.**, a company incorporated under the laws of the Province of British Columbia, Canada, with company number BC1223555 and registered address 1200 - 750 West Pender Street, Vancouver BC V6C 2T8 Canada as lender ("**Lender**").

BACKGROUND

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with a loan facility on a secured basis.
- (B) Under this Deed, the Borrower provides security to the Lender for the loan facility made available under the Facility Agreement.

AGREED TERMS

1 Definitions and interpretation

1.1 Definitions

Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed, have the same meaning in this Deed. In addition, the following definitions apply in this Deed:

**Administrator:** an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 13.8.

**Book Debts:** all present and future book and other debts, and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them.

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

**Charged Property:** any freehold, leasehold or commonhold property the subject of the security constituted by this Deed and references to "**Charged Property**" shall include references to the whole or any part of it.

**Delegate:** any person appointed by the Lender or any Receiver pursuant to clause 18 and any person appointed as attorney of the Lender or any Receiver or Delegate.

**Designated Account:** any account of the Borrower nominated by the Lender from time to time as a designated account for the purposes of this Deed.

**Domain Names:** the following domain names:

Domain Name	Registrant
wrisk.co	The Borrower

wrisk.co.uk	The Borrower
wri.sk	The Borrower
wriskinsurance.com	The Borrower
bmw-carinsurance.co.uk	The Borrower
mini-car-insurance.co.uk	The Borrower
volvocarsinsurance.co.uk	The Borrower
volvo.insure	The Borrower
extras.heycar.co.uk	The Borrower
paybymile.rac.co.uk	The Borrower

**Environment:** the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

**Environmental Law:** all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

**Environmental Licence:** any authorisation, permit or licence necessary under Environmental Law in respect of any of the Secured Assets.

**Equipment:** all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property owned by the Borrower or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions.

**Event of Default:** has the meaning given to that expression in the Facility Agreement, or where the Secured Liabilities are constituted elsewhere, means any event (including the making of a validly made demand by the Lender) making those Secured Liabilities immediately due and payable.

**Excluded Property:** each leasehold property existing as at the date of this Deed held by the Borrower under a lease that either precludes absolutely, or requires consent of a third party to, the creation of Security over the Borrower's leasehold interest in that property.

**Excluded Shares:** the shares held by the Borrower in the US Subsidiary.

**Facility Agreement:** the facility agreement dated on or about the date of this Deed between the Borrower and the Lender as amended, varied, amended and restated from time to time.

**Finance Documents:** has the meaning given to that expression in the Facility Agreement.

**Financial Collateral:** has the meaning given to that expression in the Financial Collateral Regulations.

**Financial Collateral Regulations:** the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).

**Insurance Policy:** each contract and policy of insurance (excluding any public liability and third party liability policies, any directors' and officers' liability insurance and any policies



which have terms prohibiting their assignment to the Lender) effected or maintained by the Borrower from time to time in respect of its assets or business (including any contract or policy of insurance relating to the Charged Properties or the Equipment).

**Intellectual Property:** the Borrower's present and future patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) 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 includes any Domain Names, Software and Trade Marks held by the Borrower or in which the Borrower has an interest.

**Investments:** all certificated shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of the Borrower (whether held directly by or to the order of the Borrower or by any trustee, fiduciary or clearance system on its behalf) and which includes for the avoidance of doubt the Subsidiary Shares and excludes for the avoidance of doubt, the Excluded Shares.

**Investment Derivative Rights:** all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investments.

**Legal Reservations:** has the meaning given to that expression in the Facility Agreement.

**Long Leasehold:** a lease with an original term of more than five years.

**LPA 1925:** the Law of Property Act 1925.

**Material Adverse Effect:** has the meaning given to that expression in the Facility Agreement.

**Perfection Requirements:** has the meaning given to that expression in the Facility Agreement.

**Permitted Security:** has the meaning given to that expression in the Facility Agreement.

**Receiver:** a receiver, receiver and manager or administrative receiver appointed by the Lender under clause 16.

**Regulated Contract:**

- (a) the subordinated loan agreement made between the Borrower and Wrisk Transfer Limited and dated 31 March 2022; and
- (b) any other agreement designated as such by the Lender and the Borrower from time to time.

**Related Rights:** 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, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

**Relevant Agreement:** each agreement specified in Schedule 2 and includes any future loan agreement pursuant to which the Borrower lends money to Wrisk Transfer Limited (but excluding the Regulatory Capital Loan as defined in the Facility Agreement).

**Secured Assets:** all the assets, property and undertaking of the Borrower which are, or are expressed to be, subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them).

**Secured Liabilities:** all present and future obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, including for the avoidance of doubt all present and future obligations and liabilities under or in connection with the Facility Agreement or this Deed (including those arising under clause 30), together with all interest (including default interest) accruing in respect of those obligations or liabilities.

**Security Financial Collateral Arrangement:** has the meaning given to that expression in the Financial Collateral Regulations.

**Security:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**Security Period:** the period starting on the date of this Deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

**Software:** the software owned by the Borrower from time to time and all related documentation.

**Subsidiary Shares:** 100 per cent of the issued share capital of Wrisk Transfer Limited (a company registered in England and Wales under company number 10657213) from time to time, being as at the date of this Deed one ordinary share of £1 each, (and for the avoidance of doubt including any shares issued after the date of this Deed for the purpose of the capitalisation of an intra-group loan made by the Borrower to Wrisk Transfer Limited pursuant to clause 15.27 of the Facility Agreement).

**Trademarks:** each of:

Registered Owner	Country	Application/Registration Number	Name
Wrisk Limited	UK	UK00003183914	StayMoveGo
Wrisk Limited	UK	UK00003427761	Pro Tection
Wrisk Limited	UK	UK00003421076	Pro Motion
Wrisk Limited	UK	UK00003121073	Wrisk

Wrisk Limited	UK	UK00003191439	Business Wrisk
Wrisk Limited	UK	UK00003165409	Wrisk Transfer
Wrisk Limited	UK	UK00003153752	Wrisk Score
Wrisk Limited	UK	UK00003411893	WriskScore

**US Subsidiary:** Wrisk USA Corp. being an entity incorporated in the State of Delaware under company number 6657301 with registered office 1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle.

**VAT:** value added tax or any equivalent tax chargeable in the UK or elsewhere.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed.
- 1.3 a **"person"** includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality).
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 A reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and ensure to the benefit of, the parties to this Deed and their respective successors, permitted assigns and permitted transferees.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.8 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.9 A reference to **"writing"** or **"written"** includes email.
- 1.10 An obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.11 A reference to **"this Deed"** (or any provision of it) or to any other agreement or document *referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended* (in each case, other than in breach of the provisions of this Deed) from time to time.
- 1.12 Unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed and a reference to a paragraph is to a paragraph of the relevant Schedule.
- 1.13 Any words following the terms **"including"**, **"include"**, **"in particular"**, **"for example"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

- 1.14 A reference to an “**amendment**” includes a novation, supplement or variation (and amend and amended shall be construed accordingly).
- 1.15 A reference to “**assets**” includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.16 A reference to an “**authorisation**” includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution.
- 1.17 A reference to continuing in relation to an Event of Default means an Event of Default that has not been confirmed by the Lender in writing to have been:
- (a) remedied to the satisfaction of the Lender; or
  - (b) waived by the Lender.
- 1.18 A reference to “**determines**” or “**determined**” means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it.
- 1.19 A reference to a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.20 References to the word “**include**” or “**including**” (or any similar term) are not to be construed as implying any limitation and general words introduced by the word “**other**” (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class of acts, matters or things.
- 1.21 **Clawback**
- If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.22 **Nature of security over real property**
- A reference in this Deed to a charge or mortgage of or over any Charged Property includes:
- (a) all buildings and fixtures and fittings (including trade and tenant’s fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Charged Property at any time;
  - (b) the proceeds of the sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property;
  - (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that Charged Property, and any monies paid or payable in respect of those covenants; and
  - (d) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

### **1.23 Nature of security over investments**

A reference in this Deed to any share, stock, debenture or other security or investment includes:

- (a) any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment; and
- (b) any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

### **1.24 Law of Property (Miscellaneous Provisions) Act 1989**

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

## **2 Covenant to pay**

2.1 The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

2.2 If the Borrower fails to pay any amount payable by it under this Deed on its due date, the Borrower shall pay interest to the Lender after as well as before judgment at the rate which is: (i) five per cent per annum higher than the rate applicable to the relevant Secured Liabilities; or (ii) where there is no rate applicable to the relevant Secured Liabilities at a rate that is five per cent per annum higher than the rate notified to the Borrower by the Lender as its relevant cost of funding, on all sums demanded on it under this Deed from the date of demand by the Lender or, if earlier, the date on which the relevant damages, losses, costs or expenses arose in respect of which the demand has been made, until, but excluding, the date of actual payment, and for the avoidance of doubt only to the extent that interest at a default rate is not already being charged on such sum.

2.3 Interest under clause 2.2 shall accrue on a day-to-day basis and be calculated on the basis of actual number of days elapsed and a year of 365 days. If unpaid, any such interest shall be *compounded on the last Business Day of each month*.

## **3 Grant of security**

### **3.1 Legal mortgage**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of a first legal mortgage, all estates or interests in any freehold, Long Leasehold or commonhold property now owned by it, including the real property (if any) specified in Schedule 1.

### **3.2 Fixed charges**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of a first fixed charge:

- (a) all present and future estates or interests of the Borrower in, or over, any freehold, Long Leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.1);
- (b) the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
- (c) all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;
- (d) all its present and future goodwill;
- (e) all its uncalled capital;
- (f) all the Equipment;
- (g) all the Intellectual Property (excluding the Domain Names, Software and Trademarks);
- (h) the Domain Names;
- (i) the Software;
- (j) the Trademarks;
- (k) all the Book Debts, to the extent not effectively assigned under clause 3.3;
- (l) all:
  - (i) the Investments (excluding the Subsidiary Shares);
  - (ii) the Investment Derivative Rights (excluding any Investment Derivative Rights relating to the Subsidiary Shares); and
  - (iii) all Related Rights relating to any Investment (excluding any Related Rights relating to any Subsidiary Shares);
- (m) (i) the Subsidiary Shares; (ii) the Investment Derivative Rights relating to the Subsidiary Shares; and (iii) all Related Rights relating to the Subsidiary Shares;
- (n) (i) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account); (ii) together with all other rights and benefits accruing to or arising in connection with

each such account (including entitlements to interest) and Related Rights relating to those accounts);

- (o) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- (p) all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets (including the Related Rights relating to such secured asset), to the extent not effectively charged at paragraphs (a) – (o) (inclusive) above or assigned under clause 3.3 but excluding any Regulated Contract.

### **3.3 Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- (b) the Book Debts; and
- (c) the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets but excluding any Regulated Contract.

### **3.4 Floating charge**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first floating charge, all its undertaking, property, assets and rights not otherwise effectively mortgaged, charged or assigned under clause 3.1 to clause 3.3 (inclusive).

### **3.5 Leasehold security restrictions**

- (a) Subject to clause 3.5(b) to clause 3.5(d) (inclusive), the security created by clause 3.1 and clause 3.2 shall not apply to an Excluded Property until the Borrower obtains any relevant consent, or waiver of any prohibition, to the creation of security over that Excluded Property.
- (b) In relation to each Excluded Property, the Borrower undertakes to:
  - (i) apply for the relevant consent or waiver of prohibition within five Business Days of the date of this Deed, and to use its reasonable endeavours to obtain that consent or waiver as soon as possible;
  - (ii) keep the Lender informed of its progress in obtaining that consent or waiver; and
  - (iii) promptly on receipt of the consent or waiver, provide the Lender with a copy of that consent or waiver.

- (c) Immediately on receipt by the Borrower of the relevant consent or waiver, that Excluded Property shall become the subject of a mortgage or charge (as appropriate) pursuant to clause 3.1 and clause 3.2.
- (d) If required by the Lender at any time following receipt of that consent or waiver, the Borrower shall, at its own cost, prepare and execute any further documents and take any further action the Lender may require, in its absolute discretion, for perfecting its security over that Excluded Property.

### **3.6 Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

### **3.7 Automatic crystallisation of floating charge**

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- (a) the Borrower:
  - (i) creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this Deed or the Facility Agreement); or
  - (ii) disposes, or attempts to dispose, of all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets;
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower; or
- (d) an application is made to court, or an order is made, for the appointment of an administrator, or a notice of intention to appoint an administrator is given or an administrator is appointed.

### **3.8 Crystallisation of floating charge by notice**

Except as provided in clause 3.9, the Lender may, in its sole discretion, by written notice to the Borrower, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice if:

- (a) an Event of Default is continuing; or
- (b) the Lender reasonably 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.

### **3.9 Part A1 moratorium**



- (a) Subject to paragraph (b) below, the floating charge created by clause 3.4 may not be converted into a fixed charge solely by reason of obtaining a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986.
- (b) Paragraph (a) above does not apply to any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

**3.10 Assets acquired after any floating charge has crystallised**

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Lender confirms otherwise to the Borrower in writing) be charged to the Lender by way of first fixed charge.

**4 Liability of the Borrower**

**4.1 Liability not discharged**

The Borrower's liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

**4.2 Immediate recourse**

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Deed against the Borrower.

**5 Representations and warranties**

**5.1 Times for making representations and warranties**

The Borrower makes the representations and warranties set out in this clause 5 to the Lender on the date of this Deed and the representations and warranties are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

**5.2 Ownership of Secured Assets**

The Borrower is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.

**5.3 No Security**

The Secured Assets are free from any Security other than Permitted Security and the Security created by this Deed.

**5.4 No adverse claims**

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

**5.5 No adverse covenants**

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

**5.6 No breach of laws**

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

**5.7 No interference in enjoyment**

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

**5.8 No overriding interests**

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Charged Property.

**5.9 Avoidance of security**

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

**5.10 No prohibitions or breaches**

There is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this Deed by the Borrower does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other policy, agreement, document, instrument or obligation binding on the Borrower or its assets.

**5.11 Environmental compliance**

The Borrower has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.

**5.12 Enforceable security**

Subject to the Legal Reservations and Perfection Requirements this Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

### **5.13 Investments**

- (a) The Investments are fully paid and are not subject to any option to purchase or similar rights.
- (b) No constitutional document of an issuer of an Investment, nor any other agreement:
  - (i) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
  - (ii) contains any rights of pre-emption in relation to the Investments.
- (c) The Borrower has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- (d) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

## **6 General covenants**

### **6.1 Negative pledge and disposal restrictions**

The Borrower shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset;
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets; or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party,

except in each case other than Permitted Security or otherwise as expressly permitted under the terms of the Facility Agreement or this Deed.

### **6.2 Preservation of Secured Assets**

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed except as expressly permitted under the terms of the Facility Agreement or this Deed.

### **6.3 Compliance with laws and regulations**

- (a) The Borrower shall not, without the Lender's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- (b) The Borrower shall:

- (i) comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
- (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

#### **6.4 Enforcement of rights**

The Borrower shall:

- (a) procure the prompt observance and performance by each counterparty to any agreement or arrangement with the Borrower forming part of the Secured Assets (including each counterparty in respect of a Relevant Agreement and each insurer in respect of an Insurance Policy) of the covenants and other obligations imposed on that counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets as the Lender may require from time to time.

#### **6.5 Notice of misrepresentation and breaches**

The Borrower shall, promptly on becoming aware of any of the same, notify the Lender in writing of:

- (a) any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this Deed.

#### **6.6 Title documents**

The Borrower shall, promptly upon the execution of this Deed (or, if later, promptly following the date of acquisition of the relevant Secured Asset), deposit with the Lender and the Lender shall, for the duration of this Deed be entitled to hold:

- (a) all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Borrower (and if they are not within the possession or control of the Borrower, the Borrower undertakes to use reasonable endeavours to obtain possession of all those deeds and documents of title);
- (b) all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Borrower is entitled to possess;
- (c) all deeds and documents of title (if any) relating to the Book Debts as the Lender may reasonably specify from time to time; and

- (d) a copy of each Relevant Agreement, certified to be a true copy by either a director of the Borrower or by the Borrower's solicitors.

#### 6.7 Insurance

- (a) The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:
  - (i) risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
  - (ii) any other risk, perils and contingencies as the Lender may reasonably require.
- (b) Any such insurance must:
  - (i) be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender; and
  - (ii) be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises on any Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation).
- (c) The Borrower shall, if requested by the Lender in writing, produce to the Lender each policy, certificate or cover note relating to any insurance as is required by clause 6.7(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) The Borrower shall, if requested by the Lender in writing, procure that a note of the Lender's interest is endorsed on each insurance policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 6.7(a) but without the Lender having any liability for any premium in relation to those insurance policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any insurance policy.
- (e) The Borrower shall ensure that each insurance policy effected or maintained by it or any person on its behalf in accordance with clause 6.7(a) contains:
  - (i) terms ensuring that it cannot be avoided or vitiated as against the Lender by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party; and

- (ii) terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 14 days' prior written notice to the Lender.

#### **6.8 Insurance premiums**

The Borrower shall:

- (a) promptly pay all premiums in respect of each insurance policy as is required by clause 6.76.7(a) and do all other things reasonably necessary to keep that policy in full force and effect; and
- (b) (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy as is required by clause 6.76.7(a) (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

#### **6.9 No invalidation of insurance**

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy as is required by clause 6.76.7(a).

#### **6.10 Proceeds from insurance policies**

On the occurrence of an Event of Default, all monies payable under any insurance policy maintained by the Borrower in accordance with clause 6.76.7(a) at any time (whether or not the security constituted by this Deed has become enforceable) shall:

- (a) be paid immediately to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

#### **6.11 Notices to be given by the Borrower**

The Borrower shall within three Business Days of the execution of this Deed and as thereafter as requested in writing by the Lender from time to time:

- (a) give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3, and use reasonable endeavours to procure that each counterparty promptly provides to the Lender an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;
- (b) give notice to each insurer under an Insurance Policy in the form set out in Part 1 of Schedule 4, and use reasonable endeavours to procure that each insurer

promptly provides to the Lender an acknowledgement of the notice in the form set out in Part 2 of Schedule 4; and

- (c) give notice to each bank, financial institution or other person (other than the Lender) with whom the Borrower holds an account (including each Designated Account) in the form set out in Part 1 of Schedule 5, and use reasonable endeavours to procure that each such bank, financial institution or other person promptly provides to the Lender an acknowledgement of the notice in the form of Part 2 of Schedule 5.

#### **6.12 Information**

The Borrower shall:

- (a) give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may reasonably require;
- (b) permit any persons designated by the Lender and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- (c) promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

#### **6.13 Payment of outgoings**

*The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Lender.*

#### **6.14 Appointment of accountants**

- (a) The Borrower shall:
  - (i) at its own cost, if required by the Lender pursuant to clause (b) below, appoint an accountant or firm of accountants nominated by the Lender to investigate the financial affairs of the Borrower and those of its subsidiaries and report to the Lender; and
  - (ii) co-operate fully with any accountants so appointed and promptly provide those accountants with all information requested.
- (b) The Borrower authorises the Lender to make an appointment if it reasonably suspects an Event Default has occurred which is continuing or in the opinion of the Lender is reasonably likely to occur, without further authority from the Borrower. In every case, the Borrower shall pay, or reimburse the Lender for, the fees and expenses of those accountants.

## **7 Property covenants**

### **7.1 Repair and maintenance**

*The Borrower shall keep all premises and fixtures and fittings on each Charged Property:*

- (a) in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value; and
- (b) in such repair and condition as to enable each Charged Property to be let in accordance with all applicable laws and regulations.

### **7.2 No alterations**

*The Borrower shall not, without the prior written consent of the Lender:*

- (a) pull down or remove the whole, or any part of, any building forming part of any Charged Property or permit the same to occur;
- (b) make or permit to be made any material alterations to any Charged Property, or sever or remove or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 7.1); or
- (c) remove or make any material alterations to any of the Equipment belonging to, or in use by, the Borrower on any Charged Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

### **7.3 Conduct of business on charged properties**

*The Borrower shall carry on its trade and business on those parts (if any) of the Charged Properties as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in that trade or business.*

### **7.4 Notices or claims relating to the property**

- (a) The Borrower shall:
  - (i) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to any Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
  - (ii) (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.
- (b) The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or



revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to any Charged Property.

**7.5 Compliance with and enforcement of covenants**

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subject, and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

**7.6 Payment of rent and outgoings**

The Borrower shall:

- (a) where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Charged Property or on its occupier.

**7.7 Leases and licences affecting the charged properties**

The Borrower shall not, without the prior written consent of the Lender:

- (a) grant any licence or tenancy affecting the whole or any part of any Charged Property, or exercise the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- (b) in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property);
- (c) let any person into occupation of or share occupation of the whole or any part of any Charged Property; or
- (d) grant any consent or licence under any lease or licence affecting any Charged Property.

**7.8 Registration restrictions and cautions against first registration and notices**

- (a) If the title to any Charged Property is not registered at the Land Registry, the Borrower shall procure that no person (other than itself) shall be registered under

the Land Registration Act 2002 as proprietor of all or any part of any Charged Property, without the prior written consent of the Lender.

- (b) Whether or not title to any Charged Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to any Charged Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.
- (c) The Borrower shall be liable for the costs and expenses of the Lender in lodging cautions against the registration of the title to the whole or any part of any Charged Property from time to time.

#### **7.9 Development restrictions**

The Borrower shall not, without the prior written consent of the Lender:

- (a) make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of any Charged Property; or
- (b) carry out or permit or suffer to be carried out on any Charged Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of any Charged Property.

#### **7.10 Environment**

The Borrower shall in respect of each Charged Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

#### **7.11 No restrictive obligations**

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

#### **7.12 Proprietary rights**

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Charged Property without the prior written consent of the Lender.

#### **7.13 Inspection**

The Borrower shall permit the Lender, any Receiver and any person appointed by either of them to enter on and inspect any Charged Property on reasonable prior notice during normal business hours.

**7.14 Property information**

The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any property.

**7.15 VAT option to tax**

The Borrower shall not, without the prior written consent of the Lender:

- (a) exercise any VAT option to tax in relation to any Charged Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Lender, before the date of this Deed.

**7.16 Registration of legal mortgage at Land Registry**

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Charged Property over which the Lender has a legal mortgage:

"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 [DATE] in favour of Flow Capital Corp. referred to in the charges register [or [their conveyancer or specify appropriate details]]."

**8 Investment covenants**

**8.1 Deposit of title documents**

- (a) The Borrower shall:
  - (i) on the execution of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Borrower at that time; and
  - (ii) promptly (and in any event within three Business Days) following the purchase or acquisition by it of Investments after the date of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.
- (b) At the same time as depositing documents with the Lender, or as the Lender may direct, in accordance with clause 8.1(a), the Borrower shall also deposit with the Lender, or as the Lender may direct:

- (i) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Borrower, but with the name of the transferee, the consideration and the date left blank; and
- (ii) any other documents (in each case duly completed and executed by or on behalf of the Borrower) that the Lender may reasonably request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Lender may, at any time and without notice to the Borrower, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

## 8.2 Nominations

- (a) The Borrower shall terminate with immediate effect all nominations it may have made (including any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:
  - (i) does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and
  - (ii) promptly on receipt by it, forward to the Lender all communications or other information received by it in respect of any Investments for which it has been so nominated.
- (b) The Borrower shall not, during the Security Period, exercise any rights (including any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

## 8.3 Pre-emption rights and restrictions on transfer

The Borrower shall:

- (a) obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association or otherwise of an issuer of any Investments, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and
- (b) procure the amendment of the share transfer provisions (including deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Lender may require in order to permit the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.

## 8.4 Dividends and voting rights before enforcement

- (a) Before the security constituted by this Deed becomes enforceable, and provided that it shall not do so in any way that would breach any provision of the Facility Agreement or this Deed or for any purpose inconsistent with the Facility Agreement

or this Deed the Borrower may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Lender or any of its nominees, the Lender will hold all those dividends, interest and other monies received by it for the Borrower and will pay them to the Borrower promptly on request.

- (b) Before the security constituted by this Deed becomes enforceable, the Borrower may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Lender or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:
  - (i) it shall not do so in any way that would breach any provision of the Facility Agreement or this Deed or for any purpose inconsistent with the Facility Agreement or this Deed; and
  - (ii) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Lender's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Lender's security under this Deed.
- (c) The Borrower shall indemnify the Lender against any loss or liability incurred by the Lender (or its nominee) as a consequence of the Lender (or its nominee) acting in respect of the Investments at the direction of the Borrower.
- (d) The Lender shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to, or conferred by, any of the Investments that the Lender considers prejudicial to, or impairing the value of, the security created by this Deed.

#### **8.5 Dividends and voting rights after enforcement**

After the security constituted by this Deed has become enforceable:

- (a) all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held by the Borrower on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, may be applied by the Lender in accordance with clause 19.1; and
- (b) all voting and other rights and powers attaching to the Investments may be exercised by, or at the direction of, the Lender and the Borrower shall, and shall procure that its nominees shall, comply with any directions the Lender may give, in its absolute discretion, concerning the exercise of those rights and powers.

#### **8.6 Calls on investments**

Notwithstanding the security created by this Deed, the Borrower shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Borrower acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other payments.

#### **8.7 No alteration of constitutional documents or rights attaching to investments**

The Borrower shall not, without the prior written consent of the Lender, amend, or agree to the amendment of:

- (a) the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or
- (b) the rights or liabilities attaching to, or conferred by, all or any of the Investments.

#### **8.8 Preservation of investments**

The Borrower shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of any of the Investments (that is not a public company) shall not save as expressly permitted under the Facility Agreement:

- (a) consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in any way;
- (b) issue any new shares or stock; or
- (c) refuse to register any transfer of any of the Investments that may be lodged with it for registration by, or on behalf of, the Lender or the Borrower in accordance with this Deed.

#### **8.9 Investments information**

The Borrower shall, promptly following receipt, send to the Lender copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

#### **8.10 Compliance with requests for information**

The Borrower shall promptly send a copy to the Lender of, and comply with, all requests for information which are within its knowledge and which are made under any law or regulation or any similar provision in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Investments. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of the Borrower.

#### **8.11 After the security constituted by this Deed has become enforceable, if so requested by the Lender:**

- (a) instruct any clearance system to transfer any investment held by it for the Borrower or its nominee to an account of the Lender or its nominee with that clearance system;
- (b) take whatever action the Lender may request for the dematerialisation or re-materialisation of any investment held in a clearance system; and
- (c) without prejudice to the above, permit the Lender, at the expense of the Borrower, to take whatever action it seems necessary for the dematerialisation or re-materialisation of any investment.

## **9 Equipment covenants**

### **9.1 Maintenance of equipment**

The Borrower shall:

- (a) maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- (b) at its own expense, renew and replace any parts of the Equipment (except to the extent such Equipment is no longer material or otherwise required for the business of the Group) when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and
- (c) not permit any Equipment to be overloaded or used for any purpose for which it is not designed or reasonably suitable.

### **9.2 Payment of equipment taxes**

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on reasonable written request by the Lender produce evidence of such payment to the Lender.

### **9.3 Notice of charge**

- (a) The Borrower shall, if so requested by the Lender, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [DESCRIBE ITEM] and all additions to it [and ancillary equipment] are subject to a fixed charge dated [DATE] in favour of Flow Capital Corp.."

- (b) The Borrower shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 9.3(a).

## **10 Book debts covenants and operation of bank accounts**

### **10.1 Realising book debts**

- (a) After the security constituted by this Deed has become enforceable the Borrower shall as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender.
- (b) After the security constituted by this Deed has become enforceable the Borrower shall not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any bank account (including any Designated Account).
- (c) After the security constituted by this Deed has become enforceable the Borrower shall, if called on to do so by the Lender, execute a legal assignment of the Book

Debts to the Lender on such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

**10.2 Preservation of book debts**

The Borrower shall not (except as permitted under clause 10.1 of this Deed, and save as expressly permitted under the Facility Agreement or with the prior written consent of the Lender) release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

**11 Relevant agreements covenants**

**11.1 Relevant agreements**

- (a) The Borrower shall, unless the Lender agrees otherwise in writing, comply with the terms of each Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets.
- (b) The Borrower shall not, unless the Lender agrees otherwise in writing:
  - (i) amend or vary or agree to any change in, or waive any requirement of or its rights under;
  - (ii) settle, compromise, terminate, rescind or discharge (except by performance); or
  - (iii) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,

any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets.

**12 Intellectual property covenants**

**12.1 Preservation of rights**

The Borrower shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

**12.2 Registration of intellectual property**

- (a) The Borrower shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.
- (b) The Borrower shall, if requested by the Lender in writing, execute all such documents and do all acts that the Lender may reasonably require to record the interest of the Lender in any registers relating to any registered Intellectual Property.



**12.3 Maintenance of intellectual property**

The Borrower shall not permit any Intellectual Property to be abandoned, cancelled or to lapse (except to the extent such Intellectual Property is of no monetary value and no longer required for the business of the Group).

**12.4 Software**

On the occurrence of an Event of Default that is continuing, the Borrower shall within 20 Business Days of a request by the Lender and at the cost of the Borrower have the source code for the Software verified by a party approved by the Lender and placed in escrow with an escrow agent approved by the Lender and on terms approved by the Lender so that the Lender its agents or an administrator or receiver shall have access to the source code on an Event of Default which is continuing. The Borrower hereby agrees to ensure that the any source code for the Software held in escrow shall be updated promptly whenever any material update is made to the Borrower's source code.

**12.5 Domain Names**

On the occurrence of an Event of Default that is continuing, the Borrower shall within 20 Business Days of a request by the Lender and at the cost of the Borrower enter into an assignment of the Domain Names to the Lender in a form acceptable to the Lender as security for the Secured Liabilities and the Borrower shall supply the Lender with any "keys" or passwords necessary to register that assignment at the relevant domain name registries.

**13 Powers of the Lender**

**13.1 Power to remedy**

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Deed.
- (b) The Borrower irrevocably authorises the Lender and its agents to do all things that the Lender reasonably considers are necessary or desirable for that purpose.
- (c) The Borrower shall reimburse the Lender, on a full indemnity basis, for any monies the Lender expends in remedying a breach by the Borrower of its obligations contained in this Deed, and such monies shall carry interest in accordance with clause 20.1.

**13.2 Exercise of rights**

- (a) The rights of the Lender under clause 13.1 are without prejudice to any other rights of the Lender under this Deed.
- (b) The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.

**13.3 Power to dispose of chattels**

- (a) At any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver may, as agent for the Borrower, dispose of any chattels or produce found on any Charged Property.

- (b) Without prejudice to any obligation to account for the proceeds of any disposal made under clause 13.3(a), the Borrower shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 13.3(a).

**13.4 Lender has Receiver's powers**

To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

**13.5 Conversion of currency**

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 13.5) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- (b) Any such conversion shall be effected at the Bank of Canada's then prevailing published rate of exchange for such other currency against the existing currency (or if not available such other source reasonably selected by the Lender).
- (c) Each reference in this clause 13.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

**13.6 New accounts**

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 13.6(a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

**13.7 Indulgence**

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of the Borrower for the Secured Liabilities.

**13.8 Appointment of an administrator**

- (a) The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
- (b) Any appointment under this clause 13.8 shall:
  - (i) be in writing signed by a duly authorised signatory of the Lender; and
  - (ii) take effect in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 13.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

#### **13.9 Further advances**

The Lender covenants with the Borrower that it shall perform its obligations to make advances under the Facility Agreement (if any) subject to the terms of the Facility Agreement (including any obligation to make available further advances).

#### **14 When security becomes enforceable**

##### **14.1 Security becomes enforceable on Event of Default**

The security constituted by this Deed shall become immediately enforceable if an Event of Default occurs and is continuing.

##### **14.2 Discretion**

After the security constituted by this Deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

#### **15 Enforcement of security**

##### **15.1 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) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 14.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

##### **15.2 Extension of statutory powers of leasing**

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any

Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of the Borrower, to:

- (a) grant a lease or agreement for lease;
- (b) accept surrenders of leases; or
- (c) grant any option in respect of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

#### **15.3 Access on enforcement**

- (a) At any time after the Lender has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this Deed or the Facility Agreement, the Borrower will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Lender or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Borrower for, or by any reason of, that entry.
- (b) At all times, the Borrower must allow the Lender or its Receiver access to any premises for the purpose of clause 15.3(a) (including obtaining any necessary consents or permits of other persons) and use reasonable endeavours to ensure that its employees and officers do the same.

#### **15.4 Redemption of prior security**

- (a) At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Lender may:
  - (i) redeem any prior Security over any Secured Asset;
  - (ii) procure the transfer of that Security to itself; and
  - (iii) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower).
- (b) The Borrower shall pay to the Lender immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Liabilities.

#### **15.5 Protection of third parties**

No purchaser, mortgagee or other person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied.

#### **15.6 Privileges**

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

#### **15.7 Exclusion of liability**

Neither the Lender, nor any Receiver or Delegate, shall be liable to the Borrower or any other person:

- (a) (by reason of entering into possession of a Secured Asset, or for any other reason) to account as mortgagee in possession in respect of all or any of the Secured Assets;
- (b) for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- (c) for any expense, loss or liability:
  - (i) relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this Deed;
  - (ii) relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this Deed; or
  - (iii) arising in any other way in connection with this Deed,

except that this does not exempt the Lender or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Lender or the relevant Receiver or Delegate.

#### **15.8 Conclusive discharge to purchasers**

The receipt of the Lender, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Lender, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

#### **15.9 Right of appropriation**

- (a) To the extent that:
  - (i) the Secured Assets constitute Financial Collateral; and

- (ii) this Deed and the obligations of the Borrower under it constitute a Security Financial Collateral Arrangement,

the Lender shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Lender may, in its absolute discretion, determine.

- (b) The value of any Secured Assets appropriated in accordance with this clause 15.9 shall be:
  - (i) in the case of cash, the amount standing to the credit of each of the Borrower's accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
  - (ii) in the case of Investments, the market price of those Investments at the time the right of appropriation is exercised determined by the Lender by reference to a recognised market index or by any other method that the Lender may select (including independent valuation).
- (c) The Borrower agrees that the methods of valuation provided for in this clause 15.9 are commercially reasonable for the purposes of the Financial Collateral Regulations.

## **16 Receiver**

### **16.1 Appointment**

- (a) At any time after the security constituted by this Deed has become enforceable, or at the request of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.
- (b) The Lender may not appoint a Receiver solely as a result of the obtaining of a moratorium (or as a result of anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

### **16.2 Removal**

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, 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.

### **16.3 Remuneration**

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

**16.4 Power of appointment additional to statutory powers**

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

**16.5 Power of appointment exercisable despite prior appointments**

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.

**16.6 Agent of the Borrower**

Any Receiver appointed by the Lender under this Deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

**17 Powers of Receiver**

**17.1 General**

- (a) Any Receiver appointed by the Lender under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 17.2 to clause 17.23 (inclusive).
- (b) A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- (c) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- (d) Any exercise by a Receiver of any of the powers given by this clause 17 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in clause 17.16) or itself.

**17.2 Repair and develop Properties**

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

**17.3 Grant or accept surrenders of leases**

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.

**17.4 Employ personnel and advisers**

- (a) A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.
- (b) A Receiver may discharge any such person or any such person appointed by the Borrower.

**17.5 Make and revoke VAT options to tax**

A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.

**17.6 Remuneration**

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Lender may prescribe or agree with it.

**17.7 Possession**

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

**17.8 Manage or reconstruct the Borrower's business**

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower.

**17.9 Dispose of Secured Assets**

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

**17.10 Sever fixtures and fittings**

A Receiver may sever and sell separately any fixtures or fittings from any Charged Property without the consent of the Borrower.

**17.11 Sell Book Debts**

A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.

**17.12 Valid receipts**

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.



**17.13 Make settlements**

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

**17.14 Legal action**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

**17.15 Improve the Equipment**

A Receiver may make substitutions of, or improvements to, the Equipment as it may think expedient.

**17.16 Make calls on Borrower members**

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

**17.17 Insure**

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 20, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this Deed.

**17.18 Subsidiaries**

A Receiver may form a subsidiary of the Borrower and transfer to that subsidiary any Secured Asset.

**17.19 Borrow**

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this Deed).

**17.20 Redeem prior Security**

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

**17.21 Delegation**

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

**17.22 Absolute beneficial owner**

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

**17.23 Incidental powers**

A Receiver may do any other acts and things that it:

- (a) may consider desirable or necessary for realising any of the Secured Assets;
- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or
- (c) lawfully may or can do as agent for the Borrower.

**18 Delegation**

**18.1 Delegation**

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 22.1).

**18.2 Terms**

The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

**18.3 Liability**

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability of any nature arising from any act, default, omission or misconduct on the part of any Delegate.

**19 Application of proceeds**

**19.1 Order of application of proceeds**

All monies received or recovered by the Lender, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Borrower):

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and

- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

## **19.2 Appropriation**

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

## **19.3 Suspense account**

All monies received by the Lender, a Receiver or a Delegate under this Deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to a suspense account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower, or in the absence of agreement at the commercially offered rates; and
- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

## **20 Costs and indemnity**

### **20.1 Costs**

The Borrower shall, on demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

- (a) the negotiation, preparation, execution and delivery of this Deed;
- (b) the Secured Assets;
- (c) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed;
- (d) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this Deed;
- (e) any release of any security constituted by this Deed; or
- (f) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the rate and in the manner specified in the Facility Agreement.

## **20.2 Indemnity**

- (a) The Borrower shall, promptly on demand, indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
  - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
  - (ii) taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) the security constituted by this Deed; or
  - (iii) any default or delay by the Borrower in performing any of its obligations under this Deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 20.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999 or otherwise.

## **21 Further assurance**

The Borrower shall promptly, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security created or intended to be created by this Deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset,

*including the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.*

## **22 Power of attorney**

### **22.1 Appointment of attorneys**

By way of security and upon:

- (a) the occurrence of Event of Default has occurred and is continuing; or
- (b) where no Event of Default is continuing, within ten Business Days of the Borrower having been requested to take action by a Lender, Receiver or Delegate and having failed to do so, the Borrower irrevocably appoints the Lender, every Receiver and

every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (c) the Borrower is required to execute and do under this Deed; or
- (d) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

## **22.2 Ratification of acts of attorneys**

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 22.1.

## **23 Release**

Subject to clause 30.3, at the end of the Security Period, the Lender shall, at the request and cost of the Borrower, take whatever action is reasonably necessary to:

- (a) release the Secured Assets from the security constituted by this Deed; and
- (b) reassign the Secured Assets to the Borrower.

## **24 Assignment and transfer**

### **24.1 Assignment by Lender**

- (a) At any time, without the consent of the Borrower, the Lender may assign any of its rights or transfer any of its rights and obligations under this Deed.
- (b) The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this Deed that the Lender considers appropriate.

### **24.2 Assignment by Borrower**

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

## **25 Set-off**

### **25.1 Lender's right of set-off**

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 25 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

**25.2 No obligation to set off**

The Lender is not obliged to exercise its rights under clause 25.1 If it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

**25.3 Exclusion of borrower's right of set-off**

All payments made by the Borrower to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law). Where a deduction or withholding of tax is required by law the Borrower shall increase the sum payable so that the Lender receives and retains (free from any liability for deduction or withholding) a net sum equal to the sum it would have received and retained had no deduction or withholding required to have been made.

**26 Amendments, waivers and consents**

**26.1 Amendments**

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

**26.2 Waivers and consents**

- (a) A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any subsequent right or remedy. It only applies to the circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure by the Lender to exercise, or delay by it in exercising any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Lender shall be effective unless it is in writing.

**26.3 Rights and remedies**

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

**27 Partial invalidity**

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

## **28 Counterparts**

- (a) This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this Deed by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- (c) No counterpart shall be effective until each party has executed and delivered at least one counterpart.

## **29 Third party rights**

- (a) Except as expressly provided elsewhere 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 or otherwise to enforce, or enjoy the benefit of, any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

## **30 Further provisions**

### **30.1 Independent security**

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

### **30.2 Continuing security**

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Deed in writing.

### **30.3 Discharge conditional**

Any release, discharge or settlement between the Borrower and the Lender shall be conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced, set aside or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or for any other reason. Despite any such release, discharge or settlement:

- (a) the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

#### **30.4 Certificates**

Any certification or determination by the Lender of any rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

#### **30.5 Consolidation**

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

### **31 Notices**

#### **31.1 Delivery**

Any notice or other communication given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
  - (i) the Borrower at: 45 Gresham Street, London EC2V 7BG. Email: [Finance@wrisk.co](mailto:Finance@wrisk.co) Attention: Nimeshh Patel
  - (ii) the Lender at: Flow Capital Corp., 1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario M5C 2V9, Canada. Email: [Alex@Flowcap.com](mailto:Alex@Flowcap.com) Attention: Alex Baluta

or to any other address or email address as is notified in writing by one party to the other from time to time.

#### **31.2 Receipt by Borrower**

Any notice or other communication that the Lender gives to the Borrower shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address; and
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting. A notice or other communication given as described in clause 31.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

#### **31.3 Receipt by Lender**

Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.



**31.4 Service of proceedings**

This clause 31 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

**32 Governing law and jurisdiction**

**32.1 Governing law**

This Deed and any dispute, claim or obligation (whether contractual or non-contractual) arising out of or in connection with it, its subject matter or formation shall be governed by English law.

**32.2 Jurisdiction**

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause 32.2 shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

**32.3 Other service**

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 32.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

**Schedule 1  
Real Property**

**None**

THIS LABEL HAS BEEN ADDED TO  
ENABLE THE PAGE TO BE SCANNED.  
PLEASE NOTE THIS DOES NOT FORM  
PART OF THE DEED.

**Schedule 2**  
**Relevant Agreements**

None

THIS LABFI HAS BEEN ADDED TO  
ENABLE THE PAGE TO BE SCANNED.  
PLEASE NOTE THIS DOES NOT FORM  
PART OF THE DEED.

**Schedule 3**  
**Notice and acknowledgment – Relevant Agreement**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF COUNTERPARTY],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Debenture we have assigned, by way of security, to Flow Capital Corp (Lender) the benefit of the Contract.

We confirm that:

We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.

Neither the Lender nor any receiver or delegate appointed by the Lender will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you should continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Lender stating that the security under the Debenture has become enforceable. Thereafter, all such rights, powers and discretions shall be exercisable by, and you must give notice to, the Lender or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada], with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

Wrisk Limited

**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the counterparty]

[NAME OF LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender) (Debenture)

We confirm receipt from the Borrower of a notice (Notice) dated [DATE] of an assignment, by way of security, of all the Borrower's rights under [DESCRIBE RELEVANT AGREEMENT] (Contract).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

*We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.*

*There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.*

*We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days' prior written notice.*

*We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.*

*The Lender will not in any circumstances have any liability in relation to the Contract.*

*The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.*

*This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.*

Yours sincerely,

.....

[COUNTERPARTY]

**Schedule 4**  
**Notice and acknowledgment – Insurance Policy**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[NAME OF INSURER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF INSURER],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (Policy).

This letter constitutes notice to you that under the Debenture we have assigned to the Lender, absolutely, subject to a proviso for reassignment, all our rights in the Policy, including all claims, the proceeds of all claims and all returns of premium in connection with the Policy.

We irrevocably instruct and authorise you to:

Comply with the terms of any written instructions received by you from the Lender relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.

Disclose information in relation to the Policy to the Lender on request by the Lender.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you should continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Lender stating that the security under the Debenture has become enforceable. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada ], with a copy to us.

**This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.**

**Yours sincerely,**

.....

**Wrisk Limited**



**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the insurer]

[NAME OF LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender)  
(Debenture)

We confirm receipt from the Borrower of a notice (Notice) dated [DATE] of an assignment to the Lender, subject to a proviso for reassignment of all the Borrower's rights in [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (Policy), including all claims, the proceeds of all claims and all returns of premiums in connection with the Policy.

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.

There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.

We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.

The Policy shall not be avoided or vitiated as against the Lender by reason of the act or default of any insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any insured party.

We waive our rights of subrogation against the Borrower, the Lender and the tenants of any property mortgaged or charge under the Debenture) other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any such property or the Policy.

We will not repudiate, rescind or cancel the Policy, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Lender.

The Lender will not have any liability for any premium in relation to the Policy unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of the Policy.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation), shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[NAME OF INSURER]

**Schedule 5**  
**Notice and acknowledgment – bank account**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

This letter constitutes notice to you that under the Debenture we have charged, by way of first fixed charge, in favour of the Lender all monies from time to time standing to the credit of the account held with you and detailed below (the Account), together with all other rights and benefits accruing to or arising in connection with the Account (including entitlements to interest):

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

We irrevocably instruct and authorise you to:

Disclose to the Lender any information relating to the Account requested from you by the Lender.

We are permitted to withdraw any amount from such Account for any purpose unless and until you receive a notice from the Lender to the contrary stating that we are no longer permitted to withdraw any amount from such Account 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 such Account without the prior written consent of the Lender and you are authorised to comply with any written notice or instructions relating to the Account received by you from the Lender.

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

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada ], with a copy to us.

Yours sincerely,

Signed.....

Wrisk Limited

**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the bank, financial institution or other person]

[LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender)  
(Debenture)

We confirm receipt from the Borrower of a notice (the Notice) dated [DATE] of a charge (on the terms of the Debenture) over all monies from time to time standing to the credit of the account detailed below (the Account), together with all other rights and benefits accruing to or arising in connection with the Account (including entitlements to interest).

We confirm that we:

Accept the instructions contained in the Notice and agree to comply with the Notice.

Have not received notice of the interest of any third party in the Account.

Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

Signed.....

[NAME OF BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by )  
WRISK LIMITED )  
acting by NIMESH B PATEL )



Director

in the presence of:

*Signature of Witness:*



*Name:*

MONICA SAAD

*Address:*



*Occupation:*

Executed as a deed by )  
FLOW CAPITAL CORP., a company )  
incorporated under the laws of the )  
Province of British Columbia, )  
Canada, )

.....  
Authorised signatory

acting by \_\_\_\_\_  
who, in accordance with the laws of  
that territory is acting under the  
authority of the company,

in the presence of:

*Signature of Witness:*

.....

*Name:*

.....

*Address:*

.....

*Occupation:*

.....

# HUMPHREYS LAW

Debenture  
relating to

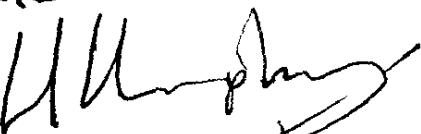
Wrisk Limited

I certify that, save for  
the material redacted pursuant  
to section 859G of the  
Companies Act 2006, this  
document is a true copy  
of the original seen by  
me.

Dated 22 JUNE 2023

Wrisk Limited (1)

Flow Capital Corp. (2)



Henry Humphreys (SRA no: 391301)

Humphreys Law Ltd (SRA no: 639271)

Date: 3 July 2023

Humphreys Law Ltd  
20 Eastbourne Terrace  
London  
W2 6LG

T: +44 (0)203 468 8030  
[www.humphreys.law](http://www.humphreys.law)

EXECUTION VERSION

Ref: CW/HH/SC/JC/1206.1

1. The first part of the paper is devoted to a discussion of the general principles of the theory of the structure of the atom. It is shown that the structure of the atom is determined by the laws of quantum mechanics, which are based on the principle of the uncertainty of the position and momentum of the particles.

2. In the second part of the paper, the author discusses the results of the experiments carried out by the author and his colleagues. It is shown that the results of the experiments are in good agreement with the theoretical predictions of the theory of the structure of the atom.



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DATE

22 JUNE

2023

PARTIES

- (1) **WRISK LIMITED**, a private limited company incorporated under the laws of England and Wales with company registration number 09721622 and whose registered address is 45 Gresham Street, London EC2V 7BG (the "**Borrower**"); and
- (2) **FLOW CAPITAL CORP.**, a company incorporated under the laws of the Province of British Columbia, Canada, with company number BC1223555 and registered address 1200 - 750 West Pender Street, Vancouver BC V6C 2T8 Canada as lender ("**Lender**").

BACKGROUND

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Borrower with a loan facility on a secured basis.
- (B) Under this Deed, the Borrower provides security to the Lender for the loan facility made available under the Facility Agreement.

AGREED TERMS

**1 Definitions and interpretation**

**1.1 Definitions**

Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed, have the same meaning in this Deed. In addition, the following definitions apply in this Deed:

**Administrator:** an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 13.8.

**Book Debts:** all present and future book and other debts, and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them.

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

**Charged Property:** any freehold, leasehold or commonhold property the subject of the security constituted by this Deed and references to "**Charged Property**" shall include references to the whole or any part of it.

**Delegate:** any person appointed by the Lender or any Receiver pursuant to clause 18 and any person appointed as attorney of the Lender or any Receiver or Delegate.

**Designated Account:** any account of the Borrower nominated by the Lender from time to time as a designated account for the purposes of this Deed.

**Domain Names:** the following domain names:

Domain Name	Registrant
wrisk.co	The Borrower

wrisk.co.uk	The Borrower
wri.sk	The Borrower
wriskinsurance.com	The Borrower
bmw-carinsurance.co.uk	The Borrower
mini-car-insurance.co.uk	The Borrower
volvocarsinsurance.co.uk	The Borrower
volvo.insure	The Borrower
extras.heycar.co.uk	The Borrower
paybymile.rac.co.uk	The Borrower

**Environment:** the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

**Environmental Law:** all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

**Environmental Licence:** any authorisation, permit or licence necessary under Environmental Law in respect of any of the Secured Assets.

**Equipment:** all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property owned by the Borrower or in which it has an interest, including any part of it and all spare parts, replacements, modifications and additions.

**Event of Default:** has the meaning given to that expression in the Facility Agreement, or where the Secured Liabilities are constituted elsewhere, means any event (including the making of a validly made demand by the Lender) making those Secured Liabilities immediately due and payable.

**Excluded Property:** each leasehold property existing as at the date of this Deed held by the Borrower under a lease that either precludes absolutely, or requires consent of a third party to, the creation of Security over the Borrower's leasehold interest in that property.

**Excluded Shares:** the shares held by the Borrower in the US Subsidiary.

**Facility Agreement:** the facility agreement dated on or about the date of this Deed between the Borrower and the Lender as amended, varied, amended and restated from time to time.

**Finance Documents:** has the meaning given to that expression in the Facility Agreement.

**Financial Collateral:** has the meaning given to that expression in the Financial Collateral Regulations.

**Financial Collateral Regulations:** the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).

**Insurance Policy:** each contract and policy of insurance (excluding any public liability and third party liability policies, any directors' and officers' liability insurance and any policies

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which have terms prohibiting their assignment to the Lender) effected or maintained by the Borrower from time to time in respect of its assets or business (including any contract or policy of insurance relating to the Charged Properties or the Equipment).

**Intellectual Property:** the Borrower's present and future patents, rights to inventions, copyright and related rights, trade marks, business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) 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 includes any Domain Names, Software and Trade Marks held by the Borrower or in which the Borrower has an interest.

**Investments:** all certificated shares, stock, debentures, bonds or other securities or investments (whether or not marketable) from time to time legally or beneficially owned by or on behalf of the Borrower (whether held directly by or to the order of the Borrower or by any trustee, fiduciary or clearance system on its behalf) and which includes for the avoidance of doubt the Subsidiary Shares and excludes for the avoidance of doubt, the Excluded Shares.

**Investment Derivative Rights:** all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investments.

**Legal Reservations:** has the meaning given to that expression in the Facility Agreement.

**Long Leasehold:** a lease with an original term of more than five years.

**LPA 1925:** the Law of Property Act 1925.

**Material Adverse Effect:** has the meaning given to that expression in the Facility Agreement.

**Perfection Requirements:** has the meaning given to that expression in the Facility Agreement.

**Permitted Security:** has the meaning given to that expression in the Facility Agreement.

**Receiver:** a receiver, receiver and manager or administrative receiver appointed by the Lender under clause 16.

**Regulated Contract:**

- (a) the subordinated loan agreement made between the Borrower and Wrisk Transfer Limited and dated 31 March 2022; and
- (b) any other agreement designated as such by the Lender and the Borrower from time to time.

**Related Rights:** 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, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any income, moneys and proceeds paid or payable in respect of that asset.

**Relevant Agreement:** each agreement specified in Schedule 2 and includes any future loan agreement pursuant to which the Borrower lends money to Wrisk Transfer Limited (but excluding the Regulatory Capital Loan as defined in the Facility Agreement).

**Secured Assets:** all the assets, property and undertaking of the Borrower which are, or are expressed to be, subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them).

**Secured Liabilities:** all present and future obligations and liabilities of the Borrower to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, including for the avoidance of doubt all present and future obligations and liabilities under or in connection with the Facility Agreement or this Deed (including those arising under clause 30), together with all interest (including default interest) accruing in respect of those obligations or liabilities.

**Security Financial Collateral Arrangement:** has the meaning given to that expression in the Financial Collateral Regulations.

**Security:** any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**Security Period:** the period starting on the date of this Deed and ending on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

**Software:** the software owned by the Borrower from time to time and all related documentation.

**Subsidiary Shares:** 100 per cent of the issued share capital of Wrisk Transfer Limited (a company registered in England and Wales under company number 10657213) from time to time, being as at the date of this Deed one ordinary share of £1 each, (and for the avoidance of doubt including any shares issued after the date of this Deed for the purpose of the capitalisation of an intra-group loan made by the Borrower to Wrisk Transfer Limited pursuant to clause 15.27 of the Facility Agreement).

**Trademarks:** each of:

Registered Owner	Country	Application/Registration Number	Name
Wrisk Limited	UK	UK00003183914	StayMoveGo
Wrisk Limited	UK	UK00003427761	Pro Tection
Wrisk Limited	UK	UK00003421076	Pro Motion
Wrisk Limited	UK	UK00003121073	Wrisk

Wrisk Limited	UK	UK00003191439	Business Wrisk
Wrisk Limited	UK	UK00003165409	Wrisk Transfer
Wrisk Limited	UK	UK00003153752	Wrisk Score
Wrisk Limited	UK	UK00003411893	WriskScore

**US Subsidiary:** Wrisk USA Corp. being an entity incorporated in the State of Delaware under company number 6657301 with registered office 1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle.

**VAT:** value added tax or any equivalent tax chargeable in the UK or elsewhere.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed.
- 1.3 a “**person**” includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality).
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 A reference to a party shall include that party’s successors, permitted assigns and permitted transferees and this Deed shall be binding on, and ensure to the benefit of, the parties to this Deed and their respective successors, permitted assigns and permitted transferees.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.8 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.9 A reference to “**writing**” or “**written**” includes email.
- 1.10 An obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.11 A reference to “**this Deed**” (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time.
- 1.12 Unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed and a reference to a paragraph is to a paragraph of the relevant Schedule.
- 1.13 Any words following the terms “**including**”, “**include**”, “**in particular**”, “**for example**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

- 1.14 A reference to an **"amendment"** includes a novation, supplement or variation (and amend and amended shall be construed accordingly).
- 1.15 A reference to **"assets"** includes present and future properties, undertakings, revenues, rights and benefits of every description.
- 1.16 A reference to an **"authorisation"** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration or resolution.
- 1.17 A reference to continuing in relation to an Event of Default means an Event of Default that has not been confirmed by the Lender in writing to have been;
- (a) remedied to the satisfaction of the Lender; or
  - (b) waived by the Lender.
- 1.18 A reference to **"determines"** or **"determined"** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it.
- 1.19 A reference to a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.20 References to the word **"include"** or **"including"** (or any similar term) are not to be construed as implying any limitation and general words introduced by the word **"other"** (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class of acts, matters or things.
- 1.21 **Clawback**
- If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.22 **Nature of security over real property**
- A reference in this Deed to a charge or mortgage of or over any Charged Property includes:
- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of that Charged Property at any time;
  - (b) the proceeds of the sale of any part of that Charged Property and any other monies paid or payable in respect of or in connection with that Charged Property;
  - (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that Charged Property, and any monies paid or payable in respect of those covenants; and
  - (d) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property.

1.23 **Nature of security over investments**

A reference in this Deed to any share, stock, debenture or other security or investment includes:

- (a) any dividend, interest or other distribution paid or payable in respect of that share, stock, debenture or other security or investment; and
- (b) any right, money, shares or property accruing, offered or issued at any time in relation to that share, stock, debenture or other security or investment by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

1.24 **Law of Property (Miscellaneous Provisions) Act 1989**

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

**2 Covenant to pay**

2.1 The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

2.2 If the Borrower fails to pay any amount payable by it under this Deed on its due date, the Borrower shall pay interest to the Lender after as well as before judgment at the rate which is: (i) five per cent per annum higher than the rate applicable to the relevant Secured Liabilities; or (ii) where there is no rate applicable to the relevant Secured Liabilities at a rate that is five per cent per annum higher than the rate notified to the Borrower by the Lender as its relevant cost of funding, on all sums demanded on it under this Deed from the date of demand by the Lender or, if earlier, the date on which the relevant damages, losses, costs or expenses arose in respect of which the demand has been made, until, but excluding, the date of actual payment, and for the avoidance of doubt only to the extent that interest at a default rate is not already being charged on such sum.

2.3 Interest under clause 2.2 shall accrue on a day-to-day basis and be calculated on the basis of actual number of days elapsed and a year of 365 days. If unpaid, any such interest shall be compounded on the last Business Day of each month.

**3 Grant of security**

**3.1 Legal mortgage**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of a first legal mortgage, all estates or interests in any freehold, Long Leasehold or commonhold property now owned by it, including the real property (if any) specified in Schedule 1.

**3.2 Fixed charges**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender by way of a first fixed charge:



- (a) all present and future estates or interests of the Borrower in, or over, any freehold, Long Leasehold or commonhold property (other than any such property effectively mortgaged under clause 3.1);
- (b) the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
- (c) all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Secured Asset, and all rights in connection with them;
- (d) all its present and future goodwill;
- (e) all its uncalled capital;
- (f) all the Equipment;
- (g) all the Intellectual Property (excluding the Domain Names, Software and Trademarks);
- (h) the Domain Names;
- (i) the Software;
- (j) the Trademarks;
- (k) all the Book Debts, to the extent not effectively assigned under clause 3.3;
- (l) all:
  - (i) the Investments (excluding the Subsidiary Shares);
  - (ii) the Investment Derivative Rights (excluding any Investment Derivative Rights relating to the Subsidiary Shares); and
  - (iii) all Related Rights relating to any Investment (excluding any Related Rights relating to any Subsidiary Shares);
- (m) (i) the Subsidiary Shares; (ii) the Investment Derivative Rights relating to the Subsidiary Shares; and (iii) all Related Rights relating to the Subsidiary Shares;
- (n) (i) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account); (ii) together with all other rights and benefits accruing to or arising in connection with

each such account (including entitlements to interest) and Related Rights relating to those accounts);

- (o) all its rights in respect of each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, to the extent not effectively assigned under clause 3.3; and
- (p) all its rights in respect of each Relevant Agreement and all other agreements, instruments and rights relating to the Secured Assets (including the Related Rights relating to such secured asset), to the extent not effectively charged at paragraphs (a) – (o) (inclusive) above or assigned under clause 3.3 but excluding any Regulated Contract.

### 3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- (b) the Book Debts; and
- (c) the benefit of each Relevant Agreement and the benefit of all other agreements, instruments and rights relating to the Secured Assets but excluding any Regulated Contract.

### 3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first floating charge, all its undertaking, property, assets and rights not otherwise effectively mortgaged, charged or assigned under clause 3.1 to clause 3.3 (inclusive).

### 3.5 Leasehold security restrictions

- (a) Subject to clause 3.5(b) to clause 3.5(d) (inclusive), the security created by clause 3.1 and clause 3.2 shall not apply to an Excluded Property until the Borrower obtains any relevant consent, or waiver of any prohibition, to the creation of security over that Excluded Property.
- (b) In relation to each Excluded Property, the Borrower undertakes to:
  - (i) apply for the relevant consent or waiver of prohibition within five Business Days of the date of this Deed, and to use its reasonable endeavours to obtain that consent or waiver as soon as possible;
  - (ii) keep the Lender informed of its progress in obtaining that consent or waiver; and
  - (iii) promptly on receipt of the consent or waiver, provide the Lender with a copy of that consent or waiver.

- . . . . .
- (c) Immediately on receipt by the Borrower of the relevant consent or waiver, that Excluded Property shall become the subject of a mortgage or charge (as appropriate) pursuant to clause 3.1 and clause 3.2.
  - (d) If required by the Lender at any time following receipt of that consent or waiver, the Borrower shall, at its own cost, prepare and execute any further documents and take any further action the Lender may require, in its absolute discretion, for perfecting its security over that Excluded Property.

**3.6 Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

**3.7 Automatic crystallisation of floating charge**

The floating charge created by clause 3.4 shall automatically and immediately (without notice) convert into a fixed charge over the assets subject to that floating charge if:

- (a) the Borrower:
  - (i) creates, or attempts to create, without the prior written consent of the Lender, Security or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this Deed or the Facility Agreement); or
  - (ii) disposes, or attempts to dispose, of all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets;
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower; or
- (d) an application is made to court, or an order is made, for the appointment of an administrator, or a notice of intention to appoint an administrator is given or an administrator is appointed.

**3.8 Crystallisation of floating charge by notice**

Except as provided in clause 3.9, the Lender may, in its sole discretion, by written notice to the Borrower, convert the floating charge created under this Deed into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice if:

- (a) an Event of Default is continuing; or
- (b) the Lender reasonably 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.

**3.9 Part A1 moratorium**

- - -
- (a) Subject to paragraph (b) below, the floating charge created by clause 3.4 may not be converted into a fixed charge solely by reason of obtaining a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986.
  - (b) Paragraph (a) above does not apply to any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

**3.10 Assets acquired after any floating charge has crystallised**

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this Deed that, but for that crystallisation, would be subject to a floating charge under this Deed, shall (unless the Lender confirms otherwise to the Borrower in writing) be charged to the Lender by way of first fixed charge.

**4 Liability of the Borrower**

**4.1 Liability not discharged**

The Borrower's liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

**4.2 Immediate recourse**

The Borrower waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Deed against the Borrower.

**5 Representations and warranties**

**5.1 Times for making representations and warranties**

The Borrower makes the representations and warranties set out in this clause 5 to the Lender on the date of this Deed and the representations and warranties are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

**5.2 Ownership of Secured Assets**

The Borrower is the sole legal and beneficial owner of, and has good, valid and marketable title to, the Secured Assets.

- 5.3 No Security**
- The Secured Assets are free from any Security other than Permitted Security and the Security created by this Deed.
- 5.4 No adverse claims**
- The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.
- 5.5 No adverse covenants**
- There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.
- 5.6 No breach of laws**
- There is no breach of any law or regulation that materially and adversely affects the Secured Assets.
- 5.7 No interference in enjoyment**
- No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.
- 5.8 No overriding interests**
- Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Charged Property.
- 5.9 Avoidance of security**
- No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.
- 5.10 No prohibitions or breaches**
- There is no prohibition on assignment in any Insurance Policy or Relevant Agreement and the entry into this Deed by the Borrower does not, and will not, constitute a breach of any Insurance Policy, Relevant Agreement or any other policy, agreement, document, instrument or obligation binding on the Borrower or its assets.
- 5.11 Environmental compliance**
- The Borrower has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.
- 5.12 Enforceable security**
- Subject to the Legal Reservations and Perfection Requirements this Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

**5.13 Investments**

- (a) The Investments are fully paid and are not subject to any option to purchase or similar rights.
- (b) No constitutional document of an issuer of an Investment, nor any other agreement:
  - (i) restricts or inhibits any transfer of the Investments on creation or enforcement of the security constituted by this Deed; or
  - (ii) contains any rights of pre-emption in relation to the Investments.
- (c) The Borrower has complied with all notices relating to all or any of the Investments received by it pursuant to sections 790D and 790E of the Companies Act 2006.
- (d) No warning notice has been issued under paragraph 1(2) of Schedule 1B of the Companies Act 2006, and no restrictions notice has been issued under paragraph 1(3) of Schedule 1B of the Companies Act 2006, in respect of all or any of the Investments.

**6 General covenants**

**6.1 Negative pledge and disposal restrictions**

The Borrower shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset;
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets; or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party,

except in each case other than Permitted Security or otherwise as expressly permitted under the terms of the Facility Agreement or this Deed.

**6.2 Preservation of Secured Assets**

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this Deed except as expressly permitted under the terms of the Facility Agreement or this Deed.

**6.3 Compliance with laws and regulations**

- (a) The Borrower shall not, without the Lender's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.
- (b) The Borrower shall:

- (i) comply with the requirements of any law or regulation relating to or affecting the Secured Assets or the use of it or any part of them;
- (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset; and
- (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets.

**The Borrower shall:**

## 6.5 Notice of misrepresentation and breaches

- (a) any representation or warranty set out in this Deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this Deed.

The Borrower shall, promptly upon the execution of this Deed (or, if later, promptly following the date of acquisition of the relevant Secured Asset), deposit with the Lender and the Lender shall, for the duration of this Deed be entitled to hold:

- .....
- (d) a copy of each Relevant Agreement, certified to be a true copy by either a director of the Borrower or by the Borrower's solicitors.

**6.7 Insurance**

- (a) The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets against:
  - (i) risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
  - (ii) any other risk, perils and contingencies as the Lender may reasonably require.
- (b) Any such insurance must:
  - (i) be with an insurance company or underwriters, and on such terms, as are reasonably acceptable to the Lender; and
  - (ii) be for not less than the replacement value of the relevant Secured Assets (meaning in the case of any premises on any Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for shoring or propping up, demolition, site clearance and reinstatement with adequate allowance for inflation).
- (c) The Borrower shall, if requested by the Lender in writing, produce to the Lender each policy, certificate or cover note relating to any insurance as is required by clause 6.7(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) The Borrower shall, if requested by the Lender in writing, procure that a note of the Lender's interest is endorsed on each insurance policy (other than public liability and third party liability insurances) effected or maintained by it or any person on its behalf in accordance with clause 6.7(a) but without the Lender having any liability for any premium in relation to those insurance policies unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any insurance policy.
- (e) The Borrower shall ensure that each insurance policy effected or maintained by it or any person on its behalf in accordance with clause 6.7(a) contains:
  - (i) terms ensuring that it cannot be avoided or vitiated as against the Lender by reason of the act or default of any other insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any other insured party; and



- (ii) terms ensuring that no insurer can repudiate, rescind or cancel it, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 14 days' prior written notice to the Lender.

**6.8 Insurance premiums**

The Borrower shall:

- (a) promptly pay all premiums in respect of each insurance policy as is required by clause 6.76.7(a) and do all other things reasonably necessary to keep that policy in full force and effect; and
- (b) (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each insurance policy as is required by clause 6.76.7(a) (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

**6.9 No invalidation of insurance**

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy as is required by clause 6.76.7(a).

**6.10 Proceeds from insurance policies**

On the occurrence of an Event of Default, all monies payable under any insurance policy maintained by the Borrower in accordance with clause 6.76.7(a) at any time (whether or not the security constituted by this Deed has become enforceable) shall:

- (a) be paid immediately to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities.

**6.11 Notices to be given by the Borrower**

The Borrower shall within three Business Days of the execution of this Deed and as thereafter as requested in writing by the Lender from time to time:

- (a) give notice to each counterparty to a Relevant Agreement in the form set out in Part 1 of Schedule 3, and use reasonable endeavours to procure that each counterparty promptly provides to the Lender an acknowledgement of the notice in the form set out in Part 2 of Schedule 3;
- (b) give notice to each insurer under an Insurance Policy in the form set out in Part 1 of Schedule 4, and use reasonable endeavours to procure that each insurer

promptly provides to the Lender an acknowledgement of the notice in the form set out in Part 2 of Schedule 4; and

- (c) give notice to each bank, financial institution or other person (other than the Lender) with whom the Borrower holds an account (including each Designated Account) in the form set out in Part 1 of Schedule 5, and use reasonable endeavours to procure that each such bank, financial institution or other person promptly provides to the Lender an acknowledgement of the notice in the form of Part 2 of Schedule 5.

#### **6.12 Information**

The Borrower shall:

- (a) give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may reasonably require;
- (b) permit any persons designated by the Lender and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and
- (c) promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

#### **6.13 Payment of outgoings**

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Lender.

#### **6.14 Appointment of accountants**

- (a) The Borrower shall:
  - (i) at its own cost, if required by the Lender pursuant to clause (b) below, appoint an accountant or firm of accountants nominated by the Lender to investigate the financial affairs of the Borrower and those of its subsidiaries and report to the Lender; and
  - (ii) co-operate fully with any accountants so appointed and promptly provide those accountants with all information requested.
- (b) The Borrower authorises the Lender to make an appointment if it reasonably suspects an Event Default has occurred which is continuing or in the opinion of the Lender is reasonably likely to occur, without further authority from the Borrower. In every case, the Borrower shall pay, or reimburse the Lender for, the fees and expenses of those accountants.

## **7 Property covenants**

### **7.1 Repair and maintenance**

The Borrower shall keep all premises and fixtures and fittings on each Charged Property:

- (a) in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value; and
- (b) in such repair and condition as to enable each Charged Property to be let in accordance with all applicable laws and regulations.

### **7.2 No alterations**

The Borrower shall not, without the prior written consent of the Lender:

- (a) pull down or remove the whole, or any part of, any building forming part of any Charged Property or permit the same to occur;
- (b) make or permit to be made any material alterations to any Charged Property, or sever or remove or permit to be severed or removed, any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 7.1); or
- (c) remove or make any material alterations to any of the Equipment belonging to, or in use by, the Borrower on any Charged Property (except to effect necessary repairs or replace them with new or improved models or substitutes).

### **7.3 Conduct of business on charged properties**

The Borrower shall carry on its trade and business on those parts (if any) of the Charged Properties as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in that trade or business.

### **7.4 Notices or claims relating to the property**

- (a) The Borrower shall:
  - (i) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to any Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
  - (ii) (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.
- (b) The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or

revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to any Charged Property.

**7.5 Compliance with and enforcement of covenants**

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which each Charged Property, or the use of it, is or may be subject, and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting each Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

**7.6 Payment of rent and outgoings**

The Borrower shall:

- (a) where a Charged Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Charged Property or on its occupier.

**7.7 Leases and licences affecting the charged properties**

The Borrower shall not, without the prior written consent of the Lender:

- (a) grant any licence or tenancy affecting the whole or any part of any Charged Property, or exercise the statutory powers of leasing or of accepting surrenders under sections 99 or 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- (b) in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property);
- (c) let any person into occupation of or share occupation of the whole or any part of any Charged Property; or
- (d) grant any consent or licence under any lease or licence affecting any Charged Property.

**7.8 Registration restrictions and cautions against first registration and notices**

- (a) If the title to any Charged Property is not registered at the Land Registry, the Borrower shall procure that no person (other than itself) shall be registered under

the Land Registration Act 2002 as proprietor of all or any part of any Charged Property, without the prior written consent of the Lender.

- (b) Whether or not title to any Charged Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to any Charged Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.
- (c) The Borrower shall be liable for the costs and expenses of the Lender in lodging cautions against the registration of the title to the whole or any part of any Charged Property from time to time.

#### **7.9 Development restrictions**

The Borrower shall not, without the prior written consent of the Lender:

- (a) make or, insofar as it is able, permit others to make any application for planning permission or development consent in respect of any Charged Property; or
- (b) carry out or permit or suffer to be carried out on any Charged Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of any Charged Property.

#### **7.10 Environment**

The Borrower shall in respect of each Charged Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

#### **7.11 No restrictive obligations**

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of any Charged Property, or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of any Charged Property.

#### **7.12 Proprietary rights**

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of any Charged Property without the prior written consent of the Lender.

#### **7.13 Inspection**

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The Borrower shall permit the Lender, any Receiver and any person appointed by either of them to enter on and inspect any Charged Property on reasonable prior notice during normal business hours.

**7.14 Property information**

The Borrower shall inform the Lender promptly of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any property.

**7.15 VAT option to tax**

The Borrower shall not, without the prior written consent of the Lender:

- (a) exercise any VAT option to tax in relation to any Charged Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Lender, before the date of this Deed.

**7.16 Registration of legal mortgage at Land Registry**

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Charged Property over which the Lender has a legal mortgage:

"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 [DATE] in favour of Flow Capital Corp. referred to in the charges register [or [their conveyancer or specify appropriate details]]."

**8 Investment covenants**

**8.1 Deposit of title documents**

- (a) The Borrower shall:
  - (i) on the execution of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Borrower at that time; and
  - (ii) promptly (and in any event within three Business Days) following the purchase or acquisition by it of Investments after the date of this Deed, deposit with the Lender, or as the Lender may direct, all stock or share certificates and other documents of title or evidence of ownership relating to those Investments.
- (b) At the same time as depositing documents with the Lender, or as the Lender may direct, in accordance with clause 8.1(a), the Borrower shall also deposit with the Lender, or as the Lender may direct:

- (i) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Borrower, but with the name of the transferee, the consideration and the date left blank; and
- (ii) any other documents (in each case duly completed and executed by or on behalf of the Borrower) that the Lender may reasonably request to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that the Lender may, at any time and without notice to the Borrower, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration.

## 8.2 Nominations

- (a) The Borrower shall terminate with immediate effect all nominations it may have made (including any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated:
  - (i) does not exercise any rights in respect of any Investments without the prior written approval of the Lender; and
  - (ii) promptly on receipt by it, forward to the Lender all communications or other information received by it in respect of any Investments for which it has been so nominated.
- (b) The Borrower shall not, during the Security Period, exercise any rights (including any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments.

## 8.3 Pre-emption rights and restrictions on transfer

The Borrower shall:

- (a) obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association or otherwise of an issuer of any Investments, for the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed; and
- (b) procure the amendment of the share transfer provisions (including deletion of any pre-emption provisions) under the articles of association, other constitutional document or otherwise of each issuer of the Investments in any manner that the Lender may require in order to permit the transfer of the Investments to the Lender or its nominee, or to a purchaser on enforcement of the security constituted by this Deed.

## 8.4 Dividends and voting rights before enforcement

- (a) Before the security constituted by this Deed becomes enforceable, and provided that it shall not do so in any way that would breach any provision of the Facility Agreement or this Deed or for any purpose inconsistent with the Facility Agreement

or this Deed the Borrower may retain and apply for its own use all dividends, interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to the Lender or any of its nominees, the Lender will hold all those dividends, interest and other monies received by it for the Borrower and will pay them to the Borrower promptly on request.

- (b) Before the security constituted by this Deed becomes enforceable, the Borrower may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by the Lender or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that:
  - (i) it shall not do so in any way that would breach any provision of the Facility Agreement or this Deed or for any purpose inconsistent with the Facility Agreement or this Deed; and
  - (ii) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in the Lender's opinion, have an adverse effect on the value of the Investments or otherwise prejudice the Lender's security under this Deed.
- (c) The Borrower shall indemnify the Lender against any loss or liability incurred by the Lender (or its nominee) as a consequence of the Lender (or its nominee) acting in respect of the Investments at the direction of the Borrower.
- (d) The Lender shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to, or conferred by, any of the Investments that the Lender considers prejudicial to, or impairing the value of, the security created by this Deed.

#### **8.5 Dividends and voting rights after enforcement**

After the security constituted by this Deed has become enforceable:

- (a) all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held by the Borrower on trust for the Lender and immediately paid into a Designated Account or, if received by the Lender, may be applied by the Lender in accordance with clause 19.1; and
- (b) all voting and other rights and powers attaching to the Investments may be exercised by, or at the direction of, the Lender and the Borrower shall, and shall procure that its nominees shall, comply with any directions the Lender may give, in its absolute discretion, concerning the exercise of those rights and powers.

#### **8.6 Calls on investments**

Notwithstanding the security created by this Deed, the Borrower shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Borrower acknowledges that the Lender shall not be under any liability in respect of any such calls, instalments or other payments.

#### **8.7 No alteration of constitutional documents or rights attaching to investments**



The Borrower shall not, without the prior written consent of the Lender, amend, or agree to the amendment of:

- (a) the memorandum or articles of association, or any other constitutional documents, of any issuer of the Investments that is not a public company; or
- (b) the rights or liabilities attaching to, or conferred by, all or any of the Investments.

**8.8 Preservation of investments**

The Borrower shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer of any of the Investments (that is not a public company) shall not save as expressly permitted under the Facility Agreement:

- (a) consolidate or subdivide any of the Investments, or re-organise, exchange, repay or reduce its share capital in any way;
- (b) issue any new shares or stock; or
- (c) refuse to register any transfer of any of the Investments that may be lodged with it for registration by, or on behalf of, the Lender or the Borrower in accordance with this Deed.

**8.9 Investments information**

The Borrower shall, promptly following receipt, send to the Lender copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments.

**8.10 Compliance with requests for information**

The Borrower shall promptly send a copy to the Lender of, and comply with, all requests for information which are within its knowledge and which are made under any law or regulation or any similar provision in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Investments. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of the Borrower.

**8.11 After the security constituted by this Deed has become enforceable, if so requested by the Lender:**

- (a) instruct any clearance system to transfer any Investment held by it for the Borrower or its nominee to an account of the Lender or its nominee with that clearance system;
- (b) take whatever action the Lender may request for the dematerialisation or re-materialisation of any Investment held in a clearance system; and
- (c) without prejudice to the above, permit the Lender, at the expense of the Borrower, to take whatever action it seems necessary for the dematerialisation or re-materialisation of any Investment.

## **9 Equipment covenants**

### **9.1 Maintenance of equipment**

The Borrower shall:

- (a) maintain the Equipment in good and serviceable condition (except for expected fair wear and tear) in compliance with all relevant manuals, handbooks, manufacturer's instructions and recommendations and maintenance or servicing schedules;
- (b) at its own expense, renew and replace any parts of the Equipment (except to the extent such Equipment is no longer material or otherwise required for the business of the Group) when they become obsolete, worn out or damaged with parts of a similar quality and of equal or greater value; and
- (c) not permit any Equipment to be overloaded or used for any purpose for which it is not designed or reasonably suitable.

### **9.2 Payment of equipment taxes**

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and, on reasonable written request by the Lender produce evidence of such payment to the Lender.

### **9.3 Notice of charge**

- (a) The Borrower shall, if so requested by the Lender, affix to and maintain on each item of Equipment in a conspicuous place, a clearly legible identification plate containing the following wording:  
  
"NOTICE OF CHARGE  
  
This [DESCRIBE ITEM] and all additions to it [and ancillary equipment] are subject to a fixed charge dated [DATE] in favour of Flow Capital Corp.."
- (b) The Borrower shall not, and shall not permit any person to, conceal, obscure, alter or remove any plate affixed in accordance with clause 9.3(a).

## **10 Book debts covenants and operation of bank accounts**

### **10.1 Realising book debts**

- (a) After the security constituted by this Deed has become enforceable the Borrower shall as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender.
- (b) After the security constituted by this Deed has become enforceable the Borrower shall not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any bank account (including any Designated Account).
- (c) After the security constituted by this Deed has become enforceable the Borrower shall, if called on to do so by the Lender, execute a legal assignment of the Book

Debts to the Lender on such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

**10.2 Preservation of book debts**

The Borrower shall not (except as permitted under clause 10.1 of this Deed, and save as expressly permitted under the Facility Agreement or with the prior written consent of the Lender) release, exchange, compound, set off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

**11 Relevant agreements covenants**

**11.1 Relevant agreements**

- (a) The Borrower shall, unless the Lender agrees otherwise in writing, comply with the terms of each Relevant Agreement and any other document, agreement or arrangement comprising the Secured Assets.
- (b) The Borrower shall not, unless the Lender agrees otherwise in writing:
  - (i) amend or vary or agree to any change in, or waive any requirement of or its rights under;
  - (ii) settle, compromise, terminate, rescind or discharge (except by performance); or
  - (iii) abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty to a Relevant Agreement or other person in connection with,any Relevant Agreement or any other document, agreement or arrangement comprising the Secured Assets.

**12 Intellectual property covenants**

**12.1 Preservation of rights**

The Borrower shall take all necessary action to safeguard and maintain present and future rights in, or relating to, the Intellectual Property including by observing all covenants and stipulations relating to those rights, and by paying all applicable renewal fees, licence fees and other outgoings.

**12.2 Registration of Intellectual property**

- (a) The Borrower shall use all reasonable efforts to register applications for the registration of any Intellectual Property, and shall keep the Lender informed of all matters relating to each such registration.
- (b) The Borrower shall, if requested by the Lender in writing, execute all such documents and do all acts that the Lender may reasonably require to record the interest of the Lender in any registers relating to any registered Intellectual Property.

**12.3 Maintenance of intellectual property**

The Borrower shall not permit any Intellectual Property to be abandoned, cancelled or to lapse (except to the extent such Intellectual Property is of no monetary value and no longer required for the business of the Group).

**12.4 Software**

On the occurrence of an Event of Default that is continuing, the Borrower shall within 20 Business Days of a request by the Lender and at the cost of the Borrower have the source code for the Software verified by a party approved by the Lender and placed in escrow with an escrow agent approved by the Lender and on terms approved by the Lender so that the Lender its agents or an administrator or receiver shall have access to the source code on an Event of Default which is continuing. The Borrower hereby agrees to ensure that the any source code for the Software held in escrow shall be updated promptly whenever any material update is made to the Borrower's source code.

**12.5 Domain Names**

On the occurrence of an Event of Default that is continuing, the Borrower shall within 20 Business Days of a request by the Lender and at the cost of the Borrower enter into an assignment of the Domain Names to the Lender in a form acceptable to the Lender as security for the Secured Liabilities and the Borrower shall supply the Lender with any "keys" or passwords necessary to register that assignment at the relevant domain name registries.

**13 Powers of the Lender**

**13.1 Power to remedy**

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Deed.
- (b) The Borrower irrevocably authorises the Lender and its agents to do all things that the Lender reasonably considers are necessary or desirable for that purpose.
- (c) The Borrower shall reimburse the Lender, on a full indemnity basis, for any monies the Lender expends in remedying a breach by the Borrower of its obligations contained in this Deed, and such monies shall carry interest in accordance with clause 20.1.

**13.2 Exercise of rights**

- (a) The rights of the Lender under clause 13.1 are without prejudice to any other rights of the Lender under this Deed.
- (b) The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.

**13.3 Power to dispose of chattels**

- (a) At any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver may, as agent for the Borrower, dispose of any chattels or produce found on any Charged Property.

- (b) Without prejudice to any obligation to account for the proceeds of any disposal made under clause 13.3(a), the Borrower shall indemnify the Lender and any Receiver against any liability arising from any disposal made under clause 13.3(a).

#### **13.4 Lender has Receiver's powers**

To the extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

#### **13.5 Conversion of currency**

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 13.5) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- (b) Any such conversion shall be effected at the Bank of Canada's then prevailing published rate of exchange for such other currency against the existing currency (or if not available such other source reasonably selected by the Lender).
- (c) Each reference in this clause 13.5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

#### **13.6 New accounts**

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Lender may open a new account for the Borrower in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.
- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, under clause 13.6(a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

#### **13.7 Indulgence**

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of the Borrower for the Secured Liabilities.

#### **13.8 Appointment of an administrator**

- (a) The Lender may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this Deed becomes enforceable.
- (b) Any appointment under this clause 13.8 shall:
  - (i) be in writing signed by a duly authorised signatory of the Lender; and
  - (ii) take effect in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) The Lender may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 13.8 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

#### **13.9 Further advances**

The Lender covenants with the Borrower that it shall perform its obligations to make advances under the Facility Agreement (if any) subject to the terms of the Facility Agreement (including any obligation to make available further advances).

#### **14 When security becomes enforceable**

##### **14.1 Security becomes enforceable on Event of Default**

The security constituted by this Deed shall become immediately enforceable if an Event of Default occurs and is continuing.

##### **14.2 Discretion**

After the security constituted by this Deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

#### **15 Enforcement of security**

##### **15.1 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) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 14.1.
- (c) Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

##### **15.2 Extension of statutory powers of leasing**

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any

Receiver, at any time after the security constituted by this Deed has become enforceable, whether in its own name or in that of the Borrower, to:

- (a) grant a lease or agreement for lease;
- (b) accept surrenders of leases; or
- (c) grant any option in respect of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

#### **15.3 Access on enforcement**

- (a) At any time after the Lender has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this Deed or the Facility Agreement, the Borrower will allow the Lender or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose to enter on any premises where a Secured Asset is situated (or where the Lender or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Borrower for, or by any reason of, that entry.
- (b) At all times, the Borrower must allow the Lender or its Receiver access to any premises for the purpose of clause 15.3(a) (including obtaining any necessary consents or permits of other persons) and use reasonable endeavours to ensure that its employees and officers do the same.

#### **15.4 Redemption of prior security**

- (a) At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Lender may:
  - (i) redeem any prior Security over any Secured Asset;
  - (ii) procure the transfer of that Security to itself; and
  - (iii) settle and pass the accounts of the holder of any prior Security (and any accounts so settled and passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower).
- (b) The Borrower shall pay to the Lender immediately on demand all principal, interest, costs, charges and expenses of, and incidental to, any such redemption or transfer, and such amounts shall be secured by this Deed as part of the Secured Liabilities.

#### **15.5 Protection of third parties**

No purchaser, mortgagee or other person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is being properly exercised; or
- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied.

**15.6 Privileges**

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

**15.7 Exclusion of liability**

Neither the Lender, nor any Receiver or Delegate, shall be liable to the Borrower or any other person:

- (a) (by reason of entering into possession of a Secured Asset, or for any other reason) to account as mortgagee in possession in respect of all or any of the Secured Assets;
- (b) for any loss on realisation, or for any act, default or omission for which a mortgagee in possession might be liable; or
- (c) for any expense, loss or liability:
  - (i) relating to the enforcement of, or any failure to enforce or delay in enforcing, any security constituted by or pursuant to this Deed;
  - (ii) relating to an exercise of rights, or by any failure to exercise or delay in exercising, rights under this Deed; or
  - (iii) arising in any other way in connection with this Deed,

except that this does not exempt the Lender or any Receiver or Delegate from liability for losses caused by the gross negligence, fraud or wilful misconduct of the Lender or the relevant Receiver or Delegate.

**15.8 Conclusive discharge to purchasers**

The receipt of the Lender, or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Lender, and every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it thinks fit.

**15.9 Right of appropriation**

- (a) To the extent that:
  - (i) the Secured Assets constitute Financial Collateral; and



- (ii) this Deed and the obligations of the Borrower under it constitute a Security Financial Collateral Arrangement,

the Lender shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Lender may, in its absolute discretion, determine.

- (b) The value of any Secured Assets appropriated in accordance with this clause 15.9 shall be:

- (i) in the case of cash, the amount standing to the credit of each of the Borrower's accounts with any bank, financial institution or other person, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and
- (ii) in the case of Investments, the market price of those Investments at the time the right of appropriation is exercised determined by the Lender by reference to a recognised market index or by any other method that the Lender may select (including independent valuation).

- (c) The Borrower agrees that the methods of valuation provided for in this clause 15.9 are commercially reasonable for the purposes of the Financial Collateral Regulations.

## **16 Receiver**

### **16.1 Appointment**

- (a) At any time after the security constituted by this Deed has become enforceable, or at the request of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets.
- (b) The Lender may not appoint a Receiver solely as a result of the obtaining of a moratorium (or as a result of anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in section A52(4) of Part A1 of the Insolvency Act 1986.

### **16.2 Removal**

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986 in the case of an administrative receiver), from time to time, by way of deed, or otherwise in writing, 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.

### **16.3 Remuneration**

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this Deed, to the extent not otherwise discharged.

**16.4 Power of appointment additional to statutory powers**

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

**16.5 Power of appointment exercisable despite prior appointments**

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Secured Assets.

**16.6 Agent of the Borrower**

Any Receiver appointed by the Lender under this Deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

**17 Powers of Receiver**

**17.1 General**

- (a) Any Receiver appointed by the Lender under this Deed shall, in addition to the powers conferred on it by statute, have the rights, powers and discretions set out in clause 17.2 to clause 17.23 (inclusive).
- (b) A Receiver has all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the LPA 1925, and shall have those rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986 whether it is an administrative receiver or not.
- (c) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing it states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- (d) Any exercise by a Receiver of any of the powers given by this clause 17 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in clause 17.16) or itself.

**17.2 Repair and develop Properties**

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

**17.3 Grant or accept surrenders of leases**

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting any Secured Asset on any terms, and subject to any conditions, that it thinks fit.

**17.4 Employ personnel and advisers**

- (a) A Receiver may provide services and employ or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that it thinks fit.
- (b) A Receiver may discharge any such person or any such person appointed by the Borrower.

**17.5 Make and revoke VAT options to tax**

A Receiver may make, exercise or revoke any VAT option to tax as it thinks fit.

**17.6 Remuneration**

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by it) that the Lender may prescribe or agree with it.

**17.7 Possession**

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

**17.8 Manage or reconstruct the Borrower's business**

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower.

**17.9 Dispose of Secured Assets**

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which it is appointed in any manner (including by public auction or private sale) and generally on any terms and conditions as it thinks fit. Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold.

**17.10 Sever fixtures and fittings**

A Receiver may sever and sell separately any fixtures or fittings from any Charged Property without the consent of the Borrower.

**17.11 Sell Book Debts**

A Receiver may sell and assign all or any of the Book Debts in respect of which it is appointed in any manner, and generally on any terms and conditions, that it thinks fit.

**17.12 Valid receipts**

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets.

**17.13 Make settlements**

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

**17.14 Legal action**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as it thinks fit.

**17.15 Improve the Equipment**

A Receiver may make substitutions of, or improvements to, the Equipment as it may think expedient.

**17.16 Make calls on Borrower members**

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

**17.17 Insure**

A Receiver may, if it thinks fit, but without prejudice to the indemnity in clause 20, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this Deed.

**17.18 Subsidiaries**

A Receiver may form a subsidiary of the Borrower and transfer to that subsidiary any Secured Asset.

**17.19 Borrow**

A Receiver may, for whatever purpose it thinks fit, raise and borrow money either unsecured or on the security of all or any of the Secured Assets in respect of which it is appointed on any terms that it thinks fit (including, if the Lender consents, terms under which that security ranks in priority to this Deed).

**17.20 Redeem prior Security**

A Receiver may redeem any prior Security and settle and pass the accounts to which the Security relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

**17.21 Delegation**

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

**17.22 Absolute beneficial owner**

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights it would be capable of exercising as, and do all those acts and things, an absolute beneficial owner could exercise or do, in the ownership and management of the Secured Assets or any part of the Secured Assets.

**17.23 Incidental powers**

A Receiver may do any other acts and things that it:

- (a) may consider desirable or necessary for realising any of the Secured Assets;
- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or
- (c) lawfully may or can do as agent for the Borrower.

**18 Delegation**

**18.1 Delegation**

The Lender or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 22.1).

**18.2 Terms**

The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

**18.3 Liability**

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability of any nature arising from any act, default, omission or misconduct on the part of any Delegate.

**19 Application of proceeds**

**19.1 Order of application of proceeds**

All monies received or recovered by the Lender, a Receiver or a Delegate under this Deed or in connection with the realisation or enforcement of all or part of the security constituted by this Deed (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority (but without prejudice to the Lender's right to recover any shortfall from the Borrower):

- (a) in or towards payment of all costs, liabilities, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed, and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of the Secured Liabilities in any order and manner that the Lender determines; and

- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

#### **19.2 Appropriation**

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards Interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

#### **19.3 Suspense account**

All monies received by the Lender, a Receiver or a Delegate under this Deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to a suspense account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower, or in the absence of agreement at the commercially offered rates; and
- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

### **20 Costs and indemnity**

#### **20.1 Costs**

The Borrower shall, on demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

- (a) the negotiation, preparation, execution and delivery of this Deed;
- (b) the Secured Assets;
- (c) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed;
- (d) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) under or in connection with this Deed;
- (e) any release of any security constituted by this Deed; or
- (f) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment) at the rate and in the manner specified in the Facility Agreement.

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## **20.2 Indemnity**

- (a) The Borrower shall, promptly on demand, indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
  - (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;
  - (ii) taking, holding, protecting, perfecting, preserving, releasing or enforcing (or attempting to do so) the security constituted by this Deed; or
  - (iii) any default or delay by the Borrower in performing any of its obligations under this Deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 20.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999 or otherwise.

## **21 Further assurance**

The Borrower shall promptly, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security created or intended to be created by this Deed;
- (b) facilitating the realisation of any Secured Asset; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset,

including the execution of any mortgage, transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any filing or registration which, in any such case, the Lender may consider necessary or desirable.

## **22 Power of attorney**

### **22.1 Appointment of attorneys**

By way of security and upon:

- (a) the occurrence of Event of Default has occurred and is continuing; or
- (b) where no Event of Default is continuing, within ten Business Days of the Borrower having been requested to take action by a Lender, Receiver or Delegate and having failed to do so, the Borrower irrevocably appoints the Lender, every Receiver and

every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (c) the Borrower is required to execute and do under this Deed; or
- (d) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

**22.2 Ratification of acts of attorneys**

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 22.1.

**23 Release**

Subject to clause 30.3, at the end of the Security Period, the Lender shall, at the request and cost of the Borrower, take whatever action is reasonably necessary to:

- (a) release the Secured Assets from the security constituted by this Deed; and
- (b) reassign the Secured Assets to the Borrower.

**24 Assignment and transfer**

**24.1 Assignment by Lender**

- (a) At any time, without the consent of the Borrower, the Lender may assign any of its rights or transfer any of its rights and obligations under this Deed.
- (b) The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this Deed that the Lender considers appropriate.

**24.2 Assignment by Borrower**

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Deed or enter into any transaction which would result in any of those rights or obligations passing to another person.

**25 Set-off**

**25.1 Lender's right of set-off**

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 25 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.



**25.2 No obligation to set off**

The Lender is not obliged to exercise its rights under clause 25.1 If it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

**25.3 Exclusion of borrower's right of set-off**

All payments made by the Borrower to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law). Where a deduction or withholding of tax is required by law the Borrower shall increase the sum payable so that the Lender receives and retains (free from any liability for deduction or withholding) a net sum equal to the sum it would have received and retained had no deduction or withholding required to have been made.

**26 Amendments, waivers and consents**

**26.1 Amendments**

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

**26.2 Waivers and consents**

- (a) A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any subsequent right or remedy. It only applies to the circumstances in relation to which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure by the Lender to exercise, or delay by it in exercising any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Lender shall be effective unless it is in writing.

**26.3 Rights and remedies**

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

**27 Partial Invalidity**

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

**28 Counterparts**

- (a) This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this Deed by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- (c) No counterpart shall be effective until each party has executed and delivered at least one counterpart.

**29 Third party rights**

- (a) Except as expressly provided elsewhere 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 or otherwise to enforce, or enjoy the benefit of, any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.

**30 Further provisions**

**30.1 Independent security**

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

**30.2 Continuing security**

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Deed in writing.

**30.3 Discharge conditional**

Any release, discharge or settlement between the Borrower and the Lender shall be conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced, set aside or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or for any other reason. Despite any such release, discharge or settlement:

- (a) the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

\*\*\*\*\*

- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

#### **30.4 Certificates**

Any certification or determination by the Lender of any rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

#### **30.5 Consolidation**

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

### **31 Notices**

#### **31.1 Delivery**

Any notice or other communication given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
  - (i) the Borrower at: 45 Gresham Street, London EC2V 7BG. Email: [Finance@wrisk.co](mailto:Finance@wrisk.co) Attention: Nimeshh Patel
  - (ii) the Lender at: Flow Capital Corp., 1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario M5C 2V9, Canada. Email: [Alex@Flowcap.com](mailto:Alex@Flowcap.com) Attention: Alex Baluta

or to any other address or email address as is notified in writing by one party to the other from time to time.

#### **31.2 Receipt by Borrower**

Any notice or other communication that the Lender gives to the Borrower shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address; and
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting. A notice or other communication given as described in clause 31.2(a) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

#### **31.3 Receipt by Lender**

Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

**31.4 Service of proceedings**

This clause 31 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

**32 Governing law and jurisdiction**

**32.1 Governing law**

This Deed and any dispute, claim or obligation (whether contractual or non-contractual) arising out of or in connection with it, its subject matter or formation shall be governed by English law.

**32.2 Jurisdiction**

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause 32.2 shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

**32.3 Other service**

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 32.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

**Schedule 1  
Real Property**

None

THIS LABEL HAS BEEN ADDED TO  
ENABLE THE PAGE TO BE SCANNED.  
PLEASE NOTE THIS DOES NOT FORM  
PART OF THE DEED.

**Schedule 2**  
**Relevant Agreements**

None

THIS LABEL HAS BEEN ADDED TO  
ENABLE THE PAGE TO BE SCANNED.  
PLEASE NOTE THIS DOES NOT FORM  
PART OF THE DEED.

**Schedule 3**  
**Notice and acknowledgment – Relevant Agreement**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[NAME OF COUNTERPARTY]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF COUNTERPARTY],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

We refer to the [DESCRIBE RELEVANT AGREEMENT] (Contract).

This letter constitutes notice to you that under the Debenture we have assigned, by way of security, to Flow Capital Corp (Lender) the benefit of the Contract.

We confirm that:

We will remain liable under the Contract to perform all the obligations assumed by us under the Contract.

Neither the Lender nor any receiver or delegate appointed by the Lender will at any time be under any obligation or liability to you under or in respect of the Contract.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Contract.

Subject to the above, we will remain entitled to exercise all our rights, powers and discretions under the Contract and you should continue to deal with us in relation to the Contract and give notices under the Contract to us unless and until you receive written notice to the contrary from the Lender stating that the security under the Debenture has become enforceable. Thereafter, all such rights, powers and discretions shall be exercisable by, and you must give notice to, the Lender or as it directs and we will cease to have any right to deal with you in relation to the Contract and you must deal only with the Lender.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior written consent of the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice, and to act in accordance with its provisions, by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada], with a copy to us.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

Wrisk Limited



**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the counterparty]

[NAME OF LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender) (Debenture)

We confirm receipt from the Borrower of a notice (Notice) dated [DATE] of an assignment, by way of security, of all the Borrower's rights under [DESCRIBE RELEVANT AGREEMENT] (Contract).

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

We accept the confirmations and instructions contained in the Notice and agree to comply with the Notice.

There has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract.

We will not cancel, avoid, release or otherwise allow the Contract to lapse without giving the Lender at least 30 days' prior written notice.

We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Contract to a third party, or created any other interest (whether by way of security or otherwise) in the Contract in favour of a third party.

The Lender will not in any circumstances have any liability in relation to the Contract.

The Contract shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Lender.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[COUNTERPARTY]

\*\*\*\*\*

**Schedule 4**  
**Notice and acknowledgment – Insurance Policy**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[NAME OF INSURER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF INSURER],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

We refer to the [DESCRIBE INSURANCE POLICY AND SPECIFY ITS POLICY NUMBER] (Policy).

This letter constitutes notice to you that under the Debenture we have assigned to the Lender, absolutely, subject to a proviso for reassignment, all our rights in the Policy, including all claims, the proceeds of all claims and all returns of premium in connection with the Policy.

We irrevocably instruct and authorise you to:

Comply with the terms of any written instructions received by you from the Lender relating to the Policy, without notice or reference to, or further authority from, us and without enquiring as to the justification or the validity of those instructions.

Disclose information in relation to the Policy to the Lender on request by the Lender.

Neither the Debenture nor this notice releases, discharges or otherwise affects your liability and obligations in respect of the Policy.

Subject to the foregoing, you should continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Lender stating that the security under the Debenture has become enforceable. Thereafter, we will cease to have any right to deal with you in relation to the Policy and you must deal only with the Lender.

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada ], with a copy to us.

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This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

Wrisk Limited

.....

**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the insurer]

[NAME OF LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender) (Debenture)

We confirm receipt from the Borrower of a notice (Notice) dated [DATE] of an assignment to the Lender, subject to a proviso for reassignment of all the Borrower's rights in [DESCRIBE INSURANCE POLICY AND ITS NUMBER] (Policy), including all claims, the proceeds of all claims and all returns of premiums in connection with the Policy.

Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

We accept the instructions and authorisations contained in the Notice and agree to comply with the Notice.

There has been no amendment, waiver or release of any rights or interests in the Policy since the date the Policy was issued.

We have not, as at the date of this acknowledgement, received notice that the Borrower has assigned its rights under the Policy to a third party, or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party.

The Policy shall not be avoided or vitiated as against the Lender by reason of the act or default of any insured party or any misrepresentation, non-disclosure or failure to make a fair presentation of risk by any insured party.

We waive our rights of subrogation against the Borrower, the Lender and the tenants of any property mortgaged or charge under the Debenture) other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any such property or the Policy.

We will not repudiate, rescind or cancel the Policy, treat it as avoided in whole or in part nor treat it as expired due to non-payment of premium without giving at least 30 days' prior written notice to the Lender.

----

The Lender will not have any liability for any premium in relation to the Policy unless it has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of the Policy.

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation), shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

.....

[NAME OF INSURER]

**Schedule 5**  
**Notice and acknowledgment – bank account**

**Part 1**  
**Form of notice**

[On headed notepaper of the Borrower]

[BANK, FINANCIAL INSTITUTION OR OTHER PERSON]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF ADDRESSEE],

Debenture dated [DATE] between Wrisk Limited and Flow Capital Corp (Lender) (Debenture)

This letter constitutes notice to you that under the Debenture we have charged, by way of first fixed charge, in favour of the Lender all monies from time to time standing to the credit of the account held with you and detailed below (the Account), together with all other rights and benefits accruing to or arising in connection with the Account (including entitlements to interest):

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

We irrevocably instruct and authorise you to:

Disclose to the Lender any information relating to the Account requested from you by the Lender.

We are permitted to withdraw any amount from such Account for any purpose unless and until you receive a notice from the Lender to the contrary stating that we are no longer permitted to withdraw any amount from such Account 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 such Account without the prior written consent of the Lender and you are authorised to comply with any written notice or instructions relating to the Account received by you from the Lender.

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

The instructions in this notice may only be revoked or amended with the prior written consent of the Lender.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Lender at [1 Adelaide Street East, Suite 3002, PO Box 171, Toronto, Ontario, M5C 2V9, Canada ], with a copy to us.

Yours sincerely,

Signed.....

Wrisk Limited

**Part 2**  
**Form of acknowledgment**

[On headed notepaper of the bank, financial institution or other person]

[LENDER]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [NAME OF LENDER],

Debenture dated [DATE] between Wrisk Limited (Borrower) and Flow Capital Corp (Lender)  
(Debenture)

We confirm receipt from the Borrower of a notice (the Notice) dated [DATE] of a charge (on the terms of the Debenture) over all monies from time to time standing to the credit of the account detailed below (the Account), together with all other rights and benefits accruing to or arising in connection with the Account (including entitlements to interest).

We confirm that we:

Accept the instructions contained in the Notice and agree to comply with the Notice.

Have not received notice of the interest of any third party in the Account.

Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

Name of Account: [NAME OF ACCOUNT]

Sort code: [SORT CODE]

Account number: [ACCOUNT NUMBER]

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours sincerely,

Signed.....

[NAME OF BANK, FINANCIAL INSTITUTION OR OTHER PERSON]



This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by )  
WRISK LIMITED )  
acting by \_\_\_\_\_ )

.....  
Director

in the presence of:

*Signature of Witness:*

.....

*Name:*

.....

*Address:*

.....

*Occupation:*

.....

Executed as a deed by )  
FLOW CAPITAL CORP., a company )  
incorporated under the laws of the )  
Province of British Columbia, )  
Canada, )

acting by ALEX BALOTA  
who, in accordance with the laws of  
that territory is acting under the  
authority of the company,

.....  
Authorised signatory

in the presence of:

*Signature of Witness:*

*Name:*

.....  
Srujan Gupta

*Address:*

*Occupation:*

.....