



Registration of a Charge

Company name: **SOURCE BIOSCIENCE SCOTLAND LIMITED**

Company number: **SC201430**

Received for Electronic Filing: **05/04/2016**



X548OP0Q

Details of Charge

Date of creation: **24/03/2016**

Charge code: **SC20 1430 0002**

Persons entitled: **BARCLAYS BANK PLC**

Brief description:

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SEAN DORIAN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 201430

Charge code: SC20 1430 0002

The Registrar of Companies for Scotland hereby certifies that a charge dated 24th March 2016 and created by SOURCE BIOSCIENCE SCOTLAND LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th April 2016 .

Given at Companies House, Edinburgh on 5th April 2016

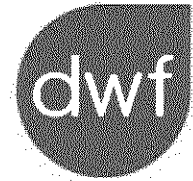
The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



13

(1) *Source Bioscience Scotland*
~~THE MOFFAT PARTNERSHIP~~ LIMITED

and

(2) BARCLAYS BANK PLC

BOND AND FLOATING CHARGE

**DWF LLP
No. 2 Lochrin Square
96 Fountainbridge
Edinburgh
EH3 9QA**

THIS FLOATING CHARGE with effective date 24 March 2016 is granted by:

(1) ^{BS Source Bioscience Scotland.} ~~THE MOFFAT PARTNERSHIP LIMITED~~, a limited company incorporated in Scotland (company number SC201430) and having its registered office at Capella, 60 York Street, Glasgow, G2 8JX (the **Chargor**)

in favour of

(2) **BARCLAYS BANK PLC**, (the Lender)

TERMS AGREED

1. Definitions and Interpretation

1.1 In this Floating Charge each of the following expressions has, except so far as the context otherwise requires, the meaning shown opposite it:

Default Rate	means the rate specified in clause [9.3] of the Facilities Agreement;
Facilities Agreement	means the £20,000,000 term loan facilities agreement between the Source Bioscience Limited and Barclays Bank plc dated on or around the date of this Floating Charge
Finance Document	has the meaning given in the Facilities Agreement
Financial Collateral	shall have the meaning given to that expression in the Financial Collateral Regulations;
Financial Collateral Regulations	means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I 2003 No. 3226);
Floating Charge	means this instrument or the floating charge constituted by this instrument (as the context requires);
Insolvency Act	means Insolvency Act 1986;
Obligor	has the meaning given in the Facilities Agreement
Receiver	means any person or persons appointed (and any additional person or persons appointed or substituted) as administrative receiver or receiver by the Lender under this Floating Charge or otherwise;
Secured Obligations	means any obligation for the payment or repayment by any Obligor to the Lender of money in any currency, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety or in any way whatsoever, including any liability (secured or unsecured) of any Obligor to a third party which subsequently becomes payable to the Lender by assignment or otherwise and including principal, interest,

commission, fees and other charges

Security Interest	means any standard security, mortgage, charge, pledge, lien, assignment or assignation by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing the obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect
Security Financial Collateral Arrangements	shall have the meaning given to that expression in the Financial Collateral Regulations;
Secured Property	means all or any part of the property, assets, undertaking and rights for the time being comprised in or subject to this Floating Charge;
Subsidiary	means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

- 1.2 In this Floating Charge except where the context otherwise requires:
- (a) any reference to the Chargor or the Lender includes reference to the person or persons deriving title from the Chargor, or the Lender, respectively;
 - (b) any reference to a document includes reference to any deed, negotiable instrument, certificate, notice or other document of any kind and any reference to any document (including this Floating Charge) or any provision thereof shall be construed as a reference to that document (or provision) as from time to time amended, supplemented, assigned, novated, varied or replaced (in whole or in part);
 - (c) any reference to a clause is a reference to a clause of this Floating Charge;
 - (d) any reference to any statute or other legislative provision shall include reference to any legislative amendment, modification or re-enactment thereof, or any substitution therefore; and
- 1.3 Clause headings in this Floating Charge are for ease of reference only and shall not affect the interpretation of this Floating Charge.
- 1.4 In the event of any conflict and/or inconsistency between any of the terms of this Floating Charge and any terms of the Facilities Agreement, the terms of the Facilities Agreement shall prevail.
2. **Undertaking to pay Secured Obligations**
- 2.1 The Chargor, as primary obligor and not merely as surety, undertakes to the Lender that it will pay, discharge and perform the Secured Obligations when due and payable

and (where applicable) in the manner provided in the provided in the Finance Documents or other documents evidencing the Secured Obligations.

- 2.2 If the Chargor fails to pay any amount under this Floating Charge when it is due then such amount shall bear interest (after as well as before decree and payable on demand) at the Default Rate from time to time from the due date until the date such amount is paid in full to the Lender.

3. **Floating Charge**

- 3.1 The Chargor hereby as a continuing security for the payment or discharge of the Secured Obligations grants in favour of the Lender a floating charge over all of the property (including uncalled capital) which may from time to time, while this Floating Charge is in force, be comprised in the Chargor's property and undertaking.

- 3.2 Paragraph 14 of schedule B1 to the Insolvency Act shall apply to this Floating Charge.

4. **Ranking**

Except as may be otherwise agreed in writing by the Lender and subject to sub-section (2) of section 464 of the Companies Act 1985:

- (a) the floating charge hereby created shall rank in priority and in preference to:
- (i) any fixed security (a **Fixed Security**) within the meaning of section 70(1) of the Insolvency Act which may be created by the Chargor hereafter, other than any such Fixed Security in favour of the Lender which shall in all respects rank in priority and in preference to the floating charge hereby created; and
 - (ii) any other floating charge which may be created by the Chargor hereafter; and
- (b) no Fixed Security, other than any Fixed Security in favour of the Lender, and no other floating charge shall rank in priority or preference prior to or equally with the floating charge hereby created.

5. **Negative pledge**

Without prejudice to the provisions of clause 4, until the Secured Obligations have been irrevocably and unconditionally repaid and discharged in full, the Chargor shall not, save as permitted by the Facilities Agreement, create or attempt to create or permit to subsist any Security Interest in, over or in any way affecting any of the Secured Property.

6. **General undertakings and representations**

- 6.1 Until the Secured Obligations have been irrevocably and unconditionally repaid and discharged in full the Chargor undertakes to the Lender as follows:

- (a) to keep all buildings, erections, plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment owned or used by the Chargor and every part thereof in good and substantial repair and in good working order and condition and as and when requisite (whether by reason of an original or inherent defect or otherwise) to rebuild, renew and replace the same and to renew and replace all fixtures, fittings, plant, machinery and equipment which are required for the Chargor's business when the same shall be obsolete, worn out or destroyed;
- (b) to comply to the satisfaction of the Lender with the following obligations with respect to insurance:
 - (i) if the Lender in any case so requires, to use its reasonable endeavours to obtain the agreement of the insurers not to cancel any such policy without first giving 14 days' notice in writing to the Lender and to obtain confirmation in writing from the insurer that a breach by the Chargor will not vitiate the policy in respect of the Lender's interest or affect the Lender's right to claim under the policy;
 - (ii) punctually to pay all premiums and other sums payable in respect of all insurances effected by the Chargor, to comply with all warranties or other requirements relating thereto, and to produce to (or, if required, deposit with) the Lender on demand all or any of the relevant policies and the receipts for the last premiums payable thereunder; and
 - (iii) to hold any monies payable to or received by the Chargor on any insurance (whether maintained under any statutory provision, this Floating Charge or otherwise) upon trust to apply them in replacing or repairing the property or assets in respect of which the monies are received;
- (c) not, without the prior consent in writing of the Lender, to transfer, factor, discount, sell, release, compound, subordinate, defer, or vary the terms of any book or other debts or monies for the time being due, owing or payable to the Chargor, or otherwise to deal with the same except in the usual course of business;
- (d) to collect and pay or (if the Lender shall so require) instruct all customers and debtors to pay direct into such of the Chargor's accounts as the Lender may specify all monies which it may receive or which may be paid by customers and debtors in respect of such debts as are owed to the Chargor by such customers and debtors;
- (e) not to call up or receive in advance of calls all or any part of the uncalled capital for the time being of the Chargor;
- (f) not to do or cause or permit to be done nor to omit to do, or allow the omission of, anything which may in any way materially and adversely depreciate,

jeopardise or otherwise prejudice the value to the Lender of the security hereby constituted;

- (g) to conduct and carry on the Chargor's business in a proper and efficient manner and not to make any substantial alteration in the nature of or mode of conduct of that business and to keep or cause to be kept proper books of account relating to such business;
- (h) punctually to pay (and to indemnify the Lender, the Receiver and any administrator) against all existing and future rents, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether imposed by agreement, statute or otherwise and whether in the nature of capital or revenue and even if wholly novel) now or at any time during the continuance of the floating charge hereby created payable in respect of the Secured Property or by the owner or occupier thereof;
- (i) except with the prior consent in writing of the Lender, not to negotiate, compromise, abandon or settle any claim for compensation (whether payable under any enactment or otherwise) or any claim under any insurance in respect of any land or buildings for the time being (or an interest in which for the time being is) comprised in the Secured Property or any other material compensation, insurance or other claim;
- (j) punctually to pay all rents, royalties and other sums reserved by, and to comply with all its other material obligations under, any lease, hiring agreement or licence under which any of the Secured Property is for the time being held or used, and to comply with all its material undertakings and all statutory and other requirements of a material nature affecting the Secured Property;
- (k) punctually to pay all governmental, municipal or other taxes, duties, rates and outgoings assessed upon or payable with reference to the Secured Property, and punctually to discharge all liabilities which by the general law would rank, or might come to rank, in priority to the floating charge hereby created; and
- (l) to permit the Lender or any person authorised by the Lender to have access to and inspection free of charge of the share register and company books of the Chargor.

6.2 If the Chargor for any reason fails to observe or punctually to perform any of its obligations to the Lender, whether under this Floating Charge or otherwise, the Lender shall have power but shall not be obliged, on behalf of or in the name of the Chargor or otherwise and at the Chargor's expense, to perform the relevant obligation and to take any steps which the Lender may, in its absolute discretion, consider appropriate with a view to remedying or mitigating the consequences of the failure, but so that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Lender's rights under this Floating Charge.

6.3 The Chargor hereby represents and warrants to the Lender as follows:

- (a) the documents which contain or establish the Chargor's constitution include provisions which give power, and all necessary corporate authority has been obtained and action taken, for the Chargor to grant the floating charge hereby created and to execute, deliver and perform the undertakings and obligations contained in this Floating Charge; and this Floating Charge constitutes valid and binding obligations of the Chargor enforceable in accordance with their terms; and
- (b) neither the Chargor's execution and delivery of this Floating Charge nor the Chargor's performance of any of the undertakings or obligations contained in this Floating Charge does or will constitute an event of default (howsoever described) in any agreement governing the terms of the Secured Obligations.

7. **Enforcement**

7.1 This Floating Charge shall become enforceable:

- (a) at any time after the Lender has made a demand for payment of any Secured Obligations;
- (b) if any steps or proceeding has been taken for the appointment of an administrator, receiver, liquidator or provisional liquidator in respect of the Chargor; or
- (c) if any step or proceeding has been taken with a view to seeking a moratorium or voluntary arrangement in respect of the Chargor; or
- (d) if the Chargor requests that the Lender enforces the Floating Charge.

7.2 At any time after this Floating Charge shall have become enforceable the Lender shall be entitled, without further notice to the Chargor, by instrument in writing to appoint any person or persons to be a Receiver or Receivers of the Secured Property and/or an administrator of the Chargor in each case in accordance with and to the extent permitted by law.

7.3 If at any time the Receiver shall be removed from office as such by the court or shall otherwise cease to act as Receiver the Lender shall be entitled to appoint another person or persons to be the Receiver in his or their place and the Lender may apply to the court for an order removing the Receiver.

7.4 The Receiver shall be the agent of the Chargor and the Chargor alone shall be responsible for his acts and defaults and liable on any contracts or engagements made or entered into or adopted by him and in no circumstances whatsoever shall the Lender be in any way responsible for or incur any liability in connection with his contracts, engagements, acts, omissions, misconduct, negligence or default and if a liquidator of the Chargor shall be appointed, the Receiver shall act as principal and not as agent for the Lender.

- 7.5 The Receiver shall have and be entitled to exercise all the powers conferred on administrative receivers by the Insolvency Act and in addition to and without limiting such powers the Receiver shall have power to purchase or acquire any land and purchase, acquire or grant any interest in or right over land, to borrow any monies and secure the payment of any monies in priority to the Chargor's obligations and liabilities hereunder, to carry on or authorise or concur in the carrying on of the Chargor's business and undertaking or any part thereof and to manage and conduct the same without being responsible for any loss or damage and for such purposes the Receiver shall have power:
- (a) to promote or procure the formation of any new company or corporation;
 - (b) to subscribe for or acquire for cash any share capital of such new company or corporation in the Chargor's name or on the Chargor's behalf in the name of any nominee for the Chargor;
 - (c) to sell, feu, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or deal with interests in or realise the Secured Property to any such new company or corporation and accept as consideration or part of the consideration therefor in the Chargor's name or in the name of any nominee for the Chargor any shares or further shares in any such company or corporation or allow the payment of the whole or any part of such consideration to remain deferred or outstanding by way of loan or debt or credit;
 - (d) to sell, assign, transfer or otherwise dispose of or realise on the Chargor's behalf any such shares or deferred consideration or part thereof or any rights or benefits attaching thereto;
 - (e) to convene any extraordinary general meeting of the Chargor;
 - (f) to purchase or acquire any property on the Chargor's behalf;
 - (g) to make any arrangement or compromise which the Lender or the Receiver may think fit;
 - (h) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part;
 - (i) to exercise all powers rights and/or obligations under any contract or agreement forming part of the Secured Property including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Chargor;
 - (j) to exercise all powers conferred by the Insolvency Act on receivers appointed in England & Wales in respect of any of the Security Property which is situated in England & Wales; and
 - (k) to do all such other acts or things which he or they may consider to be necessary or desirable for realising the Secured Property or conducive to any of the powers or authorities conferred on the Receiver under or by virtue of this

Floating Charge and to exercise in relation to the Secured Property all powers and authorities which he or they would be capable of exercising if he or they were the absolute beneficial owner of such property.

7.6 The Chargor shall be solely responsible for the remuneration, fees, costs, charges and expenses of the Receiver and of any administrator, and the Lender shall not at any time have any liability or responsibility therefor.

7.7 To the extent that Secured Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Floating Charge, the Lender or any Receiver shall have the right, at any time after this Floating Charge becomes enforceable, to appropriate all or any part of the Secured Property in or towards the payment or discharge of the Secured Obligations. The value of any Secured Property appropriated in accordance with this clause 7.7 shall be the price of that Secured Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Lender or any Receiver may select (including independent valuation). The Chargor agrees that the methods of valuation provided for this clause 7.7 are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations. To the extent that Secured Property constitutes Financial Collateral, the Chargor agrees that such Secured Property shall be held or designated so as to be under the control of Lender or any Receiver for all purposes of the Financial Collateral Regulations.

8. Application of proceeds

8.1 All monies which shall be received by the Lender, the Receiver or an administrator in pursuance of this Floating Charge or any of the provisions herein contained (or the exercise of any of the powers of the Receiver, the Lender or an administrator hereunder) shall, subject to the rights of preferential creditors (as that term is to be read in accordance with section 386 of the Insolvency Act) and subject to payment of claims made under any security ranking in priority to this Floating Charge in terms of clause 4 hereof, and subject to the payment of or provision for the costs, charges and expenses incurred by or on behalf of the Lender, the Receiver or an administrator in the enforcement of the floating charge hereby created or otherwise in relation to this Floating Charge be applied in or towards discharge of the Secured Obligations in such order as the Lender may from time to time require.

8.2 All monies from time to time received by the Lender from the Chargor or any person or persons liable to pay the same or from any Receiver or an administrator or otherwise on the realisation or enforcement of the floating charge hereby created may be applied by the Lender either as a whole or in such proportion as the Lender shall think fit to any account or item of account or any transaction and, without limitation, the Lender may in its absolute discretion at all times pending the payment and discharge of all of the Secured Obligations place and keep to the credit of a separate or suspense account any money received by the Lender from the Chargor or such other persons for so long and in such manner as the Lender may determine without any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations.

The Receiver or an administrator may retain all or any of such monies for such period as he and the Lender consider expedient and the Receiver or such an administrator (a) will hold any such funds in such currencies as may be appropriate having regard to the currencies of the liabilities hereby secured and (b) will, if required by the Lender, set aside funds to provide for the payment of contingent liabilities hereby secured.

9. Protection of Lender

9.1 The Lender shall not be liable in respect of any loss or damage which arises out of the exercise, or the attempted or purported exercise of, or the failure to exercise any of its powers, unless such loss or damage is caused by its gross negligence or wilful default.

9.2 The Chargor's liability under this Floating Charge in respect of any of the Secured Obligations shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Obligations;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may now or after the date of this Floating Charge have from or against the Chargor or any other person in connection with the Secured Obligations;
- (c) any act or omission by the Lender or any other person in taking up, perfecting or enforcing any Security, indemnity, or guarantee from or against the Company, the Chargor or any other person;
- (d) any termination, amendment, variation, novation or supplement of or to any of the Secured Obligations;
- (e) any grant of time, indulgence, waiver or concession to the Chargor or any other person;
- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Chargor or any other person;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from the Chargor or any other person in connection with the Secured Obligations;
- (h) any claim or enforcement of payment from the Chargor or any other person; or
- (i) any other act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Floating Charge

9.3 The Chargor waives any right it may have to require the Lender:

- (a) to take any action or obtain judgment in any court against any other person;
- (b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of any other person; or
- (c) to make demand, enforce or seek to enforce any claim, right or remedy against any other person;

before taking steps to enforce any of its rights or remedies under this Floating Charge.

9.4 This Floating Charge is granted for securing inter alia further advances and shall be without prejudice and in addition to any other security whatsoever which may be held by the Lender from the Chargor or any other person for or in respect of the whole or part of the Secured Obligations; and the floating charge hereby created shall remain in force as continuing security to the Lender for the Secured Obligations from time to time notwithstanding any settlement of account, or the existence at any time of any credit balance on any current or other account or any other act, event or matter whatsoever, except only the execution by the Lender of an absolute and unconditional release.

9.5 The Lender may at any time allow all or any part of the property subject to any other security granted by the Chargor or any other person to the Lender in respect of the Secured Obligations to be disposed of or sold or abandoned without applying the sale or other proceeds thereof towards payment of the liabilities thereby secured and the whole obligations hereby undertaken by the Chargor shall remain in full force and effect as if no such other security had ever been granted.

10. **Cost of Expenses**

The Chargor shall, from time to time on demand of the Lender, reimburse the Lender on a full indemnity basis:

- (a) for all reasonable costs and expenses (including legal fees) together with any VAT thereon incurred by it in connection with the negotiation, preparation and execution of this Floating Charge and the completion of the transactions and perfection of the security contemplated in this Floating Charge;
- (b) for all costs and expenses (including legal fees) together with any VAT thereon incurred by it in connection with the exercise, preservation and/or enforcement of the Security Interest constituted by this Floating Charge or any proceedings instituted by or against the Lender as a consequence of taking or holding the security;

and shall carry interest from the date of such demand until so reimbursed at the rate and on the basis as mentioned in clause 2.2.

11. **Further assurance**

The Chargor undertakes, from time to time and at all times, whether before or after the security constituted hereunder shall have become enforceable, to execute and do at its own expense all such deeds, assurances, agreements, instruments, acts and things as

the Lender may require for perfecting and protecting the security hereby constituted or facilitating the realisation thereof or otherwise for enforcing the same or exercising any of the Lender's rights hereunder and in particular, but without limitation, the Chargor shall execute all transfers, conveyances, assignments and assurances whatsoever and give all notices, orders, instructions and directions whatsoever which the Lender may think expedient.

12. Power of attorney

The Chargor, by way of attorney, irrevocably appoints the Lender as its attorney (with full power to appoint substitutes and to delegate) with power in your name or on your behalf:

- (a) to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) to perform any act;

which may be required of the Chargor or may be deemed by the attorney necessary or desirable for the purpose of this Floating Charge

13. Examination of Secured Property

13.1 The Chargor shall permit the Lender and any persons appointed by it to enter in or upon the property of or premises used or occupied by the Chargor or any part thereof at all reasonable times and upon prior notice:

- (a) to view the state and condition thereof or of any buildings, fixtures, fittings (including trade fixtures and fittings) or any plant and machinery;
- (b) (in the event of the Chargor failing to comply with any undertaking or obligation hereunder) to execute any works and do anything thereon necessary to ensure such compliance; and
- (c) (in the event of the Chargor failing so to do) to comply with any order, direction, requisition, permission, notice or other matter and to do all acts and things necessary or proper for complying therewith.

13.2 The Chargor shall permit the Lender and any persons appointed by it full access to the Secured Property to carry out any survey, inspection, assessment or review of the Secured Property and shall permit an inspection to be made and copies and extracts to be taken of books, accounts, records and documents relating to the Secured Property or the undertakings and obligations of the Chargor under this Floating Charge and any costs, fees and expenses incurred by the Lender in connection with all such inspections, assessments or reviews shall be payable by the Chargor.

13.3 The Chargor shall at its own cost, if reasonably requested by the Lender, appoint such persons as the Lender may specify to investigate or review the financial affairs or operations of the Chargor and report thereon to the Lender.

14. Other security, cumulative powers and avoidance of payments

- 14.1 This security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, or be affected by any other security interest, right of recourse or other right whatsoever (or the invalidity thereof) which the Lender may now or at any time hereafter hold or have (or would apart from this security hold or have) as regards the Company or any other person in respect of the Secured Obligations.
- 14.2 The powers which this Floating Charge confers on the Lender are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the Lender thinks appropriate; the Lender may, in connection with the exercise of its powers, join or concur with any person in any transaction, scheme or arrangement whatsoever; and the Chargor acknowledges that the respective powers of the Lender shall in no circumstances whatsoever be suspended, waived or otherwise prejudiced by anything other than an express waiver or variation in writing.
- 14.3 If the Lender considers that any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or set aside on the bankruptcy of the Chargor or otherwise, then for the purposes of this Floating Charge such amount shall not be considered to have been paid.

15. Ruling off

Without prejudice to clause 4, if the Lender receives or is deemed to receive or be affected by notice, whether actual or constructive, of the creation of any Security Interest, or other interest in favour of any third party, relating to or affecting any part of the Secured Property or in the event that the continuing nature of the floating charge hereby created shall (howsoever) be determined, the Lender may open or may procure the opening of a new account or accounts in respect of the Chargor, and, if it does not, it shall nevertheless be deemed to have done so at the time it received such notice. All payments made by the Chargor the Lender after the receipt of such notice shall be credited or deemed to have been credited to the new account(s) and shall not operate to reduce the amount for which the floating charge hereby created is security.

16. Compensation

- 16.1 The Chargor agrees that any money from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Lender may be retained as cover for and/or applied by the Lender at any time and without notice to the Chargor (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards payment or discharge of the Secured Obligations or such part of them as the Lender may select.
- 16.2 If the Lender exercises any rights in respect of any money as referred to in clause 16.1 (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Chargor and that liability or any part of it is in a different currency from any credit balance against which the Lender seeks to exercise

its rights, the Lender may use the currency of the credit balance to purchase an amount in the currency of the liability at the Lender's then prevailing spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred the Lender in connection with that purchase.

- 16.3 The Lender shall not be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by the Lender.

17. Withholdings

- 17.1 All payments by the Chargor under this Floating Charge, whether in respect of principal, interest, fees or any other item, shall be made in full without any deduction or withholding (whether in respect of set off, counterclaim, duties, taxes, charges or otherwise whatsoever) unless the deduction or withholding is required by law, in which event the Chargor shall:

- (a) ensure that the deduction or withholding does not exceed the minimum amount legally required;
- (b) forthwith pay to the Lender such additional amount so that the net amount received by the Lender will equal the full amount which would have been received by it had no such deduction or withholding been made;
- (c) pay to the relevant taxation or other authorities within the period for payment permitted by applicable law the full amount of the deduction or withholding (including, but without prejudice to the generality of the foregoing, the full amount of any deduction or withholding from any additional amount paid pursuant to this sub-clause); and
- (d) furnish to the Lender, within the period for payment permitted by the relevant law, either:
 - (i) an official receipt of the relevant taxation authorities involved in respect of all amounts so deducted or withheld; or
 - (ii) if such receipts are not issued by the taxation authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or equivalent evidence of the relevant deduction or withholding.

- 17.2 If the Lender receives the benefit of a tax credit or an allowance resulting from a payment which includes an additional amount paid by the Chargor under clause 17.1, it shall (to the extent that it can do so without prejudice to the retention of such credit or allowance and to the extent that it is not unlawful or contrary to any official directive for it so to do) promptly pay to the Chargor such part of that benefit as is, in the reasonable opinion of the Lender, attributable to the withholding or deduction giving rise to payment of that additional amount, provided that the Lender shall:

- (a) be the sole judge of the amount of any such benefit to be so paid to the Chargor and of the date on which it is received by the Lender;
- (b) not be obliged to disclose to the Chargor or any other person any confidential information regarding its tax affairs or tax computations.

18. Merger, etc.

This Floating Charge shall remain in effect and binding on the Chargor notwithstanding any amalgamation or merger that may be effected by the Lender with any other corporation or company or any change in the name of the Lender and notwithstanding any reconstruction of such Lender involving the formation of and transfer of the whole or any part of the Lender's undertaking and assets to a new company, and notwithstanding the sale or transfer of all or any part of the Lender's undertaking and assets to another company (whether the company with which the Lender amalgamates or merges or the company to which the Lender transfers all or any part of its undertaking and assets either on a reconstruction or sale or transfer as aforesaid shall or shall not differ from the Lender in its objects character or constitution), it being the Chargor's intent that the security hereby created and the provisions herein contained shall remain valid and effectual in all respects in favour of the Lender and that the benefit thereof and all rights conferred upon the Lender thereby may be assigned to and enforced by any such assignee, and proceeded on in the same manner, to all intents and purposes, as if such assignee had been named herein instead of or in addition to the Lender.

19. Notices and demands

- 19.1 Any demand or written notice from the Lender to the Chargor may be given by delivering it at or posting it to the Chargor's registered office as stated at the beginning of this Floating Charge or to such other address advised to and acknowledged by the Lender as being effective for the purposes of this Floating Charge. Such notice may also be given by fax transmission or other electronic medium to the Chargor's fax number or address being in use at that time for communication between the Lender and the Chargor.
- 19.2 Any such notice or process shall be considered served:
 - (a) if delivered, at the time of delivery;
 - (b) if sent by post, 48 hours from the time of posting; or
 - (c) if sent by fax transmission or electronic medium, at the time of transmission.
- 19.3 Any notice in writing by the Chargor to the Lender under this Floating Charge shall take effect at the time it is received the Lender at its registered office or at such other address as may be notified by the Lender to the Chargor in writing for this purpose.

20. Further provisions

- 20.1 Any certificate by the Lender as to the amount of the Secured Obligations or any part thereof shall be conclusive and binding upon the Chargor if signed by an officer of the Lender, save in the case of any manifest error.
- 20.2 Each of the provisions of this Floating Charge is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable with respect to the Chargor the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

21. Assignment

The Lender may assign and transfer all or any of its rights and obligations under this Floating Charge. The Lender shall be entitled to disclose such information concerning the Chargor and this Floating Charge as the Lender considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

22. Counterparts

- 22.1 This Floating Charge may be executed in any number of counterparts and by each of the parties on separate counterparts.
- 22.2 Where executed in counterparts:
- (a) this Floating Charge will not take effect until each of the counterparts has been delivered;
 - (b) each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and
 - (c) the date of delivery may be inserted on the first page of this Floating Charge in the blank provided for the effective date.

23. Governing law

This Floating Charge and the floating charge hereby created shall be governed by and construed in accordance with the law of Scotland.

24. Submission to jurisdiction

For the benefit of the Lender the Chargor submits to the non-exclusive jurisdiction of the Scottish courts.

25. Consent to registration

The Chargor consents to the registration of these presents and of any certificate as is referred to in clause 20.1 for preservation and execution.

IN WITNESS WHEREOF this Floating Charge comprising these presents and the preceding 16 pages are executed as follows:-

SIGNED for and on behalf of

~~THE MOFFAT PARTNERSHIP LIMITED~~

Source Bioscience Scotland

place of signing 1 Orchard Place, Nottingham, NG8 6PA

on 23 March 2016

by Dr Nicholas Lubson Ash

(Print Full Name)

one of its Directors

(Signature)



In the presence of:

..... Janet Acock

Name

..... 4 Langbourne Drive
Wollaton, Nottingham

Address

..... Secretary

Occupation

Witness (Signature)



SIGNED for and on behalf of
BARCLAYS BANK PLC

place of signing

on

by
(Print Full Name)
one of its Directors

.....
(Signature)

In the presence of:

.....
Name

.....
Witness (Signature)

.....
Address

.....
Occupation