Company name: SEMBLANT LIMITED
Company number: 06403652

Received for Electronic Filing: 02/07/2019

Details of Charge

Date of creation: 25/06/2019
Charge code: 0640 3652 0003
Persons entitled: CATHAY BANK

Brief description: TM NUMBER 2530702 CLASSES 1, 7, 9, 40 MARK TEXT SEMBLANT TM NUMBER 3007038 CLASSES 1, 7, 9, 40 MARK TEXT PLASMASHIELD FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: BRUCE GAVIN OF CMS CAMERON MCKENNA NABARRO OLSWANG LLP
CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6403652

Charge code: 0640 3652 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th June 2019 and created by SEMBLANT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd July 2019.

Given at Companies House, Cardiff on 3rd July 2019

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

(1) SEMBLANT LIMITED as Chargor

(2) CATHAY BANK as Lender
## CONTENTS

<table>
<thead>
<tr>
<th>Clause</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. DEFINITIONS AND INTERPRETATION</td>
<td>1</td>
</tr>
<tr>
<td>2. COVENANT TO PAY</td>
<td>6</td>
</tr>
<tr>
<td>3. CREATION OF SECURITY</td>
<td>6</td>
</tr>
<tr>
<td>4. FIXED SECURITY</td>
<td>7</td>
</tr>
<tr>
<td>5. FLOATING CHARGE</td>
<td>7</td>
</tr>
<tr>
<td>6. NEGATIVE PLEDGE AND RESTRICTION ON DISPOSALS</td>
<td>8</td>
</tr>
<tr>
<td>7. REPRESENTATIONS AND WARRANTIES</td>
<td>9</td>
</tr>
<tr>
<td>8. NOTICES OF CHARGES</td>
<td>11</td>
</tr>
<tr>
<td>9. FURTHER ASSURANCES</td>
<td>12</td>
</tr>
<tr>
<td>10. RECEIVABLES</td>
<td>13</td>
</tr>
<tr>
<td>11. UNDERTAKINGS</td>
<td>13</td>
</tr>
<tr>
<td>12. INVESTMENTS</td>
<td>16</td>
</tr>
<tr>
<td>13. WHEN SECURITY BECOMES ENFORCEABLE</td>
<td>20</td>
</tr>
<tr>
<td>14. ENFORCEMENT OF SECURITY</td>
<td>20</td>
</tr>
<tr>
<td>15. RECEIVER AND ADMINISTRATOR</td>
<td>22</td>
</tr>
<tr>
<td>16. POWERS OF RECEIVER</td>
<td>24</td>
</tr>
<tr>
<td>17. APPLICATION OF PROCEEDS</td>
<td>26</td>
</tr>
<tr>
<td>18. EXPENSES AND INDEMNITY</td>
<td>26</td>
</tr>
<tr>
<td>19. DELEGATION</td>
<td>26</td>
</tr>
<tr>
<td>20. SECURITY POWER OF ATTORNEY</td>
<td>27</td>
</tr>
<tr>
<td>21. PRESERVATION OF SECURITY</td>
<td>27</td>
</tr>
<tr>
<td>22. ASSIGNMENT AND TRANSFER</td>
<td>29</td>
</tr>
<tr>
<td>23. MISCELLANEOUS</td>
<td>30</td>
</tr>
<tr>
<td>24. RELEASE</td>
<td>33</td>
</tr>
<tr>
<td>25. GOVERNING LAW AND JURISDICTION</td>
<td>33</td>
</tr>
</tbody>
</table>

**SCHEDULE 1**

Intellectual Property Rights
## CONTENTS

<table>
<thead>
<tr>
<th>Clause</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. DEFINITIONS AND INTERPRETATION</td>
<td>1</td>
</tr>
<tr>
<td>2. COVENANT TO PAY</td>
<td>6</td>
</tr>
<tr>
<td>3. CREATION OF SECURITY</td>
<td>6</td>
</tr>
<tr>
<td>4. FIXED SECURITY</td>
<td>7</td>
</tr>
<tr>
<td>5. FLOATING CHARGE</td>
<td>7</td>
</tr>
<tr>
<td>6. NEGATIVE PLEDGE AND RESTRICTION ON DISPOSALS</td>
<td>8</td>
</tr>
<tr>
<td>7. REPRESENTATIONS AND WARRANTIES</td>
<td>9</td>
</tr>
<tr>
<td>8. NOTICES OF CHARGES</td>
<td>11</td>
</tr>
<tr>
<td>9. FURTHER ASSURANCES</td>
<td>12</td>
</tr>
<tr>
<td>10. RECEIVABLES</td>
<td>13</td>
</tr>
<tr>
<td>11. UNDERTAKINGS</td>
<td>13</td>
</tr>
<tr>
<td>12. INVESTMENTS</td>
<td>16</td>
</tr>
<tr>
<td>13. WHEN SECURITY BECOMES ENFORCEABLE</td>
<td>20</td>
</tr>
<tr>
<td>14. ENFORCEMENT OF SECURITY</td>
<td>20</td>
</tr>
<tr>
<td>15. RECEIVER AND ADMINISTRATOR</td>
<td>22</td>
</tr>
<tr>
<td>16. POWERS OF RECEIVER</td>
<td>24</td>
</tr>
<tr>
<td>17. APPLICATION OF PROCEEDS</td>
<td>26</td>
</tr>
<tr>
<td>18. EXPENSES AND INDEMNITY</td>
<td>26</td>
</tr>
<tr>
<td>19. DELEGATION</td>
<td>26</td>
</tr>
<tr>
<td>20. SECURITY POWER OF ATTORNEY</td>
<td>27</td>
</tr>
<tr>
<td>21. PRESERVATION OF SECURITY</td>
<td>27</td>
</tr>
<tr>
<td>22. ASSIGNMENT AND TRANSFER</td>
<td>29</td>
</tr>
<tr>
<td>23. MISCELLANEOUS</td>
<td>30</td>
</tr>
<tr>
<td>24. RELEASE</td>
<td>33</td>
</tr>
<tr>
<td>25. GOVERNING LAW AND JURISDICTION</td>
<td>33</td>
</tr>
</tbody>
</table>

**Schedule 1**

Intellectual Property Rights
SCHEDULE 2
Part II
Form of acknowledgement

39
THIS DEED made on 25th June 2019

BETWEEN:

(1) SEMBLANT LIMITED, a company incorporated in England and Wales with registered number 06403652 (the "Chargor"); and

(2) CATHAY BANK, a California banking corporation (the "Lender").

RECITALS

(A) The Chargor enters into this Deed in order to provide security to the Lender for the Obligations (as defined below) in connection with a loan agreement dated 4 February 2019 as amended and restated on 25 March 2019 between HZO, Inc., HZO Hong Kong Limited and the Lender (the "Loan Agreement").

(B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed the following words and expressions shall have the following meanings (unless the context requires otherwise):

"Account" means all the accounts of the Chargor held in England & Wales;

"Act" means the Law of Property Act 1925;

"Administrator" means any administrator(s) appointed over the Chargor pursuant to the provisions of the Insolvency Act 1986;

"Charged IP Rights" means all Intellectual Property Rights in and in relation to the business of the Chargor and owned by the Chargor from time to time (including, without limitation, the Intellectual Property Rights listed in Schedule 1);

"Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Lender or by any Receiver under Clause 19 (Delegation);

"Event of Default" means any of the events set out in Section 10.1 (Events of default and remedies) of the Loan Agreement;

"Excluded Insurance Policies" means any insurance policy to the extent that such insurance is effected or maintained solely for the benefit of, or in respect of liabilities payable to third parties, including directors' and officers' insurance, employees health insurance, employer's liability insurance, personal accident insurance, travel insurance,
third party liability or public liability insurance (each being an "Excluded Insurance Policy");

'Loan Documents' means:

(a) the Loan Agreement; and

(b) the Other Documents (as defined in the Loan Agreement);

'Floating Charge Assets' means those assets of the Chargor from time to time subject to a floating charge pursuant to this Deed;

'Insurance Policies' means any contract or policy of insurance taken out by or on behalf of the Chargor or in which it has an interest (but excluding the Excluded Insurance Policies) and all insurance proceeds at any time paid or payable to the Chargor (including, without limitation, all claims relating to them and any and all rights to require payment of any amount under them and returns of premium in respect of them) pursuant to such policies and arrangements (but excluding any proceeds, rights or claims relating to any Excluded Insurance Policies (each being an "Insurance Policy");

'Intellectual Property Rights' means

(a) any patents, rights to inventions, trade marks, service marks, designs, business names, rights in get-up, goodwill and the right to sue for passing off, copyrights and related rights, design rights, moral rights, confidential information (including know-how and trade secrets), domain names, any data base information and other intellectual property rights and interests, 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 now or in the future in any part of the world;

(b) the benefit of any right granted to the Chargor to use intellectual property rights owned by a third party; and

(c) any and all cash or non-cash proceeds, product, rent, income and profits derived from such assets (including by way of license).

'Investments' means all stocks, shares, bonds, debentures and securities, investments or interests of any kind (whether marketable or otherwise) and all other interests (including, without limitation, loan capital) in any person owned by the Chargor and/or held by any nominee on its behalf;

'Material Adverse Effect' has the meaning given to it in the Loan Agreement;

'Obligations' means:

(a) Obligations as defined in the Loan Agreement; and
(b) all present and future obligations and liabilities (whether actual or contingent and
whether owed jointly or severally or in any other capacity whatsoever) of the
Chargor to any Secured Party under each Loan Document except for any
obligation which, if it were so included, would cause that obligation or liability or
any security in respect thereof, to be unlawful or prohibited by any applicable law;

"PCT" means the Patent Cooperation Treaty;

"Permitted Security" has the meaning given to the term "Permitted Liens" in the Loan
Agreement;

"Receivables" means all of the Chargor's book and other debts, all other monies due and
owing to it, and the benefit of all rights, securities or guarantees of any nature enjoyed or
held by it in relation to the above, and in each case whether actual or contingent;

"Receiver" means an administrative receiver, a receiver and manager or a receiver, in
each case, appointed by the Lender under this Deed;

"Related Investment Right" means any dividend or interest paid or payable in relation to
any Investment and all rights, warrants, benefits, money or property accruing or offered at
any time in relation to any Investment by way of dividend, purchase, conversion,
redemption, substitution, exchange, bonus or preference, under option rights or
otherwise;

"Reservations" means the principle that remedies may be granted or refused at the
discretion of the court and may be limited or restricted by laws relating to bankruptcy,
insolvency, liquidation, administration and other laws generally affecting the rights of
creditors;

"Restrictions Notice" means a "restrictions notice" as defined in paragraph 1(2) of
Schedule 1B of the Companies Act 2006;

"Secured Parties" means the Lender, any Receiver and any Delegate;

"Security" has the meaning given to the term "Lien" in the Loan Agreement;

"Security Assets" means all the assets and undertaking of the Chargor which are the
subject of any Security created, or constituted by, under or supplemental to this Deed (or
purported to be created, or constituted by, under or supplemental to this Deed);

"Security Period" means the period beginning on the date of this Deed and ending on the
date on which all the Obligations (other than contingent indemnification for which no claim
has been asserted) have been unconditionally and irrevocably paid and discharged in full
and no further Obligations are capable of being incurred or arising;

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies
Act 2006; and
'Warning Notice’ means a ‘warning notice’ as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Construction

1.2.1 In this Deed (unless the context requires otherwise):

1.2.1.1 capitalised terms defined in the Loan Agreement have, unless expressly defined in this Deed, the same meaning in this Deed;

1.2.1.2 the provisions of Section 1.3 (Construction) of the Loan Agreement apply to this Deed as though they were set out in full in this Deed except that references in such Section to the Loan Agreement to be construed as references to this Deed;

1.2.1.3 in this Deed the term ‘this Security’ means any Security created or constituted by this Deed;

1.2.1.4 unless otherwise stated, any covenant or undertaking of the Chargor under this Deed remains in force during the Security Period;

1.2.1.5 the terms of the other Loan Documents and of any side letters between any parties in relation to any Loan Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;

1.2.1.6 if the Lender considers that an amount paid by a Borrower, Guarantor or the Chargor to a Secured Party is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed;

1.2.1.7 any reference in this Deed to a "Loan Document" or the "Loan Agreement" or any other agreement, instrument or document is a reference to that Loan Document, the Loan Agreement or other agreement, instrument or document as amended, novated, supplemented, extended, restated or replaced including, without limitation, any amendment or supplement providing for further advances;

1.2.1.8 unless the context requires otherwise, a reference to a "Security Asset" includes the proceeds of sale of that Security Asset;
1.2.1.9 a reference to any asset, unless the context otherwise requires, includes any present and future asset;

1.2.1.10 a reference to a statute or statutory provision is a reference to that statute or statutory provision and to all orders, regulations, instruments or other subordinate legislation made under the relevant statute;

1.2.1.11 any reference to a statute, statutory provision, subordinate legislation, code or guideline ("legislation") is a reference to such legislation as amended and in force from time to time and to any legislation which re-enacts or consolidates (with or without) modification any such legislation;

1.2.1.12 the ejusdem generis rule shall not apply and accordingly general words introduced by the word "other" or any similar word, or followed by the words "including", "includes", "include", "in particular" or any similar words, shall not be given a restricted meaning because they are preceded or followed by more specific words;

1.2.1.13 reference to any "disposal" includes any sale, licence, lease, sub-lease, assignment or transfer, the grant of an option or similar right, the grant of any easement, right or privilege, the creation of a trust or other equitable interest or security right in favour of a third party, a sharing or parting with possession or occupation whether by way of licence or otherwise and (without prejudice to the generality of the foregoing) in the case of Intellectual Property Rights the granting of use of or access to any other person and "dispose" and "disposition" shall be construed accordingly;

1.2.1.14 Clause headings and the contents page are for ease of reference only and shall not affect the interpretation of this Deed; and

1.2.1.15 a Clause is a reference to a clause of this Deed.

1.2.2 Section and Clause headings are for ease of reference only.

1.2.3 The recitals form an integral part of this Deed and shall have effect as if set out in full in the body of this Deed and any reference to this Deed includes the recitals.

1.2.4 An Event of Default is "continuing" if it has not been (where applicable) remedied to the satisfaction of, or waived in writing by, the Lender.
1.3 **Third party rights**

1.3.1 Unless expressly provided to the contrary in any Loan Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other Loan Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

1.3.2 Unless expressly provided to the contrary in any Loan Document, the consent of any person who is not a Party is not required to rescind or vary this Deed or any other Loan Document entered into under or in connection with it.

1.4 **Administration**

1.4.1 Any reference in this Deed, or any other Loan Document entered into under or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of the assets of the Chargor) or 22 (by the Chargor or the directors of the Chargor) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.

1.4.2 Any reference in this Deed or any other Loan Document entered into under or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

2. **COVENANT TO PAY**

The Chargor covenants with the Lender to pay and discharge the Obligations when they become due for payment and discharge in accordance with the Loan Documents.

3. **CREATION OF SECURITY**

3.1 All the Security created under this Deed:

3.1.1 is created in favour of the Lender;

3.1.2 is security for the payment and satisfaction of all the Obligations;

3.1.3 is created over present and future assets of the Chargor;

3.1.4 is created by the Chargor to the extent of its right, title and interest (if any), present and future and whether joint or several, legal or beneficial, in and to the relevant Security Assets; and
3.1.5 is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4. FIXED SECURITY

4.1 Charged IP Rights

The Chargor charges the Charged IP Rights by way of first fixed charge.

4.2 Separate charges

The charges referred to in Clause 4.1 (Charged IP Rights) shall be read and construed as, and deemed to be, separate charges over each of the items mentioned in such Clause, so that each item mentioned in each such Clause and each item forming any constituent element of the Intellectual Property Rights shall be deemed to be subject to a separate charge. Without limiting the previous sentence, if any such item shall be found to be subject to a floating charge and not to a fixed charge, such finding shall not of itself result in any other such item being deemed to be subject to a floating charge (as opposed to a fixed charge).

5. FLOATING CHARGE

5.1 Floating charge

The Chargor charges by way of a first floating charge all its undertaking and all its assets and income wherever located both present and future other than any assets effectively charged by way of fixed charge under this Deed.

5.2 Qualifying floating charge

This Deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this Deed.

5.3 Conversion of floating charge to a fixed charge

The Lender may, in its sole discretion, at any time following the occurrence of an Event of Default which is continuing and by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards any part of the Security Assets specified by the Lender in that notice.

5.4 Automatic conversion of floating charge to a fixed charge

If without the prior written consent of the Lender:

5.4.1 a resolution is passed or a petition is presented (other than frivolous or vexatious third-party petitions which are not discharged within 14 days) for the winding up, dissolution, administration or re-organisation of the Chargor; or
5.4.2 a receiver, an administrative receiver or a receiver and manager is appointed over any Security Asset or any person entitled to do so gives notice of its intention to appoint a receiver, an administrative receiver or a receiver and manager over any Security Asset or files such a notice with the court; or

5.4.3 steps are taken to appoint an administrator or to issue a notice of intention to appoint an administrator or if an administrator is appointed (or the Lender receives notice of an intention to appoint an administrator) in respect of the Chargor; or

5.4.4 the Chargor creates or attempts to create any Security over or otherwise encumbers all or any of the Floating Charge Assets, save that the creation or continuing existence of any Permitted Security shall not cause the floating charge to convert into a fixed charge; or

5.4.5 any person levies any distress, execution, sequestration, expropriation, attachment or other process against any of the Floating Charge Assets and such levy is not discharged or stayed within 45 days; or

5.4.6 the Chargor disposes of any Security Assets other than (i) in accordance with its day to day business or (ii) to H2O, Inc. or any of its wholly owned direct or indirect Subsidiaries;

the floating charge created by this Deed will automatically with immediate effect and without notice convert into a fixed charge over the relevant assets (or, in the case of Clause 5.4.1, 5.4.2 and/or 5.4.3 above, over all the Floating Charge Assets).

5.5 Small company moratorium

Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created by this Deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Chargor.

6. NEGATIVE PLEDGE AND RESTRICTION ON DISPOSALS

6.1 The Chargor shall not save for any Permitted Security:

6.1.1 create or attempt to create or permit to subsist or arise any Security over any Security Asset other than any Security created by this Deed; or

6.1.2 after the date of this Deed, sell, transfer or otherwise dispose of:

6.1.2.1 any Charged IP Rights; or

6.1.2.2 all or substantially all the assets of Chargor,
except that:

6.1.2.3 the Chargor may licence or otherwise grant rights to use the Charged IP Rights to HZO, Inc. or any wholly-owned (directly or indirectly) subsidiary of HZO, Inc., provided that any such licence or grant of rights is (i) non-exclusive; and (ii) terminable by the Chargor at any time;

6.1.2.4 the Chargor may licence or otherwise grant rights to use the Charged IP Rights to any person in the ordinary course of its day to day business where such licence relates to the Chargor’s performance of coating services, provided that the Chargor provides written notice to the Bank within 10 Business Days following any such licence or grant of rights;

6.1.2.5 the Chargor may dispose of the Charged IP Rights otherwise than in accordance with Clauses 6.1.2.3 or 6.1.2.4 with the prior written consent of the Bank; and

6.1.2.6 the Chargor may sell, transfer, or otherwise dispose of all or substantially all its assets to HZO, Inc. or any subsidiary of HZO, Inc., provided that HZO, Inc or such relevant subsidiary of HZO, Inc. assumes the obligations of Chargor under this Deed.

6.2 Other than any Permitted Security, any Security created in the future by the Chargor (otherwise than in favour of the Lender) shall be expressed to be subject to this Deed and the Security created under this Deed and any asset the subject of such Security shall be expressed to be a Security Asset.

7. REPRESENTATIONS AND WARRANTIES

7.1 General

The Chargor represents and warrants to the Lender that:

7.1.1 it is a limited liability company, duly incorporated and validly existing under the laws of England and Wales and has power to own its own assets and carry on its business as it is being conducted;

7.1.2 it has power to enter into and perform and deliver, and has taken all necessary action to authorise its entry into, and performance and delivery of, this Deed and its obligations under this Deed and no limitation on its powers will be exceeded as a result of the execution and delivery of this Deed or the performance of its obligations under this Deed;

7.1.3 subject to the Reservations, this Deed constitutes valid and legally binding obligations of the Chargor enforceable in accordance with its terms and creates the security which this Deed purports to create and that security is valid and
effective and it is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise;

7.1.4 the entry into and performance of its obligations under and the transactions contemplated by this Deed do not and will not:

7.1.4.1 conflict with any applicable law or regulation;

7.1.4.2 conflict with any material agreement or instrument binding on it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument; or

7.1.4.3 conflict with its constitutional documents;

7.1.5 it is the sole legal and beneficial owner of the Charged IP Rights;

7.1.6 the Charged IP Rights are subsisting and, so far as the Chargor is aware, valid and enforceable, and, so far as the Chargor is aware, nothing has been done or not been done as a result of which any of them has ceased or might cease to be valid, subsisting or enforceable to the extent that such action or inaction would reasonably be expected to have a Material Adverse Effect;

7.1.7 all application, prosecution and renewal fees and any other steps required for the maintenance or protection of the Charged IP Rights falling due prior to or on the date of this Deed have been paid or taken on time, as the case may be except to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect;

7.1.8 as at the date of this Deed only, all confidential information (including know-how and trade secrets and inventions) owned or used by the Chargor in connection with its business has been kept confidential and has not been disclosed to third parties (other than parties who have signed written confidentiality undertakings in respect of such information or are otherwise bound by obligations of confidentiality, or other than as required by law) except to the extent that such disclosure would not reasonably be expected to have a Material Adverse Effect;

7.1.9 as at the date of this Deed only, other than in relation to debt collection in the ordinary course of business, there is no claim, suit, litigation, proceeding or investigation, pending, or to the best of the Chargor’s knowledge, threatened by or against or affecting the Chargor in relation to the ownership, validity or use of the Charged IP Rights in any court or before any governmental agency (or any basis therefore known to the Chargor) which would reasonably be expected to result, either separately or in the aggregate, in a Material Adverse Effect;

7.1.10 as at the date of this Deed only, so far as the Chargor is aware, there has been no infringement by any third party of any of the Charged IP Rights, nor any third-party breach of confidence, passing off or actionable act of unfair competition in relation to the Chargor’s business and no such infringement, breach of
confidence, passing off or actionable act of unfair competition is current or anticipated, in each case where such infringement, breach, passing off or actionable act of unfair completion would reasonably be expected to have a Material Adverse Effect; and

7.1.11 no Warning Notice or Restrictions Notice has been issued to the Chargor in respect of all or any part of the Investments and remains in effect.

7.2 Times for making representations

7.2.1 The representations set out in this Deed (including, without limitation, in Clause 7.1) are made on the date of this Deed.

7.2.2 Unless a representation is expressed to be given at only a specific date, each representation under this Deed is deemed to be repeated by the Chargor on each day during the Security Period. When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

8. NOTICES OF CHARGES

8.1 Accounts

8.1.1 The Chargor shall give notice in the form specified in part I (Form of notice of charge) of Schedule 2 (Accounts) to each financial institution at which an Account is held that the Chargor has created a floating charge over the balance standing to the credit of that Account.

8.1.2 The Chargor will give the notices referred to in Clause 8.1.1:

8.1.2.1 in the case of an Account held by the Chargor at the date of this Deed, as soon as reasonably practicable following the date of this Deed (and in any event, within 10 Business Days of such date); and

8.1.2.2 in the case of an Account opened after the date of this Deed, as soon as reasonably practicable following the date of that Account being opened (and in any event, within 10 Business Days of such date).

8.1.3 The Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in part II (Form of acknowledgement) of Schedule 3 (Accounts) within 20 Business Days of that notice being given.

8.2 Insurance policies

All moneys which are received under any of the Insurance Policies relating to the Security Assets shall (subject to the rights and claims of any person having prior rights to such moneys and to the terms of the Insurance Policies) be applied in the following manner:
8.2.1 prior to the occurrence of an Event of Default which is continuing, any amount recovered (or recoverable) by the Chargor under any Insurance Policy in respect of any loss or destruction or damage suffered by a Chargor shall be applied so as to replace, repair, reinstate or otherwise make good such loss or destruction of or damage to the Chargor or any of its property or assets; and

8.2.2 after the occurrence of an Event of Default which is continuing, held by the Chargor on trust for the Lender pending payment to the Lender for application in accordance with Section 10.5 of the Loan Agreement.

9. FURTHER ASSURANCES

9.1 The Chargor must, at its own expense, take whatever action the Lender or a Receiver may reasonably deem necessary:

9.1.1 for creating, perfecting or protecting any security created (or intended to be created) by this Deed (including, but not limited to, executing any necessary forms for the registration of this Security over the Charged IP Rights at the relevant Intellectual Property Office); or

9.1.2 following an Event of Default which is continuing, for facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable by the Lender or any Receiver or any of their Delegates in respect of any Security Asset; or

9.1.3 to facilitate the enforcement of this Security, including (without limitation) (if the Lender, Receiver or any of its Delegates thinks it expedient) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance (in such form as the Lender may require) of any property, whether to the Lender or to its nominee or the giving of any notice, order or direction and the making of any filing or registration.

This includes without limitation:

9.1.4 following an Event of Default which is continuing, the prompt delivery on demand of any documents of title relating to any Security Asset;

9.1.5 following an Event of Default which is continuing, the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Lender or to its nominee; or

9.1.6 the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Lender reasonably requires to create, perfect, protect its interests in, or to facilitate enforcement of, the Security Assets.
10. RECEIVABLES

10.1 Realisation of Receivables

The Chargor must at any time after this Security has become enforceable (for so long as this Security remains enforceable) on request, execute and deliver to the Lender a legal assignment of the Receivables to the Lender (to the extent that the Receivables have not already been assigned to the Lender) on such terms as the Lender may require and give notice of it to the debtors from whom the Receivables are due, owing or incurred and take any other steps as the Lender may require to perfect such legal assignment.

10.2 Dealings with Receivables

10.2.1 Except during the existence of an Event of Default which is continuing, the Chargor may deal with the Receivables for any lawful purpose.

10.2.2 At any time on or after the occurrence of an Event of Default which is continuing, the Lender may require the Chargor to pay all Receivables into a blocked account controlled by the Chargor.

11. UNDERTAKINGS

11.1 The Chargor will conduct and carry on its business in a proper manner and keep or cause or procure to be kept proper books of account relating to such business and not make any material alteration in the nature or mode of conduct of any such business.

11.2 The Chargor will:

11.2.1 carry out all registrations or renewals; and

11.2.2 do all other acts and things (including, without limitation, the taking of legal proceedings) it reasonably believes to be commercially appropriate (and in accordance with the Loan Agreement) to maintain, defend or preserve its right, title and interest to and in the Security Assets without infringement by any third party,

in each case where a failure to take any action referred to in Clause 11.2.1 or 11.2.2 would be reasonably likely to have a Material Adverse Effect.

11.3 The Chargor will not do or cause or permit to be done anything which would have a Material Adverse Effect or which would materially depreciate, jeopardise or otherwise prejudice the value to the Lender of the Charged IP or the Security Assets taken as a whole.

11.4 The Chargor shall:

11.4.1 take all reasonably necessary action to maintain the Charged IP Rights including (without limitation) by observing all material covenants and stipulations relating to those rights, and by paying all applicable prosecution fees, renewal
fees and licence fees, within the applicable time limits and produce the receipt for the same to the Lender within ten days of the request;

11.4.2 use all reasonable endeavours to register applications for the registration of any of the Charged IP Rights, and shall keep the Lender informed of all matters relating to each such application or registration, including but not limited to notifying the Chargor when the PCT applications listed in Schedule 1 (and any future PCT applications covered by this Deed) enter a national or regional phase;

11.4.3 not permit any of the Charged IP Rights to be abandoned, cancelled or to lapse;

11.4.4 not, without the Lender’s prior written consent, opt out of the registration in the UK of any comparable trade mark to an EU trade mark owned by the Chargor that may be created pursuant to applicable legislation in the event that United Kingdom exits from the European Union;

11.4.5 apply to convert into a UK national right any future EU trade mark application or International Registration designating the EU owned by the Chargor that is pending registration as at the date the United Kingdom exits from the European Union within the deadline stipulated by applicable legislation;

11.4.6 promptly notify the Lender of the occurrence of any event specified in Section 9.4(b) or (c) (Information) of the Loan Agreement and, where the Chargor receives written notice of the commencement or existence of any proceeding (‘Proceeding’) by or before any Official Body against or affecting the Chargor which is reasonably likely to be adversely determined and, if adversely decided, would have a Material Adverse Effect, promptly notify the Lender of such Proceeding;

11.4.7 at the Chargor’s own expense, take all steps reasonably necessary to prevent any suspected or threatened infringement of the Charged IP Rights and defend the same against any such infringement including, if so requested by the Lender, by bringing legal proceedings and in respect of any such matters the Chargor will consult with the Lender on any material steps or action to be taken;

11.4.8 at the Chargor’s own expense, take such action as may be required to resist any revocation proceedings or any other attack on the validity of the Charged IP Rights or to resist any application by a third party for a declaration of non-infringement of its patents and in respect of any such matters the Chargor will consult with the Lender on any material steps or action to be taken;

11.4.9 keep confidential all confidential information (including know-how and trade secrets and inventions) owned or used by the Chargor in connection with its business and not disclose the same to third parties (other than: (i) to parties who have signed written confidentiality undertakings in respect of such information or are otherwise bound by obligations of confidentiality; (ii) to the Chargor’s professional advisors or auditors; (iii) to fulfil existing contractual
obligations in the ordinary course of business; (iv) as required by law or in connection with any court proceedings; (v) required by any competent regulatory or governmental body; or (vi) with the prior written consent of the Lender (not to be unreasonably withheld or delayed); and

11.4.10 not apply to amend the specifications or drawings referred to in any of its granted patents or in any registration of any of its Charged IP Rights where such amendment would be reasonably likely to have a Material Adverse Effect without the prior written consent of the Lender (not to be unreasonably withheld or delayed).

in each case, where failure to take (or to omit to take) any of the actions referred to in Clauses 11.4.1 to 11.4.10 (inclusive) would be reasonably likely to have a Material Adverse Effect.

11.5 The Chargor may take or refrain from taking (as applicable) any action which it is restricted from taking or required to take (as applicable) pursuant to Clauses 11.1 to 11.4 (inclusive) with the prior written consent of the Lender (not to be unreasonably withheld or delayed).

11.6 The Chargor must, following an Event of Default which is continuing:

11.6.1 if requested by the Lender, immediately deposit with the Lender, or as the Lender may direct, all certificates and other documents of title or evidence of ownership in relation to the Security Assets; and

11.6.2 promptly execute and deliver to the Lender all share transfers duly executed (with the name of the transferee, date and consideration left blank) as the Lender may request to enable the Lender or its nominee or any purchaser, following an Event of Default which is continuing, to be registered as the owner or otherwise obtain a legal title to any Investment.

11.7 The Chargor shall, following an Event of Default which is continuing, upon the accrual, offer, issue or receipt of any Related Investment Right deliver or pay to the Lender or procure the delivery or payment to the Lender of all such Related Investment Rights or the stock or share certificates or other documents of title to or representing them together with such duly executed transfers or assignments as the Lender may require to enable the Lender, after the occurrence of an Event of Default which is continuing, to vest the same in the Lender, its nominees or any purchaser to the intent that the Lender may at any time after the occurrence of an Event of Default which is continuing without notice present them for registration.

11.8 Except during the existence of an Event of Default which is continuing, unless the Lender otherwise directs, the Chargor shall, for so long as it remains the registered owner of any of the Investments, continue to be entitled to exercise the rights attaching to such Investments as beneficial owner and to receive and retain any dividends or interest paid on them.
11.9 After this Security becomes enforceable (only for so long as this Security remains enforceable):

11.9.1 the Lender may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment or Related Investment Right, any person who is the holder of any Investment or Related Investment Right or otherwise (including any powers given to trustees by sections 3 to 7 of the Trustee Act 2000); and

11.9.2 all dividends, interest and other income forming part of the Investments and Related Investment Rights shall be paid without set-off or deduction to an interest bearing suspense account in the name of the Lender and shall be retained by the Lender and any such monies which may be received by the Chargor shall, pending such payment, be held in trust for the Lender.

12. INVESTMENTS

12.1 Deposit

The Chargor following an Event of Default which is continuing, must:

12.1.1 deposit with the Lender, or as the Lender may direct:

12.1.1.1 all certificates of title and other documents of title or evidence of ownership which at any time may be issued in relation to any of its Investments; and

12.1.1.2 all stock transfer forms or other transfer documents in respect of the Investments and other documents required to vest title in the Investments in any other person (any such stock transfer forms or other transfer documents to be executed but to remain undated and the name of the transferee left blank); and

12.1.2 promptly execute and deliver to the Lender all share transfers and other documents which may be requested by the Lender in order to enable the Lender or its nominees following the occurrence and during the continuance of an Event of Default to be registered as the owner or otherwise obtain a legal title to any of its Investments.

12.2 Changes to rights

The Chargor shall not take or (to the extent within its control) allow the taking of any action on its behalf which may reasonably be expected to result in the rights attaching to any of its Investments being adversely altered or restricted.
12.3 **Calls**

12.3.1 The Chargor must duly and promptly pay all calls or other amounts from time to time due and payable in respect of any of its Investments except to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect.

12.3.2 If the Chargor fails to pay any such calls or such other amounts, the Lender may (but shall not be obliged to) pay the calls or other payments in respect of any investment on behalf of the Chargor. The Chargor must immediately on request indemnify and reimburse the Lender for any payment made by the Lender under this Clause 12.3.

12.4 **Other obligations in respect of the Investments**

12.4.1 The Chargor must promptly copy to the Lender and comply with all requests for information which are within its knowledge and which are made under sections 790D, 790E, 793 and 820 to 825 (inclusive) of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document 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 Chargor.

12.4.2 The Chargor shall promptly provide to the Lender a copy of any report, accounts, circular, notice and any other document sent or provided to it (or its nominee) in its capacity as the registered holder or beneficial owner of any Investments.

12.4.3 The Chargor must comply with all other conditions and obligations assumed by it in respect of any Investment.

12.4.4 The Lender is not obliged at any time to:

12.4.4.1 perform any obligation of the Chargor;

12.4.4.2 make any payment;

12.4.4.3 make any enquiry as to the nature of sufficiency of any payment received by it or the Chargor;

12.4.4.4 take any steps to preserve any rights of any person;

12.4.4.5 exercise any power conferred on it by this Deed; or

12.4.4.6 present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Security Asset.
Nothing in this Clause 12 (Investments) shall in any manner whatsoever restrict the Lender or any nominee for the time being of the Lender from exercising (or refraining from exercising) any rights and powers in such manner as it shall in its absolute discretion determine for the purposes of preserving its rights or preserving or realising all or any part of this Security. The Chargor agrees that no Secured Party shall not have any liability for:

12.4.5.1 any loss arising out of or in connection with the exercise (or non-exercise) of any rights or powers attaching or accruing to any Investments which may be exercised by any Secured Party under this Deed;

12.4.5.2 failing to attend or vote at any meetings relating to any Investment;

12.4.5.3 any negligence or default by its nominee;

12.4.5.4 failing to accept any offer relating to any Investment; or

12.4.5.5 failing to notify the Chargor of any matter or communication relating to any Investment.

The Chargor shall on the date of this Deed terminate with immediate effect all nominations it may have made under sections 145 and 146 of the Companies Act 2006 in respect of any Investment and, pending such termination, procure that any person so nominated:

12.4.6.1 does not exercise any rights in respect of any Investment without the prior written consent of the Lender; and

12.4.6.2 immediately upon receipt, forwards to the Lender all communications or other information received in respect of any Investment for which it has been so nominated.

The Chargor shall not, during the Security Period, exercise any rights to nominate any person (other than the Lender) to enjoy or exercise any rights relating to any Investment.

Voting rights and dividends

12.5.1 Absent the existence of an Event of Default which is continuing:

12.5.1.1 the voting rights, powers and other rights in respect of the Investments must (if exercisable by the Lender) be exercised in any manner which the Chargor may elect; and

12.5.1.2 (save as otherwise provided in the Loan Documents) the Chargor 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 Chargor and will pay them to the Chargor promptly on request.

12.5.2 The Chargor must, within 3 Business Days of demand, indemnify the Lender against any loss or liability incurred by the Lender as a consequence of the Lender acting in respect of the Investments as permitted by this Deed on the direction of the Chargor, except to the extent that any such loss or liability results primarily from the gross negligence or wilful misconduct of the Lender.

12.5.3 The Chargor shall not exercise its voting and other rights in respect of any of its Investments in a manner which could reasonably be expected to be prejudicial to the interests of the Secured Parties in any material respect.

12.5.4 After this Security has become enforceable (only for so long as this Security remains enforceable), the Lender shall be entitled (without any further consent or authorisation on the part of the Chargor):

12.5.4.1 in the name of the Chargor, to exercise or direct (or refrain from exercising or directing) the exercise of the voting rights and any other powers or rights attached to any Investment in such manner as it considers fit (including any rights to nominate or remove any director);

12.5.4.2 to complete all instruments of transfer referred to in Clause 12.1 (Deposit) and otherwise have any Investments registered in its name or the name of its nominee and the Chargor shall promptly do all things as may be necessary to register any Investments in the name of the Lender or its nominee and the Lender requires from time to time;

12.5.4.3 to request that the Chargor instructs any clearance system, settlement system, custodian or similar person to transfer any Investments held by it for the Chargor or its nominee to an account of the Lender (or its nominee) with that system or person (or as otherwise directed by the Lender). The Chargor shall promptly give all such instructions as requested by the Lender; and

12.5.4.4 to receive and retain (without any set off or deduction whatsoever) all dividends, distributions, interest and other income or amounts in respect of or derived from, or otherwise forming part of, the Investments and to the extent that any such monies are received by or on behalf of the Chargor, such amounts shall be held on trust for the Lender and shall immediately be paid into an account designated by the Lender.
13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 Time of Enforcement

This Security will become immediately enforceable upon the occurrence of an Event of Default which is continuing and at any time thereafter for so long as such Event of Default is continuing.

13.2 Discretion

After this Security has become enforceable (only for so long as this Security remains enforceable), the Lender may in its absolute discretion enforce all or any part of this Security in any manner it sees fit.

13.3 Statutory powers

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

14. ENFORCEMENT OF SECURITY

14.1 General

14.1.1 For the purposes of all powers implied or conferred by statute (including the power of sale and other powers conferred by section 101 of the Act (as varied and extended by this Deed)) and all other powers conferred on a mortgagee by law, the Obligations are deemed to have become due and payable on the date of this Deed.

14.1.2 Sections 103 (restricting the power of sale) and 93 (restricting the right of consolidation) of the Act and the restrictions contained in section 109(1) of the Act (restricting the appointment of a receiver) do not apply to this Security.

14.1.3 The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

14.2 No liability as mortgagee in possession

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

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

14.4 **Protection of third parties**

14.4.1 In favour of any purchaser or person dealing in good faith, the Obligations shall be deemed to become due, and all rights of enforcement conferred upon the Lender by the Act, as varied and extended by this Deed, shall be deemed to arise, immediately after the execution of this Deed.

14.4.2 No person (including a purchaser) dealing with the Lender or a Receiver or its or his agent will be bound or concerned to enquire:

14.4.2.1 whether the Obligations are or have become due and payable;

14.4.2.2 whether any power which the Lender or a Receiver is exercising or purporting to exercise has arisen, become exercisable or is being properly exercised;

14.4.2.3 as to the propriety or regularity of any sale by or other dealing with the Lender or any Receiver;

14.4.2.4 whether any money remains due under the Loan Documents; or

14.4.2.5 how any money paid to the Lender or to that Receiver is to be applied,

or be concerned with notice to the contrary. Any such sale or dealing shall be deemed to be within the powers conferred by this Deed and to be valid and effective.

14.5 **Redemption of prior Security**

14.5.1 At any time when this Security is enforceable, the Lender may:

14.5.1.1 redeem any prior Security against any Security Asset; and/or

14.5.1.2 procure the transfer of that Security to itself; and/or

14.5.1.3 settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.

14.5.2 The Chargor must pay to the Lender, immediately on demand, the costs and expenses incurred by the Lender in connection with any such redemption and/or transfer, including the payment of any principal or interest.
14.6 **Contingencies**

If this Security is enforced at a time when no amount is due under the Loan Agreement but at a time when amounts may or will become due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

14.7 **Right of appropriation**

14.7.1 To the extent that any Security Asset constitutes “financial collateral” and this Deed and this Security and the obligations of the Chargor under this Deed constitute a “security financial collateral arrangement” (in each case defined in, and for the purposes of the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No 3226) (the “Regulations”)), the Lender shall have the right, at any time when this Security is enforceable, to appropriate with immediate effect by notice in writing to the Chargor all or any part of such financial collateral in or towards payment and/or discharge of the Obligations in such order as the Lender in its absolute discretion may determine.

14.7.2 The Parties agree that the value of any financial collateral appropriated under Clause 14.7.1 shall be:

14.7.2.1 in the case of cash, the amount standing to the credit of the relevant account, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and

14.7.2.2 in the case of Investments and any other financial collateral, their market price at the time the right of appropriation is exercised as determined by the Lender by reference to a public index or by such other process as the Lender may select, including independent valuation.

The Parties agree that the methods of valuation for financial collateral set out in this Deed constitute commercially reasonable methods of valuation for the purposes of the Regulations.

14.7.3 The Lender shall account to the Chargor for any amount by which the value of any appropriated Security Assets exceeds the Obligations and the Chargor shall remain liable to the Lender for any amount by which the value of any appropriated Security Assets is less than the Obligations.

15. **RECEIVER AND ADMINISTRATOR**

15.1 **Appointment of Receiver or Administrator**

15.1.1 Except as provided below, the Lender may appoint any one or more persons to be a Receiver or Administrator of all or any part of the Security Assets if:

15.1.1.1 this Security is enforceable; or
15.1.2 the Chargor so requests the Lender in writing at any time.

15.1.2 Any appointment of a Receiver or Administrator under Clause 15.1.1 may be by deed, under seal or otherwise in writing signed by any officer or manager of the Lender or any person authorised for this purpose by the Lender.

15.1.3 Except as provided in Clauses 15.1.4 and 15.1.5, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including, without limitation, under section 109(1) of the Act) does not apply to this Deed.

15.1.4 The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with the leave of the court.

15.1.5 The Lender may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Lender is prohibited from doing so by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

15.1.6 The Lender may appoint any one or more persons to be an Administrator if the Security is enforceable.

15.2 Removal

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

15.3 Remuneration

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

15.4 Agent of the Chargor

15.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

15.4.2 The Lender Party will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

15.5 Exercise of Receiver powers by the Lender

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

16. **POWERS OF RECEIVER**

16.1 **General**

16.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 15 in addition to those conferred on it by any law, this includes:

16.1.1.1 in the case of an administrative receiver, all the rights powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and

16.1.1.2 otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986 including, without limitation, those powers provided for in Schedule 1 of the Insolvency Act 1986.

16.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

16.2 **Other powers**

16.2.1 In addition, a Receiver may:

16.2.1.1 take immediate possession of, get in and collect any Security Asset;

16.2.1.2 carry on any business of the Chargor in any manner he thinks fit;

16.2.1.3 appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration otherwise as he thinks fit;

16.2.1.4 discharge any person appointed by the Chargor;

16.2.1.5 raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit;

16.2.1.6 sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any term which he thinks fit (the consideration for any such transaction may consist of cash, debentures or other obligations,
shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit and fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor);

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

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

16.2.1.9 bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit;

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

16.2.1.11 form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset;

16.2.1.12 delegate his powers in accordance with this Deed;

16.2.1.13 lend money or advance credit to any customer of the Chargor;

16.2.1.14 may:

16.2.1.14.1 effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

16.2.1.14.2 commence and/or complete any building operation; and

16.2.1.14.3 apply for and maintain any planning permission, building regulation approval or any other authorisation, in each case as he thinks fit;

16.2.1.15 do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
16.2.1.16 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and

16.2.1.17 use the name of the Charger for any of the above purposes.

17. APPLICATION OF PROCEEDS

17.1 Any moneys received by the Lender or any Receiver after this Security has become enforceable must be applied in the order of priority set out in Section 10.5 (Application of Proceeds After Event of Default) of the Loan Agreement.

17.2 This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Lender to recover any shortfall from the Charger.

18. EXPENSES AND INDEMNITY

18.1 The Charger must:

18.1.1 promptly on demand pay all documented costs and expenses (including legal fees) properly incurred in connection with this Deed by any Receiver, Delegate, attorney, manager, agent or other person appointed by the Lender under this Deed; and

18.1.2 keep each of them indemnified against any failure or delay in paying those documented costs or expenses; this includes any documented costs and expenses arising from any actual or alleged breach by any person of any law or regulation but excludes any costs or expenses resulting from the gross negligence or willful misconduct of any such person.

19. DELEGATION

19.1 Power of Attorney

The Lender and/or any Receiver may delegate by power of attorney or in any other manner to any person any right, power, authority or discretion exercisable by it under this Deed.

19.2 Terms

Any such delegation may be made upon the terms (including, without limitation, power to sub-delegate) and subject to any regulations which the Lender or such Receiver (as the case may be) may think fit.
19.3 **Liability**

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

20. **SECURITY POWER OF ATTORNEY**

20.1 The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their Delegates to be its attorney, with full power of substitution and delegation, in its name, on its behalf and as its act and deed, to take any action which the Chargor is obliged to take under this Deed or may be deemed by such attorney necessary for any purposes under this Deed. The Chargor hereby ratifies and confirms and shall ratify and confirm whatever any attorney does or purports to do under its appointment under this Clause 20.

20.2 The Lender (and any Receiver and any of their Delegates) may only exercise the power of attorney granted pursuant to Clause 20.1 after the occurrence of an Event of Default which is continuing (and for so long as it is continuing).

21. **PRESERVATION OF SECURITY**

21.1 **Continuing security**

This Security is a continuing security and shall remain in full force and effect and will extend to the ultimate balance of the Obligations regardless of any intermediate payment or discharge by the Chargor or any other person of the whole or any part of the Obligations.

21.2 **Reinstatement**

21.2.1 If any settlement or discharge, (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) or arrangement is made in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise, without limitation, the liability of the Chargor under this Deed will continue as if the discharge or arrangement had not occurred and the Secured Parties shall be entitled to recover the value or amount of any such payment or security from the Chargor, as if such settlement, discharge, refund or payment had not occurred.

21.2.2 Each Secured Party may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.
21.3 **Waiver of defences**

The obligations of the Chargor under this Deed and this Security will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to the Chargor, a Borrower, a Guarantor or any other person). This includes:

21.3.1 any time or waiver granted to, or composition with, any person;

21.3.2 the release of any person under the terms of any composition or arrangement;

21.3.3 the taking, variation, compromise, exchange renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;

21.3.4 any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security;

21.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;

21.3.6 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Loan Document or any other document or security;

21.3.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any other document or security; or

21.3.8 any insolvency or similar proceedings.

21.4 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed or enforcing this Security. This waiver applies irrespective of any law or provision of a Loan Document to the contrary.

21.5 **Appropriations**

Until the Obligations have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Deed:

21.5.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Lender (or any trustee or agent on its behalf) in respect of those amounts;
21.5.2 apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise); and

21.5.3 hold in an interest bearing suspense account any moneys received from the Chargor or on account of the liability of the Chargor under this Deed.

21.6 Non-competition

21.6.1 Unless the Security Period has expired or the Lender otherwise requests, the Chargor shall not, after a claim has been made under this Deed or by virtue of any payment or performance by it under this Deed:

21.6.1.1 be subrogated to any rights, security or moneys held, received or receivable by the Lender (or any trustee or agent on its behalf);

21.6.1.2 be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Chargor’s liability under this Deed or be entitled to require the Lender (or any trustee or agent on its behalf) to effect or implement marshaling;

21.6.1.3 claim, rank, prove or vote as a creditor of the Chargor or its estate in competition with the Lender (or any trustee or agent on its behalf); or

21.6.1.4 receive, claim or have the benefit of any payment, distribution or security from or on account of the Chargor, or exercise any right of set-off as against the Chargor.

21.6.2 The Chargor must hold in trust for and immediately pay or transfer to the Lender any payment or distribution or benefit of security received by it contrary to this Clause 21.6.2 or in accordance with any directions given by the Lender under this Clause 21.6.2.

21.6.3 The Lender shall be entitled to direct the Chargor or any co-guarantor to prove for the whole or any part of any debt or other claim that one or more of them may have in the liquidation or bankruptcy of another of them to the fullest extent permitted by law and such direction shall not affect the Chargor’s liability or give the Chargor any recourse against the Lender.

21.7 Additional security

This Security is in addition to, and is not in any way prejudiced by, any other Security which any Secured Party may hold at any time for the Obligations (or any of them).

22. ASSIGNMENT AND TRANSFER

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Lender may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to whom rights and/or obligations under the
Loan Agreement have been assigned in accordance with the terms of the Loan
Agreement.

23. MISCELLANEOUS

23.1 Set-off

The Chargor agrees the Lender may at any time after this Security has become
enforceable (only for so long as this Security remains enforceable), without notice or
further demand, combine or consolidate all or any of its then existing accounts including
any accounts in the name of the Lender or of the Chargor jointly with others (whether
current, deposit, loan or any other nature whatsoever subject to notice or not and whether
in sterling or in any other currency) and set-off or transfer any sum standing to the credit
of any one or more of those accounts in or towards satisfaction of the Obligations.

23.2 New accounts

23.2.1 If any subsequent charge or other interest affects any Security Asset, the
Lender may open a new account with the Chargor.

23.2.2 If the Lender does not open a new account, unless it gives express written
notice to the contrary to the Chargor, it will nevertheless be treated as if it had
done so at the time when it received or was deemed to have received notice of
that charge or other interest.

23.2.3 As from that time all payments made by or on behalf of the Chargor to the
Lender will be credited or be treated as having been credited to the new account
and will not operate to reduce any Obligation.

23.3 Time deposits

Without prejudice to any right of set-off the Lender may have under any other Loan
Document the Lender, if any time deposit matures on any account the Chargor has with
the Lender within the Security Period when:

23.3.1 this Security is enforceable; and

23.3.2 no Obligation is due and payable,

that time deposit will automatically be renewed for any further maturity the Lender
considers appropriate.

23.4 Partial invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid 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.
23.5 Amendment

23.5.1 No modification or variation of this Deed (or any document entered into pursuant to or in connection with this Deed) shall be valid unless it is in writing and signed by or on behalf of each of the Parties. For the avoidance of doubt, no modification or variation of this Deed shall be valid if made by e-mail.

23.5.2 Unless expressly so agreed, no modification or variation of this Deed shall constitute or be construed as a general waiver of any provisions of this Deed, nor shall it affect any rights, obligations or liabilities under this Deed which have already accrued up to the date of such modification or waiver, and the rights and obligations of the parties under this Deed shall remain in full force and effect, except and only to the extent that they are so modified or varied.

23.6 Remedies and waivers

23.6.1 No failure to exercise, nor any delay in exercising, on the part of the Lender or any Receiver or any Delegate, any right, power or remedy under this Deed shall operate as a waiver of any such right, power or remedy or constitute an election to affirm this Deed, nor shall any single or partial exercise or waiver of any right, power or remedy prevent any further or other exercise, or the exercise, of any other right, power or remedy. No election to affirm this Deed on the part of the Lender or any Receiver or any Delegate shall be effective unless it is in writing. The rights, powers and remedies provided in this Deed are cumulative and are not, nor are they to be construed as, exclusive of any rights, powers or remedies provided by law or otherwise and may be exercised from time to time and as often as the Lender deems expedient.

23.6.2 A waiver given or consent granted by the Lender or any Receiver or any Delegate under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

23.7 Counterparts

This Deed or any Loan Document entered into under or in connection with it may be executed in any number of counterparts and by each party to it on separate counterparts. Each counterpart shall be an original, but all of which together shall constitute one and the same instrument. Delivery of a counterpart of this Deed or any Loan Document entered into under or in connection with it by email attachment or telecopy shall be an effective mode of delivery.

23.8 Notices

23.8.1 Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

23.8.2 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of the Chargor and the Lender for
any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below:

The Chargor

Semblant Limited
Address: c/o HZO, Inc.
12637 S. 266 W., Suite 300
Draper, Utah 84020

Fax Number: N/A

For the Attention of: CFO and General Counsel

The Lender

Cathay Bank
Address: 9650 Flair Drive
El Monte, CA 91731

Fax Number: N/A

For the Attention of: Jane Ho, SVP & Manager,
or any substitute address, fax number or department or officer as the Chargor may notify to the Lender or, as the case may be, the Lender may notify to the Chargor, in each case by not less than ten days’ notice.

23.8.3 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

23.8.3.1 If by way of fax, when received in legible form; or

23.8.3.2 If by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 23.8.2), if addressed to that department or officer.

23.8.4 Any communication or document to be made or delivered to the Lender will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer identified with the Lender’s name in Clause 23.8.2 (or any substitute department or officer as it shall specify for this purpose).
24.**RELEASE**

24.1 Upon the expiry of the Security Period the Lender shall, at the request and reasonable cost of the Chargor, take whatever action is necessary (including notifying third parties to the extent they were sent a notice under this Deed) to release and reassign to the Chargor (without any representation or warranty (express or implied) to the Chargor):

24.1.1 its rights arising under this Deed; and

24.1.2 the Security Assets from this Security,

and, as applicable, return all documents or deeds of title delivered to it under this Deed.

24.2 Upon the expiry of the Security Period, any covenant or undertaking of the Chargor under this Deed not expressed to survive the expiry of the Security Period shall terminate with immediate effect.

25.**GOVERNING LAW AND JURISDICTION**

25.1 **Governing law**

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

25.2 **Jurisdiction**

25.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including claims for set-off and counterclaim and any dispute regarding the existence, validity or termination of this Deed and/or any non-contractual obligations arising out of or in connection with this Deed) (a "Dispute").

25.2.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and no Party will argue to the contrary.

25.2.3 This Clause 25.2 is for the benefit of the Lender only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed and delivered by or on behalf of the parties on the date at the top of page 1.
**SCHEDULE 1**

**Intellectual Property Rights**

### Part 2A - TRADE MARKS

<table>
<thead>
<tr>
<th>Proprietor</th>
<th>TM number</th>
<th>Jurisdiction / apparent status</th>
<th>Classes</th>
<th>Mark text</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semblant Limited</td>
<td>2530702</td>
<td>UK Registered</td>
<td>1, 7, 9, 40</td>
<td>SEMBLANT</td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>3007038</td>
<td>UK Registered</td>
<td>1, 7, 9, 40</td>
<td>PLASMASHIELD</td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>3181637</td>
<td>UK Registered</td>
<td>1, 7, 9, 40</td>
<td>SEMBLANT MOBILESIELD</td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>013427976</td>
<td>EUTM Registered</td>
<td>1, 7, 9, 40</td>
<td>PLASMASHIELD</td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>1036462</td>
<td>EU designation of International Registration Protected</td>
<td>1, 7, 9, 40</td>
<td>SEMBLANT</td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>1356226</td>
<td>EU designation of International Registration Protected</td>
<td>1, 7, 9, 40</td>
<td>SEMBLANT MOBILESIELD</td>
</tr>
</tbody>
</table>

### Part 2B - PATENTS

<table>
<thead>
<tr>
<th>Applicant / Proprietor</th>
<th>Patent number</th>
<th>Jurisdiction / apparent status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semblant Limited</td>
<td>Appn. 0900635 4</td>
<td>UK Granted</td>
<td>PRINTED CIRCUIT BOARDS</td>
</tr>
<tr>
<td></td>
<td>Regn. 2453083</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>Appn. 0815094 8</td>
<td>UK Granted</td>
<td>WIRE BONDING</td>
</tr>
<tr>
<td></td>
<td>Regn. 2462822</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>Appn. 1019302 7</td>
<td>UK Granted</td>
<td>METHOD FOR REDUCING CREEP CORROSION</td>
</tr>
<tr>
<td></td>
<td>Regn. 2485419</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Semblant Limited</td>
<td>Appn. 1310172 0</td>
<td>UK</td>
<td>COATED ELECTRICAL ASSEMBLY</td>
</tr>
<tr>
<td>Application</td>
<td>Status</td>
<td>Region</td>
<td>Description</td>
</tr>
<tr>
<td>-------------</td>
<td>--------</td>
<td>--------</td>
<td>-------------</td>
</tr>
<tr>
<td>Regn. 2500138</td>
<td>Granted</td>
<td></td>
<td>Coated Electrical Assembly</td>
</tr>
<tr>
<td>Regn. 2539231</td>
<td></td>
<td>UK</td>
<td>Coated Electrical Assembly</td>
</tr>
<tr>
<td>Appn. 1712496.7</td>
<td>Published</td>
<td>UK</td>
<td>Dust Collection and Disposal Method</td>
</tr>
<tr>
<td>Appn. 1720265.6</td>
<td></td>
<td>UK</td>
<td>Method and Apparatus for Removing a Conformal Coating from a Circuit Board</td>
</tr>
<tr>
<td>Appn. 1721176.4</td>
<td></td>
<td>UK</td>
<td>Protective Coating</td>
</tr>
<tr>
<td>Appn. PCT/GB2017/053720</td>
<td>Unpublished</td>
<td>PCT</td>
<td>Plasma Processing Apparatus</td>
</tr>
<tr>
<td>Appn. PCT/GB2018/051611</td>
<td>Unpublished</td>
<td>PCT</td>
<td>Dust Collection and Disposal Method</td>
</tr>
<tr>
<td>Appn. PCT/GB2018/053478</td>
<td>Unpublished</td>
<td>PCT</td>
<td>Substrate Mount</td>
</tr>
<tr>
<td>Appn. PCT/GB2018/052317</td>
<td></td>
<td>PCT</td>
<td>Method and Apparatus for Removing a Conformal Coating from a Circuit Board</td>
</tr>
<tr>
<td>Appn. 08709439.7</td>
<td>Unpublished</td>
<td>EP</td>
<td>Printed Circuit Boards</td>
</tr>
<tr>
<td>Appn. 11705228.2</td>
<td>Unpublished</td>
<td>EP</td>
<td>Plasma-Polymerized Polymer Coating</td>
</tr>
<tr>
<td>Appn. 14712755.9</td>
<td>Unpublished</td>
<td>EP</td>
<td>Coated Electrical Assembly</td>
</tr>
<tr>
<td>Appn. 16731967.3</td>
<td>Unpublished</td>
<td>EP</td>
<td>Coated Electrical Assembly</td>
</tr>
<tr>
<td>Appn. 16801284.7</td>
<td>Unpublished</td>
<td>EP</td>
<td>Coated Medical Device</td>
</tr>
<tr>
<td>Limited</td>
<td>Unpublished</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>Sembiant Limited</td>
<td>Appn. 17701559 0</td>
<td>EP</td>
<td>COATED ELECTRICAL ASSEMBLY</td>
</tr>
<tr>
<td></td>
<td>Unpublished</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sembiant Limited</td>
<td>Appn. 17703780 5</td>
<td>EP</td>
<td>PLASMA DEPOSITION METHOD</td>
</tr>
<tr>
<td></td>
<td>Unpublished</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SCHEDULE 2

Accounts

Part I

Form of notice of charge

[On the letterhead of the Chargor]

To: [Account Bank]

[Date]

Dear Sirs,

We give you notice that by a security agreement dated [●] (the "Deed"), we have charged (by way of a first floating charge) in favour of [●] (the "Lender") all our rights and interest in respect of [[the][any] account maintained by us with you [[(the "Account")[each an "Account" and together the "Account[s]"]]] the following account[s] maintained by us with you (the "Account[s]") including any amount standing to the credit from time to time of [the][each] Account[].

<table>
<thead>
<tr>
<th>Account Name</th>
<th>Account Number</th>
<th>Sort Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>[●]</td>
<td>[●]</td>
<td>[●][●][●]</td>
</tr>
<tr>
<td>[●]</td>
<td>[●]</td>
<td>[●][●][●]</td>
</tr>
<tr>
<td>[●]</td>
<td>[●]</td>
<td>[●][●][●]</td>
</tr>
<tr>
<td>[●]</td>
<td>[●]</td>
<td>[●][●][●]</td>
</tr>
<tr>
<td>[●]</td>
<td>[●]</td>
<td>[●][●][●]</td>
</tr>
</tbody>
</table>

We irrevocably instruct and authorise you (without any further permission from us and notwithstanding any previous instructions which we may have given you to the contrary):

1. to disclose to the Lender any information relating to [the][any] Account requested from you from time to time by the Lender;

2. [following receipt by you of notice from the Lender to hold the sums standing to the credit of [the][each] Account from time to time to the order of the Lender;

3. [following receipt by you of notice from the Lender to comply with the terms of any written notice or instruction relating to [the][any] Account received by you from the Lender; and
4. [Following receipt by you of notice from the Lender not to permit any withdrawal by us or any other person (other than the Lender) of any sums standing to the credit of [the][any Account] without the prior written consent of the Lender;

5. [Following receipt by you of notice from the Lender] pay or release any sum standing to the credit of [the][any] Account in accordance with the written instructions of the Lender.

[Until such time as the Lender gives notice to you, we shall remain free to deal with the [unblocked account(s)].]

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

This letter and all non-contractual obligations arising out of it shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it within 7 days of receiving this letter by sending a letter in the enclosed form direct to the Lender [●] marked for the attention of [●].

Yours faithfully,

...........................................

[CHARGOR]

(Director/Duly authorised signatory)

---

1 Only applicable to unblocked accounts.
Part II

Form of acknowledgement

[On the letterhead of the relevant Account Bank]

To: Lender

Copy: [Charger]

[Date]

Dear Sirs,

We acknowledge receipt of a notice dated [•] (the "Notice") and addressed to us by [•] (the "Charger") in relation to the Account(s) (as defined in the Notice).

We confirm that we:

1. accept the instructions and authorisations contained in the Notice and undertake to act in accordance and comply with the terms of the Notice;

2. have not received any notice of assignment or charge over the Charger’s interest in [the][any] Account in favour of any other person nor any notice of the interest of any third party in [the][any] Account;

3. have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counterclaim, combination of accounts, lien or other right in respect of [the][any] Account; and

4. [save in relation to the [unblocked account(s)]] will not permit any amount to be withdrawn from [the][any] Account without your prior written consent.

If we become aware at any time that any person other than yourselves has or will have any right or interest in [the][any] Account and/or the debt represented thereby, we will promptly notify you.

The only account[s] maintained with us by the Charger [is][are] the account[s] mentioned in the Notice.

This letter and all non-contractual obligations arising out of it shall be governed by and construed in accordance with English law.

Yours faithfully,

......................................................

(Authorised Signatory)

[Account Bank]
EXECUTED as a deed
By SEMBLANT LIMITED acting by its director
in the presence of

Witness's Signature..............................................
Name......................................................David Anderson
Address..................................................1234 S 265 W #300
...............................................................Logan, UT 84320
Occupation..................................................Doctor Ph.D.

Lender

EXECUTED as a deed
By CATHAY BANK acting by an authorised signatory
in the presence of

Witness's Signature..............................................
Name......................................................
Address......................................................
...............................................................occupation
EXECUTED as a deed
By SEMBLANT LIMITED acting by its director
in the presence of

Witness's
Signature

Name

Address

------------------------------

------------------------------

------------------------------

Occu

Lender

EXECUTED as a deed
By CATHAY BANK acting by an authorised
signatory
in the presence of

Witness's
Signature

Name

Address

------------------------------

------------------------------

------------------------------

U.S.A

Occupation