



Registration of a Charge

Company name: **BIRMINGHAM TECHNOLOGY (VENTURE CAPITAL) LIMITED**
Company number: **02188943**

Received for Electronic Filing: **20/04/2018**



Details of Charge

Date of creation: **18/04/2018**
Charge code: **0218 8943 0001**
Persons entitled: **BIRMINGHAM CITY COUNCIL**
Brief description:

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:

ANGELA RAWLINS GOWLING WLG (UK) LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2188943

Charge code: 0218 8943 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th April 2018 and created by BIRMINGHAM TECHNOLOGY (VENTURE CAPITAL) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th April 2018 .

Given at Companies House, Cardiff on 24th April 2018

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**

Dated 18 April 2018

THE COMPANIES
WHOSE DETAILS ARE SET OUT IN SCHEDULE 1 (1)

IN FAVOUR OF

BIRMINGHAM CITY COUNCIL (2)

DEBENTURE



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THIS DEED is made on 18 April 2018 by

- (1) **THE COMPANIES** whose details are set out in Schedule 1 (the "**Companies** and each a "**Company**")

in favour of

- (2) **BIRMINGHAM CITY COUNCIL** of Council House, Victoria Square, Birmingham, B1 1BB (the "**Lender**")

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, terms defined in the Facility Agreement shall have the same meaning when used in this Deed and in addition:

Accession Deed an accession deed substantially in the form set out in Schedule 5;

Account Bank any bank or financial institution with whom a Company holds an account from time to time;

Additional Company a company that becomes a Company in accordance with the terms of clause 21;

Borrower Birmingham Science Park Aston Limited a company registered in England and Wales with company registration number 01720256 and whose registered office is at Faraday Wharf Innovation Birmingham Campus, Holt Street, Birmingham Science Park Aston, Birmingham, West Midlands, B7 4BB;

Charged Property all the assets of a Company which from time to time are the subject of the security created or expressed to be created in

		favour of the Lender by or pursuant to this Deed;
Collateral Rights		all rights, powers and remedies of the Lender provided by or pursuant to this Deed or by law;
Environment		the air (including the air within buildings and the air within other natural or man-made structures above or below ground), water (including ground and surface water) and land (including surface and sub-surface soil) and any other meaning given to the term under Environmental Law;
Environmental Law		any law concerning the protection of the Environment or human health, the condition of any property or of any place of work or the production, storage treatment, transport or disposal of any substance capable of causing harm to any living organism or the Environment;
EU Regulation		Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast);
Facility Agreement		the loan agreement dated on or about the date of this Deed and made between, amongst others, (1) the Borrower and (2) the Lender;
Financial Collateral		shall have the same meaning as in the Financial Collateral Regulations;
Financial Collateral Regulations		the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003/3226);
Floating Charge Property		has the meaning given in clause 3.1(p);
Insurance Policy		any policy of insurance and cover note in which a Company may from time to time have an interest;
Intellectual Property		(a) all present and future patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information,

knowhow and other intellectual property rights and interests, whether registered or unregistered;

(b) the benefit of all applications and rights to use such assets; and

(c) all Related Rights;

Investments

(a) any stocks or other securities, whether held directly by or to the order of a Company or by any trustee, fiduciary or clearance system on its behalf; and

(b) all Related Rights (including all rights against any such trustee, fiduciary or clearance system);

**Investment
Rights**

Derivative

all dividends, interest or distributions and all other rights and benefits of an income nature accruing at any time in respect of any Investment;

Issuer

the issuer of any Investment;

Material Contracts

(a) the agreements listed in Schedule 4 (The Material Contracts);

(b) any other contract entered into by a Company that may from time to time be identified in writing by the Lender as a Material Contract; and

(c) all Related Rights;

Notice of Assignment

a notice of assignment in substantially the form set out in Schedule 3 or in such other form as may be agreed between the Lender and a Company;

Occupational Lease

in respect of a Company, a lease of a Real Property in respect of which it is a landlord;

Plant and Machinery	(a) all equipment, machinery and all other assets of a similar nature which are now, or at any time after the date of this Deed become, the property of a Company; and (b) all Related Rights;
Real Property	a Company's estates or interests in all freehold (including commonhold), leasehold or other immovable property (including the property specified in Schedule 2), and any buildings, fixtures or fittings from time to time situated on or forming part of such property, and all Related Rights;
Receivables	(a) all present and future book and other debts and monetary claims owing to a Company; and (b) all Related Rights;
Receiver	a receiver or receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed or any applicable law;
Related Rights	in relation to any asset, (a) the proceeds of sale of any part of that asset; (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset; (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and (d) any income, moneys and proceeds paid or payable in respect of that asset;
Secured Obligations	all present and future obligations and liabilities, whether actual or contingent and whether owed jointly or severally,

as principal or surety and/or in any other capacity whatsoever, owed by any Company to the Lender under or in connection with any of the Finance Documents together with all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents or any other document evidencing or securing any such liabilities and shall include interest on the above from the date of demand until the date of payment in full (as well after as before any judgment) calculated on a daily basis at the rate determined in accordance with clause 7.1 (*Default Interest*) of the Facility Agreement;

Security **Financial** shall have the same meaning as in the Financial Collateral
Collateral Arrangement Regulations;

Valuer any chartered surveyor or firm of chartered surveyors
appointed by, or on behalf of, the Lender from time to time;

1.2 Interpretation

In this Deed:

- (a) clause and schedule headings are for convenience of reference only and shall not affect the construction of this Deed;
- (b) references to clauses and schedules are references to the clauses of and schedules to this Deed;
- (c) references to this Deed or any other agreement or instrument shall be construed as references to that agreement or instrument as amended, novated, supplemented, extended or restated;
- (d) references to a person shall be construed to include that person's assigns, transferees or successors in title and shall be construed as including any individual, firm, trust, partnership, joint venture, company, corporation, unincorporated body of persons or any state or agency thereof, whether or not having separate legal personality;

- (e) references to a provision of law are references to that provision as amended or re-enacted;
- (f) words importing the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- (g) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- (h) the words "**including**" shall not be construed as limiting the generality of the words preceding it.

1.3 **Third Party Rights**

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce or enjoy the benefit of any term of this Deed.

1.4 **Incorporation of Terms**

The terms of the Finance Documents and of any side letters between any of the parties thereto are incorporated in this Deed to the extent required to ensure that any disposition of Real Property contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 **Effect as a Deed**

This Deed is intended to take effect as a deed, notwithstanding that the Lender may have executed it under hand only.

2 **COVENANT TO PAY**

Each Company covenants that it will pay and discharge the Secured Obligations to the Lender when the same are due to be paid and discharged in accordance with the terms of any Finance Documents.

3 GRANT OF SECURITY

3.1 Charges

Each Company with full title guarantee charges in favour of the Lender as continuing security for the payment and discharge of the Secured Obligations:

- (a) by way of legal mortgage, the Real Property and all Related Rights;
- (b) by way of fixed charge, any Real Property and all Related Rights now or at any time after the date of this Deed belonging to the Company (other than property charged under clause 3.1(a) above);
- (c) by way of fixed charge, all Related Rights in relation the Real Property charged pursuant to this Deed;
- (d) by way of fixed charge, all Plant and Machinery and other fixtures and fittings attached to any Real Property;
- (e) by way of fixed charge, all vehicles, computers, office and other equipment owned by the Company, both present and future;
- (f) by way of fixed charge,
 - (i) all present and future bank accounts, cash at bank and credit balances of the Company with any bank or other person;
 - (ii) all Related Rights in relation to the accounts charged pursuant to clause 3.1(f)(i) above;
- (g) by way of fixed charge, all present and future Receivables, other than those validly and effectively assigned under clause 3.3;
- (h) by way of fixed charge, other than those validly and effectively assigned under clause 3.3,
 - (i) all present and future Investments;

- (ii) all Investment Derivative Rights;
- (iii) where any Investment is held in a system for the deposit and settlement of transactions in Investments, all rights against the operator of such system or any participant in respect of such Investment;
- (i) by way of fixed charge, all present and future Intellectual Property;
- (j) by way of fixed charge, the goodwill of the Company;
- (k) by way of fixed charge, the uncalled capital of the Company;
- (l) by way of fixed charge, all rights, interests and claims in the Insurance Policies, other than those validly and effectively assigned under clause 3.3;
- (m) by way of fixed charge, all rights, interests and claims in the Material Contracts, other than those validly and effectively assigned under clause 3.3;
- (n) by way of fixed charge, the benefits of all licences, consents and authorisations held in connection with its business or the use of any Charged Property, and the right to any compensation in respect of any of them;
- (o) by way of fixed charge, all rights, interests and claims in any pension fund now or in the future;
- (p) by way of floating charge, the whole of the Company's undertaking and assets, present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland, other than any assets validly and effectively mortgaged, charged or assigned by way of security (whether at law or in equity) by this Deed (the "**Floating Charge Property**").

3.2 Qualifying Floating Charge

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 shall apply to any floating charge created by this Deed.

3.3 Security Assignment

Each Company with full title guarantee assigns to the Lender as continuing security for the payment and discharge of the Secured Obligations all of its rights, title, interest and benefit from time to time in and to:

- (a) the Material Contracts;
- (b) the Insurance Policies; and
- (c) the Receivables.

3.4 To the extent that the Charged Property constitutes Financial Collateral, each Company agrees that such Charged Property shall be held or designated so as to be under the control of the Lender (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement created by or pursuant to this Deed, the Lender shall have the right at any time after this Deed becomes enforceable, to appropriate all or any part of that Charged Property in or towards the payment or discharge of the Secured Obligations. The value of any Charged Property appropriated in accordance with this clause shall be (a) in the case of cash, the amount standing to the credit of any account, together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Lender may select (acting reasonably). Each Company agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations.

4 NEGATIVE PLEDGE

- 4.1 The Companies shall not create or permit to subsist any Security over any of the Charged Property, other than Permitted Security.
- 4.2 The Companies shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, discount, factor, transfer, assign, lease, lend or otherwise dispose of any of the Charged Property other than the Floating Charge Property in the ordinary course of trading on an arm's length basis or as otherwise permitted pursuant to the Facility Agreement.

5 CRYSTALLISATION OF FLOATING CHARGE

5.1 The Lender may at any time by notice in writing to a Company immediately convert the floating charge created by clause 3.1(p) into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Lender reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process.

5.2 If, without the prior written consent of the Lender (unless expressly permitted under the terms of any Finance Document):

- (a) the Company disposes of any of the Charged Property other than in the ordinary course of trading on an arm's length basis or as otherwise permitted pursuant to the Facility Agreement; or
- (b) any steps are taken for any of the Charged Property to become subject to any Security in favour of any other person; or
- (c) any person uses or attempts to use the commercial rent arrears recovery procedure under section 72(1) of the Tribunals, Courts and Enforcement Act 2007, or levies or attempts to levy any distress or other lawful taking control of goods, execution or other process against any of the Charged Property; or
- (d) a resolution is passed or an order is made for the winding-up, dissolution, or re-organisation of or any formal steps are taken for the appointment of an administrator in respect of the Company,

the floating charge created under clause 3.1(p) by any Company will automatically be converted (without notice) with immediate effect into a fixed charge in respect of the relevant Floating Charge Property.

5.3 At any time after the floating charge constituted under this Deed shall have crystallised as a fixed charge over all or part of the Floating Charge Property pursuant to this clause 5 but before the appointment of any Receiver pursuant hereto, the said fixed charge shall upon the

written consent of the Lender cease to attach to the assets then subject to the fixed charge and shall again subsist as a floating charge.

- 5.4 The floating charge created under this Deed shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of a Company.

6 PERFECTION OF SECURITY

6.1 Deposit of Title Documents

As soon as reasonably practicable following the execution of this Deed or, in the case of an Additional Company on the date of the relevant Accession Deed (or, if later, the date of acquisition of the relevant Charged Property), each Company shall deposit with the Lender:

- (a) all deeds and documents of title relating to the Charged Property;
- (b) copies of all Insurance Policies to which the Company is entitled to possession; and
- (c) at the request of the Lender, all certificates relating to the Investments together with stock transfer forms executed in blank and other documents as the Lender may from time to time reasonably require for perfecting its title to the Investments or for vesting or enabling it to vest the Investments in itself or its nominees or in any purchaser and declarations of trust in favour of the Company executed by all persons (other than that Company) in whose name the Investments are registered.

6.2 Notices of Assignment

Each Company shall, promptly following the execution of this Deed or in the case of an Additional Company, on the date of the relevant Accession Deed (and within 5 Business Days of obtaining of any Insurance Policy, of opening of any bank account or of execution of any Material Contract after the date of this Deed):

- (a) give notice in the form set out in Part 1, Schedule 3 (*Form of Notice of Assignment to Account Bank*) to each Account Bank of the charging of the Company's rights and interest in its bank accounts and shall use reasonable endeavours to procure that each Account Bank will promptly provide an acknowledgement to the Lender in the

form set out in Part 2, Schedule 3 (*Form of Account Bank Acknowledgement*) or with such amendment to it as the Lender may agree (acting reasonably);

- (b) give notice in the form set out in Part 3, Schedule 3 (*Form of Notice of Assignment to Contract Counterparty*) to each person with whom the Company has entered into a Material Contract of the assignment of the Company's rights and interest in and under such Material Contract and shall use reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Part 4, Schedule 3 (*Form of Acknowledgement from Contract Counterparty*) or with such amendment to it as the Lender may agree (acting reasonably); and
- (c) give notice in the form set out in of Part 5, Schedule 3 (*Form of Notice of Assignment to Insurers*) to each insurer with whom the Company has an Insurance Policy of the assignment of the Company's rights and interest in and under such Insurance Policy and shall use reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Lender in the form set out in Part 6, Schedule 3 (*Form of Acknowledgement from Insurers*) or with such amendment to it as the Lender may agree (acting reasonably).

6.3 Registration of Intellectual Property

Each Company shall, if requested by the Lender, execute all such documents and do all acts that the Lender may reasonably require to record the interest of the Lender in any registers relating to any registered Intellectual Property.

6.4 Land Registry disposal restriction

In respect of any Real Property or part of or interest in any Real Property title to which is registered at the Land Registry (or any unregistered land subject to first registration), each Company shall apply or consent to an application being made to the Chief Land Registrar to enter the following two restrictions on the Register of Title for such Real Property:

Restriction 1:

No disposition other than (i) a sublease of part of the registered estate for a term of less than 20 years; or (ii) a variation of a sublease granted out of the registered estate which does not vary the term of such sublease; or (iii) registration of any easements contained in a sublease of the registered estate granted by the proprietor of the registered estate is to be registered without (in each case) a written consent signed on behalf of the proprietor for the time being of the Charge dated [] in favour of Birmingham City Council referred to in the Charges Register by its secretary, conveyancer or authorised signatory

Restriction 2:

No (i) sublease of part of the registered estate for a term of less than 20 years or (ii) variation of a sublease granted out of the registered estate which does not vary the term of such sublease or (iii) registration of any easements contained in a sublease of the registered estate granted by the proprietor of the registered estate is to be registered without (in each case) a certificate signed on behalf of the proprietor for the time being of the registered estate by its secretary or conveyancer or director that the sublease or variation of a sublease or easements contained in a sublease are granted in compliance with the provisions of clauses 12.1 and 12.4 of the lease of the registered estate dated [] 2018 made between (1) Birmingham City Council and (2) Birmingham Science Park Aston Limited.

7 FURTHER ASSURANCE

7.1 Each Company shall, at its own expense, promptly take whatever action the Lender may reasonably require for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed; and
- (b) facilitating the realisation of any of the Charged Property or the exercise of any right, power or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including the execution of any security or other document (in such form as the Lender may reasonably require), the giving of any notice and the making of any registration which the Lender may think expedient.

8 REPRESENTATIONS

Each Company represents and warrants to the Lender, on the date of each Drawdown Request, on the Drawdown Date and on the first day of each Interest Period by reference to the facts and circumstances then existing that:

- 8.1 the Charged Property is, or when acquired will be, legally and beneficially owned by the Company free of any Security other than Security created by this Deed or Permitted Security;
- 8.2 this Deed creates the Security which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Company or otherwise;
- 8.3 no litigation, arbitration or administrative proceedings are currently taking place or are threatened in relation to any of the Charged Property; and
- 8.4 the Investments are fully paid.

9 UNDERTAKINGS

Each Company covenants and agrees with the Lender that it will, during the continuance of the security constituted by this Deed:

9.1 Charged Property Generally

- (a) permit the Lender (or its designated representatives), on reasonable written notice:
 - (i) access during normal office hours to the accounting records of the Company and to any documents and records relating to the Charged Property; and
 - (ii) to inspect, take extracts from, and make copies of, the same,and to provide such clerical and other assistance which the Lender may reasonably require to do this;
- (b) comply in all material respects with all obligations in relation to the Charged Property under any present or future law, regulation, order or instrument of any competent authority or other approvals, licences or consents;

- (c) comply with all material covenants and obligations affecting any of the Charged Property or the manner of use of any of it;
- (d) not, except with the prior written consent of the Lender, enter into any onerous or restrictive obligation affecting any of the Charged Property;
- (e) provide the Lender with all information which it may reasonably request in relation to the Charged Property; and
- (f) not do, cause or permit to be done or omit to do anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Charged Property;

9.2 **Property matters**

- (a) notify the Lender within 14 days of receipt of every material notice, order or proposal given, or made in relation to, the Real Property by any competent authority and (if required by the Lender) immediately provide it with a copy of the same and either:
 - (i) comply with such notice, order or proposal; or
 - (ii) make such objections to the same as the Lender may require or approve;
- (b) duly and punctually pay all rates, rents, taxes and other outgoings owed by it in respect of the Real Property;
- (c) maintain all buildings and erections forming part of the Charged Property in a good state of repair subject to fair wear and tear; and
- (d) not, except with the prior written consent of the Lender or as expressly permitted under the Facility Agreement, confer on any person:
 - (i) any lease or tenancy of any of the Real Property or accept a surrender of any lease or tenancy (whether independently or under any statutory power);
 - (ii) any right or licence to occupy any land or buildings forming part of the Real Property; or

- (iii) any licence to assign or sub-let any part of the Real Property;
- (e) not carry out any development within the meaning of section 55 of the Town and Country Planning Act 1990 without first obtaining such permissions as may be required under applicable legislation and, in the case of development involving a substantial change in the structure of, or a change in use of, any part of the Real Property, without first obtaining the written consent of the Lender (such consent not to be unreasonably withheld or delayed);
- (f) properly discharge all duties of care and responsibility placed on it by Environmental Law and apply for and obtain all authorisations necessary to ensure that it does not breach Environmental Law (if failure to do so has or is reasonably likely to have a Material Adverse Effect);
- (g) not do or permit to be done anything as a result of which any lease may be liable to forfeiture or otherwise be determined;
- (h) notify the Lender immediately upon the acquisition of any Real Property;
- (i) subject to the terms of any Occupational Leases, permit the Lender and any person nominated by it at all reasonable times with reasonable notice to enter any part of the Real Property and view the state of it;
- (j) grant the Lender on request all reasonable facilities within the power of the Company to allow the Lender (or its lawyers) to carry out investigations of title to the Real Property and to make all enquiries in relation to any part of the Real Property which a prudent mortgagee might carry out;
- (k) at any time after the security constituted by this Deed becomes enforceable and if required by a Valuer, immediately upon demand by the Lender, provide the Lender with a report as to title of the Company to the Real Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature;
- (l) in respect of any Real Property which is acquired after the date of this Deed, title to which is registered at the Land Registry or which is required to be so registered:

- (i) give written notice of this Deed to the Land Registry and procure that notice of this Deed is clearly noted in the Register of Title for such Real Property;
- (ii) procure that no person is registered as proprietor of any such property under the Land Registration Acts 1925 to 2002 without the prior written consent of the Lender;
- (m) authorise the Lender to make any application which the Lender deems appropriate for the designation of this Deed and/or Finance Documents and any other document as an exempt information documents under rule 136 of the Land Registration Rules 2003 and use its best endeavours to assist with any such application made by or on behalf of the Lender;
- (n) notify the Lender in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed or any other document, following its designation as an exempt information document and not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of such document as an exempt information document;

9.3 Plant and Machinery

- (a) maintain at its own expense all Plant and Machinery for the time being owned by it in good working order and condition subject to fair wear and tear;
- (b) not make any material alterations or additions to any Plant and Machinery which are reasonably likely to depreciate, jeopardise or prejudice their value or marketability;
- (c) not remove any Plant and Machinery from the Charged Property except for the purpose of maintenance pursuant to the terms of this Deed;

9.4 Insurance

- (a) insure its business and assets with reputable underwriters or insurance companies against the risks customarily covered by, and in commercially prudent amounts for, companies carrying on similar businesses (in addition to covering public and third party liability, business interruption and other appropriate risks in respect of those businesses). In connection with these insurances, it shall:

- (i) duly and punctually pay all premiums in respect of all policies of insurance;
- (ii) have the interest of the Lender as mortgagee noted on such policies;
- (iii) ensure that such policies shall not be rendered void, voidable or unenforceable against the Lender by reason of the act or default of another joint or named insured;
- (iv) procure that the insurer is obliged, under the terms of each policy, to give not less than 14 days' written notice to the Lender of any intention to cancel those insurances;
- (v) procure that, under the terms of each policy, the Lender shall not in any circumstances be liable for the relevant premium; and
- (vi) from time to time, on request by the Lender, supply the Lender with copies of all such policies of insurance, certificates of insurance or such other evidence of the existence of such policies as may be reasonably acceptable to the Lender,

9.5 Intellectual Property

- (a) observe and comply with all material obligations and laws to which it is subject in its capacity as registered proprietor, beneficial owner, user, licensor or licensee of its Intellectual Property or any part of it;
- (b) do all acts as are reasonably practicable to maintain, protect and safeguard its Intellectual Property and not discontinue the use of any of its Intellectual Property nor allow it to be used in such a way that it is put at risk by becoming generic or by being identified as disreputable in any way;
- (c) duly register in such register(s), or with such authorities as may be available for the purpose and in such name(s) as may be required by the law and practice of the place or registration, such of its Intellectual Property (and all assignments, licences and mortgages of it) as may be capable of registration in such places;

- (d) pay all fees necessary to maintain, protect and safeguard its Intellectual Property and the registrations required to be made for such purposes prior to the latest time provided for payment of them;
- (e) take all reasonable steps (including the commencement of legal proceedings) as may be necessary to safeguard and maintain the validity, reputation, integrity, registration or subsistence of its Intellectual Property;
- (f) not change the specification referred to in any of its registrations of Intellectual Property or permit any disclaimer, condition, restriction, memorandum or other thing to be entered on the registration of any of the trade marks comprised within such Intellectual Property, the effect of which will be to materially and adversely affect the value of such trade marks;
- (g) not grant any licence to any person to use its Intellectual Property in any manner which will materially and adversely affect the value of such Intellectual Property;
- (h) maintain a comprehensive, detailed and up-to-date centralised record of all its Intellectual Property (including details of agents engaged in relation to registrations of it) and, when reasonably requested by the Lender, immediately provide to the Lender a copy of such record and/or a summary of all its Intellectual Property created or acquired since the date of this Deed or the date of last notification;

9.6 Receivables

- (a) deal with the Receivables in accordance with any directions given in writing from time to time by the Lender and, in the absence of such directions, hold the Receivables on trust for the benefit of the Lender;
- (b) after the Security constituted by this Deed becomes enforceable, comply with any notice served by the Lender on the Company prohibiting the Company from withdrawing all or any monies from time to time standing to the credit of its accounts with any bank, financial institution or other person, except with the prior written consent of the Lender;
- (c) if an Event of Default has occurred and is continuing and if requested to do so by the Lender, serve a notice of assignment of the Receivables to the debtors (in form and substance satisfactory to the Lender) from whom the Receivables are due, owing or

incurred and use reasonable endeavours to obtain an acknowledgement to such notice from each debtor;

- (d) deliver to the Lender such information as to the amount and nature of its Receivables as the Lender may from time to time reasonably require;

9.7 Investments

- (a) promptly pay all calls or other payments which may become due in respect of the Investments;
- (b) promptly send to the Lender copies of all notices, circulars, reports, accounts and other documents which are sent to the holders of any Investments;
- (c) at the request of the Lender, procure all consents, waivers and approvals which are necessary, under the articles of association of any Issuer or otherwise, for the transfer of the Investments to the Lender or its nominee or to a purchaser upon the enforcement of this Deed and to procure the amendment of the share transfer provisions of each Issuer's articles of association in such manner as the Lender may require in order to permit such a transfer;
- (d) if so requested by the Lender:
 - (i) instruct any clearance system to transfer any Investment held by it for the Company or its nominee to an account of the Lender or its nominee with that clearance system; and
 - (ii) take whatever action the Lender may request for the dematerialisation or re-materialisation of any Investment held in a clearance system;
- (e) without prejudice to the above, permit the Lender, at the expense of a Company, to take whatever action it deems necessary for the dematerialisation or re-materialisation of any Investment;
- (f) until the security constituted by this Deed becomes enforceable, be entitled to:
 - (i) receive and retain all dividends, distributions and other moneys paid on or derived from the Investments; and

- (ii) exercise all voting and other rights and powers attaching to the Investments PROVIDED THAT it must not do so in a manner which is prejudicial to the interests Lender under this Deed;
- (g) after the security constituted by this Deed becomes enforceable:
 - (i) hold all dividends, distributions and other moneys paid on or derived from the Investments on trust for the Lender; and
 - (ii) comply and procure that its nominees comply with any directions from the Lender concerning the exercise of all voting and other rights and powers attaching to the Investments;
- (h) at any time after the security constituted by this Deed becomes enforceable, permit the Lender to complete the instrument(s) of transfer for the Investments on behalf of each Company in favour of itself or such other person as it may select;

9.8 **Material Contracts**

- (a) not, without the prior written consent of the Lender, amend or waive any term of any Material Contract, terminate any Material Contract or release any other party from its obligations under any Material Contract;
- (b) duly perform its obligations under each Material Contract, notify the Lender of any material default by it or any other party under any Material Contract and not take any action which would reduce or impede recoveries in respect of any Material Contract;
- (c) provide to the Lender, as soon as practicable upon receipt, copies of all notices which it may from time to time receive from any other party to any Material Contract;

9.9 **Goodwill**

- (a) not, except with the prior written consent of the Lender, grant any franchise, licence or other authority to any person to use its company name, trade name or business name or any other business asset which will materially and adversely affect the value of the goodwill of the Company;

- (b) where the prior written consent of the Lender had been given under clause 9.9(a), it will comply with clause 9.6 (*Receivables*) in relation to any income or monies receivable in respect of such franchise, licence or authority as if such income or monies were *Receivables*;

9.10 Uncalled capital

- (a) not call up, or receive in advance of its due date, any uncalled capital;
- (b) will promptly apply any paid capital towards the repayment, in full or in part, of the Secured Obligations.

10 ENFORCEMENT OF SECURITY

10.1 Enforcement

The security constituted by this Deed shall become immediately enforceable at any time after the occurrence of an Event of Default which is continuing.

10.2 Powers on enforcement

At any time after the security created under this Deed becomes enforceable, the Lender may, without notice to any Company and whether or not it has appointed a Receiver, exercise:

- (a) all or any of the powers, authorities and discretions conferred on mortgagees by the Law of Property Act 1925 (as varied or extended by this Deed);
- (b) all of the powers conferred on the holder of a qualifying floating charge (as defined in the Insolvency Act 1986) by the Insolvency Act 1986; and
- (c) all or any of the powers conferred by this Deed.

10.3 No Liability as Mortgagee in Possession

Neither the Lender nor any Receiver shall be liable, by reason of entering into possession of all or any part of the Charged Property, to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

11 POWERS OF THE LENDER

11.1 Extension of Powers

The power of sale conferred on the Lender and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Deed.

11.2 Restrictions

Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed.

11.3 Power of Leasing

At any time after the security created by this Deed becomes enforceable, the Lender may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

11.4 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder by the Lender or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

11.5 Delegation

Each of the Lender and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Lender or the Receiver itself or any subsequent delegation or revocation thereof.

11.6 Investigations

Following an Event of Default which is continuing, the Lender may initiate an investigation of, and/or instruct any report (accounting, legal, valuation or other) on the business and affairs of

a Company which it considers necessary to ascertain the financial position of the Company. All fees and expenses incurred by the Lender in connection with such investigations shall be payable by the Company and the Company consents to the provision by the Lender of all information in relation to the Company which the Lender provides to any person in relation to the preparation of any such report.

11.7 Power to Remedy

If at any time a Company does not comply with any of its obligations under this Deed, the Lender may (but shall not be obliged to) rectify such default and the Company irrevocably authorises the Lender, its employees and agents, at the Company's expense, to do all such things as are necessary or desirable to rectify such default.

12 APPOINTMENT OF RECEIVER

12.1 Appointment and Removal

At any time after the security created under this Deed becomes enforceable, or if requested to do so in writing by a Company, the Lender may (by deed or otherwise and acting through its authorised officer):

- (a) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Property;
- (b) remove (so far as it is lawfully able) any Receiver(s) so appointed; and
- (c) appoint another person(s) as an additional or replacement Receiver(s).

12.2 Capacity of Receivers

Each Receiver shall be:

- (a) an agent of the relevant Company and that Company shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration; and
- (b) entitled to remuneration for his services at a rate to be fixed by the Lender from time to time (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925).

13 POWERS OF RECEIVER

13.1 General Powers

Every Receiver shall have all the powers:

- (a) conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

13.2 Additional Powers

In addition to the powers referred to in clause 13.1 (*General Powers*) a Receiver shall have the power, at the cost of a Company and either in his own name or in the name of the Company or (with the written approval of the Lender) in the name of the Lender:

- (a) to take possession of, collect and get in all or any part of the Charged Property;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Company;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Deed for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Property in any manner and on such terms as he thinks fit. The consideration for any such transaction may consist of cash or of shares or securities of another company (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments;
- (e) to sever any fixtures (including trade and tenants fixtures) from the property of which they form part, without the consent of the Company;

- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Property, including, without limitation, all voting and other rights attaching to the Investments;
- (g) to make and effect all repairs, renewals, improvements, and insurances;
- (h) to redeem any prior Security in respect of all or any of the Charged Property and to settle and pass the accounts of the holder of such prior Security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Company. All moneys paid to the holder of such Security in accordance with such accounts shall form part of the Secured Obligations;
- (i) to promote the formation of subsidiaries of the Company for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Company and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to make any arrangement or compromise which the Lender or the Receiver may think fit;
- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine;
- (l) to exercise in relation to all or any part of the Charged Property all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Property; and/or
- (m) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Property.

14 APPLICATION OF MONEYS

- 14.1 All moneys received or recovered by the Lender or any Receiver pursuant to this Deed shall (subject to the rights and claims of any person having security ranking in priority to the security constituted by this Deed) be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Lender or any Receiver and the payment of the remuneration of any Receiver;
- (b) second, in or towards payment of any debts or claims which are required by law to be paid in preference to the Secured Obligations, but only to the extent to which such debts or claims have such preference;
- (c) third, in or towards payment of all matters referred to in the first three paragraphs of Section 109(8) of the Law of Property Act 1925 (other than the remuneration of the Receiver);
- (d) fourth, in or towards satisfaction of the Secured Obligations; and
- (e) fifth, any surplus shall be paid to the relevant Company or any other person entitled thereto.

14.2 Only money actually paid by the Receiver to the Lender, or received or recovered by the Lender under this Deed, shall be capable of being applied in or towards the satisfaction of the Secured Obligations and a Company shall have no rights in respect of the application by the Lender of any sums received, recovered or realised by the Lender under this Deed.

14.3 **Suspense Account**

Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full, the Lender and any Receiver may place and keep for such time as it thinks prudent any moneys received, recovered or realised under or by virtue of this Deed in a separate or suspense account to the credit of either a Company or of the Lender without any obligation to apply all or any part of such moneys in or towards the discharge of the Secured Obligations. Amounts standing to the credit of such suspense account shall bear interest at a fair market rate.

14.4 **Avoidance of Payments**

If the Lender reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Companies under this Deed and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

15 PROTECTION OF PURCHASERS

15.1 Receipts

The receipt of the Lender or its delegate or any Receiver shall be conclusive discharge to a purchaser in any sale or disposal of any of the Charged Property.

15.2 Protection of Purchasers

No purchaser or other person dealing with the Lender or its delegate or any Receiver shall be bound to inquire whether the right of the Lender or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any notice to the contrary, or be concerned to see whether any such delegation by the Lender shall have lapsed for any reason or have been revoked.

16 POWER OF ATTORNEY

16.1 Appointment

Each Company, by way of security and to more fully secure the performance of its obligations under this Deed, irrevocably appoints the Lender, each person to whom the Lender shall from time to time have delegated the exercise of the power of attorney conferred by this clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary for:

- (a) carrying out any obligation imposed on the Company by this Deed that the Company has failed to perform (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Lender and any Receiver to exercise any of the powers conferred on them by or pursuant to this Deed or by law.

16.2 Ratification

Each Company ratifies and confirms and agree to ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers pursuant to its appointment under clause 16.1.

17 CONTINUING SECURITY

17.1 The security created by or pursuant to this Deed will be a continuing security for the Secured Obligations notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or other matter or thing whatsoever and will be without prejudice and in addition to and shall not merge with any other right, remedy or security which the Lender may hold at any time for the Secured Obligations and will not be affected by any release, reassignment or discharge of such other right, remedy or security.

17.2 Settlements conditional

Any release, discharge or settlement between a Company and the Lender shall be conditional upon no security, disposition or payment to the Lender by the Company or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy or insolvency or for any other reason whatsoever, and if such condition shall not be fulfilled the Lender shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

18 CURRENCY

18.1 For the purpose of or pending the discharge of the Secured Obligations, the Lender may, in its sole discretion, convert any moneys received, recovered or realised in any currency under this Deed (including the proceeds of any previous conversion under this clause) from their existing currency into any other currency at such rate or rates of exchange and at such time as the Lender thinks fit.

19 NEW ACCOUNTS

If the Lender at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property it may open a new account or accounts with the relevant Company. If the Lender does not open a new account or accounts it shall nevertheless be treated as if it had done so as at the time when it received or was deemed to have received such notice and as from such time all payments made to the Lender shall be credited or be treated as having been credited to such new account or accounts and shall not operate to reduce the amount of the Secured Obligations.

20 EXPENSES AND INDEMNITY

20.1 Expenses

Each Company shall, from time to time on demand, pay to or reimburse the Lender on a full indemnity basis, all costs and expenses (including legal fees) together with any VAT or similar taxes thereon:

- (a) reasonably incurred by the Lender in connection with any amendment, extension, waiver, consent or suspension of rights relating to this Deed;
- (b) incurred by the Lender in connection with the enforcement or discharge of any of its rights under this Deed.

Such costs and expenses shall form part of the Secured Obligations and shall carry interest from the date of such demand until so paid or reimbursed at the rate determined in accordance with clause 7.1 (Default Interest) of the Facility Agreement.

20.2 Indemnity

Each Company shall, notwithstanding any release or discharge of all or any part of the security constituted by this Deed, indemnify the Lender, its agents, attorneys and any Receiver against any action, proceeding, claim, loss, liability and cost which it may sustain:

- (a) in the exercise (or purported exercise) of any of the rights, powers or discretions vested in them by this Deed (or by law); and/or
- (b) in connection with or otherwise relating to this Deed or the Charged Property.

21 ACCESSION

21.1 Each Company may at any time request that with the consent of the Lender any of its subsidiaries becomes a party to this Deed by executing and delivering an Accession Deed.

21.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed; and

- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each of the other Companies under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession;

- 21.3 Delivery of a Deed of Accession constitutes confirmation by each Additional Company that the representations and warranties in Clause 8 of this Deed are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

22 MISCELLANEOUS

22.1 No Deduction

All payments to be made to the Lender under this Deed shall be made in freely available funds and shall be made clear of and without deduction for or on account of tax. If a Company is required by law to make a tax deduction, the sum payable by the Company shall be increased to the extent necessary to ensure that, after the making of such deduction, the recipient of such sum receives and retains a net sum equal to the sum which it would have received and retained had no such deduction been made or required to be made.

22.2 Assignment and disclosure of information

The Lender may assign and transfer all or any of its rights and obligations under this Deed. The Lender may disclose to any actual or potential assignee or transferee of its rights and obligations under this Deed such information as the Lender shall consider appropriate, if the person to whom the information is given has entered into a Confidentiality Undertaking, except that there shall be no requirement for a Confidentiality Undertaking if the recipient is subject to professional obligations to maintain the confidentiality of the information.

22.3 Perpetuity Period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

22.4 Remedies and Waivers

No failure on the part of the Lender to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

22.5 No Liability

None of the Lender, its delegate(s) nominee(s) or any Receiver shall be liable for any loss by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

22.6 Partial Invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

22.7 Certificates

Clause 28.2 (*Certificates and determinations*) of the Facility Agreement shall apply to this Deed as if set out here in full but so that references to the Finance Documents shall be construed as references to this Deed and any Security created by or under it.

23 NOTICES

23.1 All notices under or in connection with this Deed shall be given in writing in English and signed by the relevant party issuing the notice. A notice or other communication given under or in connection with this Deed is not valid if sent by fax.

23.2 The address (and the department or officer, if any, for whose attention the communication is to be made) of each party is:

(a) in the case of the Companies:

Name: Aghoco 1658 Limited
Address: Bruntwood Limited
York House
York Street
Manchester
M2 3BB
Attention: the Directors
Email: sean.davies@bruntwood.co.uk

Name: Birmingham Science Park Aston Limited
Address: Faraday Wharf Innovation Birmingham Campus
Holt Street
Birmingham Science Park Aston
Birmingham
B7 4BB
Attention: the Directors
Email: sean.davies@bruntwood.co.uk

Name: Birmingham Technology (Property) Limited
Address: Faraday Wharf Innovation Birmingham Campus
Holt Street
Birmingham Science Park Aston
Birmingham
B7 4BB
Attention: the Directors
Email: sean.davies@bruntwood.co.uk

Name: Birmingham Technology (Venture Capital) Limited
Address: Faraday Wharf Innovation Birmingham Campus
Holt Street
Birmingham Science Park Aston
Birmingham
B7 4BB
Attention: the Directors
Email: sean.davies@bruntwood.co.uk

Name: Birmingham Technology (Property One) Limited
Address: Faraday Wharf Innovation Birmingham Campus
Holt Street
Birmingham Science Park Aston
Birmingham
B7 4BB
Attention: the Directors
Email: sean.davies@bruntwood.co.uk

(b) in the case of the Lender:

Address: Birmingham City Council
10 Woodcock Street
Birmingham
B7 4BL
Attention: The Director of Legal and Democratic Services
Email: Treasury.team@birmingham.gov.uk; and
Elaine.peach@birmingham.gov.uk

or any substitute address or department or officer as the parties may notify to each other by not less than five Business Days' notice.

23.3 Any notice to a Company will be effective when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid, in an envelope correctly addressed to the addressee or, if sent by email, at the time of transmission.

23.4 Any notice to the Lender will be effective only when actually received by the Lender.

23.5 This clause 23 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

24 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which is an original and all of which together evidence the same agreement.

25 GOVERNING LAW

This Deed and all non-contractual obligations arising in any way whatsoever out of or in connection with this Deed shall be governed by, construed and take effect in accordance with English law.

26 JURISDICTION

26.1 English Courts

The courts of England have exclusive jurisdiction to settle any disputes (a "**Dispute**") arising out of, or connected with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity).

26.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

26.3 Exclusive Jurisdiction

This clause 26 is for the benefit of the Lender only. As a result and notwithstanding clause 26.1 (*English Courts*), it does not prevent the Lender from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Lender may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been signed on behalf of the Lender and **EXECUTED AS A DEED** by the Companies and is delivered by them on the date first specified above.

SCHEDULE 1

The Companies

Company Name	Registered Number	Registered Address
Aghoco 1658 Limited	11201902	York House, York Street, Manchester, England M2 3BB
Birmingham Science Park Aston Limited	01720256	Faraday Wharf Innovation Birmingham Campus, Holt Street, Birmingham Science Park Aston, Birmingham, B7 4BB
Birmingham Technology (Property) Limited	02188998	Faraday Wharf Innovation Birmingham Campus, Holt Street, Birmingham Science Park Aston, Birmingham, B7 4BB
Birmingham Technology (Property One) Limited	03089755	Faraday Wharf Innovation Birmingham Campus, Holt Street, Birmingham Science Park Aston, Birmingham, B7 4BB
Birmingham Technology (Venture Capital) Limited	02188943	Faraday Wharf Innovation Birmingham Campus, Holt Street, Birmingham Science Park Aston, Birmingham, B7 4BB

SCHEDULE 2

The Real Property

Part A - Registered Land

Owner	Title number	Property description

Part B - Unregistered Land

Owner	Lease Parties	Property description
Birmingham Science Park Aston Limited	(1) Birmingham City Council and (2) Birmingham Science Park Aston Limited	Faraday Wharf and the Universities Centre at Holt Street, Birmingham (orange land) (Freehold title number(s) - WK302199, WK1588 and WK203226)
Birmingham Science Park Aston Limited	(1) Birmingham City Council and (2) Birmingham Science Park Aston Limited	iCentrum, Holt Street, Birmingham (green land) (Freehold title number(s) - WM314004 (part) and MM51660)
Birmingham Science Park Aston Limited	(1) Birmingham City Council and (2) Birmingham Science Park Aston Limited	Development site at Holt Street, Birmingham (blue land) (Freehold title number(s) - WM314004 (part); MM87084; WM535562; and WK117414)

		(part))
Birmingham Science Park Aston Limited	(1) Birmingham City Council and (2) Birmingham Science Park Aston Limited	Site of electronic sign at Holt Street, Birmingham (Freehold title number(s) - MM10555 (part))

SCHEDULE 3

Notices of Assignment

Part 1

Form of Notice of Assignment Account Bank

To: *[Account Bank]*

Date: []

Dear Sirs

We give notice that by a Debenture dated [], we have assigned and charged to Birmingham City Council (the "Lender") all our right, title and interest in and to all sums which are now or may from time to time in the future stand to the credit of:

Account Number []

Account Holder []

together with all interest accrued or accruing thereto and the debts represented by those sums (the "Account").

We hereby irrevocably instruct and authorise you:

- 1 to credit to the Account all interest from time to time earned on the sums of money held in the Account;
- 2 to disclose to the Lender such information relating to the Account and the sums in the Account as the Lender may, at any time and from time to time, request;
- 3 to hold all sums from time to time standing to the credit of the Account to the order of the Lender;
- 4 to pay or release all or any part of the sums from time to time standing to the credit of the Account in accordance with the written instructions of the Lender at any time and from time to time; and

5 to comply with the terms of any written notice or instructions in any way relating to the Account or the sums standing to the credit of the Account from time to time which you may receive at any time from the Lender.

Please note we are not permitted to withdraw any amount from the Account without the prior written consent of the Lender.

These instructions cannot be revoked or varied without the prior written consent of the Lender.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Lender at Council House, Victoria Square, Birmingham, B1 1BB.

Yours faithfully

.....
Authorised Signatory

for and on behalf of

[Company]

[On Copy Only.]

Part 2

Form of Account Bank Acknowledgement

To: Birmingham City Council

Date: []

Dear Sirs

We acknowledge receipt of a notice (the "**Notice**") in the terms set out above and confirm that:

- 1 we have not previously received notice of any previous assignments of, charges over or trusts in respect of, the Account;
- 2 we have noted the restrictions imposed upon the Company and the authority of the Lender in respect of the Account and will not act in such a way as to breach those restrictions or to ignore the authority of the Lender;
- 3 we will act in accordance with the terms of the Notice; and
- 4 we waive all rights of set-off, combination or consolidation which we may have at any time in respect of the Account.

Yours faithfully

.....
for and on behalf of
[Account Bank]

Part 3

Form of Notice of Assignment of Contract Counterparty

To: [Counterparty to Material Contract]

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Birmingham City Council (the "Lender") all our right, title and interest in and to [details of Material Contract] (the "Contract") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 all payments by you to us under or arising from the Contract should be held to the order of the Lender or as it may specify in writing from time to time¹;
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Lender;
- 3 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract and all rights to compel performance of the Contract are exercisable by the Lender although we shall remain liable to perform all the obligations assumed by us under the Contract;
- 4 you are authorised and instructed, without requiring further approval from us, to disclose to the Lender such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Lender at Council House, Victoria Square, Birmingham, B1 1BB as well as to us;
- 5 we may not initiate or agree to any amendment to, waive any obligation under or agree to any termination of the Contract without the prior written consent of the Lender.

These instructions may not be revoked or amended without the prior written consent of the Lender.

¹ Alternatively, details of account into which sums are to be paid may be included.

This notice is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Lender at the address set out in paragraph 4 of this notice.

Yours faithfully

.....
Authorised Signatory

for and on behalf of

[Company]

[On copy only:]

Part 4

Form of acknowledgement from Contract Counterparty

To: Birmingham City Council

Date: []

Dear Sirs

We acknowledge receipt of a notice dated [] (the "Notice") relating to the *[details of Material Contract]*.

We:

- 1 agree to the terms set out in the Notice and to act in accordance with its terms;
- 2 confirm that we have not received any prior notice that *[Company]* has assigned its rights under the Contract or created any other interest (whether by way of security or otherwise) in favour of a third party; and
- 3 agree not to exercise any right to terminate the Contract or take any action to amend or supplement the Contract without the prior written consent of the Lender.

Yours faithfully

.....

For and on behalf of

[Counterparty to Material Contract]

Position: []

Address: []

Fax: []

Telephone: []

Part 5

Form of Notice of Assignment to Insurers

To: *[Insurer]*

Date: []

Dear Sirs

We give notice that pursuant to a debenture dated [] we have assigned to Birmingham City Council (the "**Lender**") all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "**Policy**").

With effect from your receipt of this notice we instruct you to:

- 1 note the interest of the Lender on the Policy as Mortgagee and in addition endorse on the Policy the provisions set out in the attachment to this notice; and
- 2 disclose to the Lender, without further approval from us, such information regarding the Policy as the Lender may from time to time request and to send it copies of all notices issued by you under the Policy.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy (including all rights to compel performance) belong to and are exercisable by the Lender.

This letter is governed by English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Lender at Council House, Victoria Square, Birmingham, B1 1BB.

Yours faithfully

.....
Authorised Signatory

for and on behalf of

[Company]

ENDORSEMENT

The Policy shall contain the following provisions or endorsements:

IT IS HEREBY CONFIRMED AND AGREED:

- 1 that the interest of Birmingham City Council (the "**Lender**") and any successor or assignee is noted on the Policy as first Mortgagee;
- 2 that the cover afforded by the Policy applies to *[insert short description of the properties/assets of the Insured to which the Policy relates]* (together the "**Properties and Assets**") of which *[insert name of Company]* (the "**Insured**") is the legal owner;
- 3 that any payments made in respect of claims in relation to the Properties and Assets shall, unless otherwise agreed by the Lender, be made to the Lender who shall be the sole loss payee and who alone shall have authority to give the Insurer a good discharge in respect of any such payment;
- 4 that the interest of the Lender in the Policy shall not be prejudiced by any act or neglect of the Insured or the occupier of any building insured under the Policy and the Insurer shall not allow the Policy to lapse without the Lender being notified in writing and being given a period of at least 30 days from the date of receipt of such notice during which it can rectify any defects and/or pay any additional premium;
- 5 that the following policy condition shall be deemed to form part of the Policy and, where necessary to give full effect to such condition, shall replace any existing contrary policy conditions:

"Waiver of Right of Recourse to Other Insurances

It is expressly understood and agreed that notwithstanding any contrary provision in this Policy, this Policy provides primary insurance for the Insured and that in the event of loss or damage to the insured property covered by this Policy which is also covered either in whole or in part under any other policy or policies of insurance effected by or on behalf of any of the parties comprising the Insured, the Insurer will indemnify the Insured as if such other policy or policies of insurance were not in force and the Insurer waives rights of recourse (to the extent it has any) arising out of any claim, recourse or any other action the Insurer may have against the insurers (or any of them) of such other policy or policies of insurance."

[On copy only:]

Part 6

Form of acknowledgement from Insurer

To: Birmingham City Council

Date: []

We acknowledge receipt of a notice dated [] relating to the Policy (the "Notice") and confirm that we have not received notice of any previous assignments of or charges over the Policy and that we will comply with the terms of the Notice and the endorsement attached to that Notice.

.....

for and on behalf of

[Insurer]

SCHEDULE 4

Material Contracts

None.

SCHEDULE 5

Form of Accession Deed

THIS ACCESSION DEED is made on

20•

BETWEEN

- (1) THE COMPANY SPECIFIED IN SCHEDULE 1 (the "Acceding Company");
- (2) THE COMPANIES LISTED IN PART 1 OF SCHEDULE 2 (each an "Original Company", together the "Original Companies"); and
- (3) BIRMINGHAM CITY COUNCIL of Council House, Victoria Square, Birmingham B1 1BB (the "Lender").

BACKGROUND

This Accession Deed is supplemental to a debenture dated • and made between (1) the Original Companies and (2) the Lender (the "Debenture").

IT IS AGREED and declared as follows:

1 DEFINITIONS

- 1.1 Words or expressions defined (including by reference) in the Debenture shall, unless otherwise defined in this Accession Deed, bear the same meaning in this Accession Deed (including the recital).
- 1.2 The principles of construction set out in clause 1 of the Debenture shall apply mutatis mutandis to this Accession Deed as if they were set out in full in this Accession Deed.

2 ACCESSION OF THE ACCEDING COMPANY

- 2.1 By its execution of this Accession Deed, the Acceding Company unconditionally and irrevocably undertakes to and agrees with the Lender to observe and be bound by the terms and provisions of the Debenture as if it were an original party to it as one of the Original Companies.

2.2 Without prejudice to the generality of sub-clause 2.1, the Acceding Company:

- (a) (jointly and severally with the Original Companies) covenants in the terms set out in Clause 2 (*Covenant to Pay*) of the Debenture;
- (b) with full title guarantee, charges and assigns to the Lender for the payment and discharge of the Secured Obligations, all its property, assets and undertaking on the terms set out in Clause 3 of the Debenture, (including without limiting the generality of the foregoing):
 - (i) by way of first legal mortgage all Real Property (if any) vested in or charged to the Acceding Company (including without limitation, the Real Property specified in schedule 2 to this Accession Deed) together with all Plant and Machinery and other fixtures (including trade fixtures) at any time thereon;
 - (ii) by way of first fixed charge all rights, interests and claims in the Material Contracts (other than those validly and effectively assigned under Clause 3.1 (*Charges*) of the Debenture;
 - (iii) by way of floating charge, the whole of the Company's undertaking and assets, present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland, other than any assets validly and effectively mortgaged, charged or assigned by way of security (whether at law or in equity) by the Debenture or this Deed (the "**Floating Charge Property**").
- (c) assigns absolutely to the Lender, as continuing security for the payment and discharge of the Secured Obligations, all of its right, title interest and benefit from time to time in and to:
 - (i) the Material Contracts;
 - (ii) the Insurance Policies;
 - (iii) the Investments; and
 - (iv) the Receivables.

- 2.3 The Original Companies consent to the accession of the Acceding Company to the Debenture on the terms of clauses 2.1 and 2.2 of this Accession Deed and agree that the Debenture shall from now on be read and construed as if the Acceding Company had been named in it as a Company.

3 INTERPRETATION

This Accession Deed shall from now on be read as one with the Debenture, so that all references in the Debenture to "this deed", "this Debenture" and similar expressions shall include references to this Accession Deed.

4 DELIVERY

This Accession Deed shall be treated as having been executed and delivered as a deed only upon being dated.

5 COUNTERPARTS

This Accession Deed may be executed in any number of counterparts each of which shall be deemed to be an original, and which together shall constitute one and the same instrument.

6 THIRD PARTY RIGHTS

A person who is not a party to this Accession Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Accession Deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

7 GOVERNING LAW AND JURISDICTION

- 7.1 This Accession Deed, and any non-contractual rights or obligations arising out of or in connection with it, are governed by and shall be construed in accordance with English law.
- 7.2 Each of the parties to this Accession Deed irrevocably agrees for the benefit of the Lender that the courts in England shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute which may arise out of, or in connection with, this Accession Deed (including in relation to any non-contractual rights or obligations arising out of

or in connection with this Accession Deed) and, for such purposes, the parties to this Accession Deed irrevocably submit to the jurisdiction of such courts.

EXECUTED as a **DEED** and delivered on the date first written on it.

Schedule 1

Acceding Company

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Schedule 2

Real Property

.

Schedule 3

Material Contracts

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SIGNATORIES TO THE DEBENTURE

Lender

THE COMMON SEAL of)
BIRMINGHAM CITY COUNCIL)
was affixed to this DEED acting by)
.....)

in the presence of: Authorised Signatory

Witness name:

Witness signature:

Address:

Occupation:

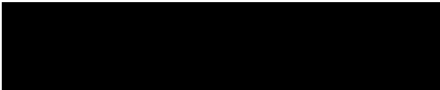
The Companies

EXECUTED as a DEED by)
AGHOCO 1658 LIMITED)
acting by a Director)
in the presence of:) Director

Signature of witness

Name (in BLOCK CAPITALS)

Address



EMMA WHITEHALL

ADDLESHAW GODDARD LLP
1 ST. PETER'S SQUARE
MANCHESTER
M2 3DE

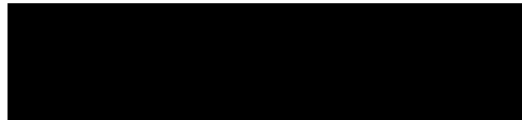
EXECUTED as a DEED by
BIRMINGHAM SCIENCE PARK
ASTON LIMITED
acting by a Director
in the presence of:

)
)
)
)
)



Director

Signature of witness



Name (in BLOCK CAPITALS)

EMMA WHITEHALL

Address

ADDLESHAW GODDARD LLP
1 ST. PETER'S SQUARE
MANCHESTER
M2 3DE

EXECUTED as a DEED by
BIRMINGHAM TECHNOLOGY (PROPERTY)
LIMITED
acting by a Director
in the presence of:

)
)
)
)
)



Director

Signature of witness



Name (in BLOCK CAPITALS)

EMMA WHITEHALL

Address

ADDLESHAW GODDARD LLP
1 ST. PETER'S SQUARE
MANCHESTER
M2 3DE

EXECUTED as a DEED by
BIRMINGHAM TECHNOLOGY
(VENTURE CAPITAL) LIMITED
acting by a Director
in the presence of:

)
)
)
)
)



Director

Signature of witness



Name (in BLOCK CAPITALS)

EMMA WHITEHALL

Address

ADDLESHAW GODDARD LLP
1 ST. PETER'S SQUARE
MANCHESTER
M2 3DE

EXECUTED as a DEED by
BIRMINGHAM TECHNOLOGY
(PROPERTY ONE) LIMITED
acting by a Director
in the presence of:

)
)
)
)
)



Director

Signature of witness



Name (in BLOCK CAPITALS)

EMMA WHITEHALL

Address

ADDLESHAW GODDARD LLP
1 ST. PETER'S SQUARE
MANCHESTER
M2 3DE