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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

**Date of Report (Date of earliest event reported): July 16, 2020**

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**Orbsat Corp**

(Exact name of registrant as specified in its charter)

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**Nevada**  
(State or other jurisdiction of  
incorporation or organization)

**000-25097**  
(Commission  
File Number)

**65-0783722**  
(I.R.S. Employer  
Identification No.)

**18851 N.E. 29th Ave., Suite 700, Aventura, FL 33180**  
(Address of principal executive offices) (Zip Code)

**Registrant's telephone number, including area code: (305) 560-5355**

**Orbital Tracking Corp.**  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
NA	NA	NA

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**Item 1.01. Entry into a Material Definitive Agreement.**

On April 20, 2020, the Board of Directors of Orbsat Corp (the “Company”), approved for its wholly owned UK subsidiary, Global Telesat Communications LTD (“GTC”), to apply for a Coronavirus Interruption Loan, offered by the UK government, for an amount up to £250,000. On July 16, 2020 (the “Issue Date”), GTC, entered into a Coronavirus Interruption Loan Agreement (“Debenture”) by and among the Company and HSBC UK Bank PLC (the “Lender”) for an amount of £250,000, or US\$313,875 at an exchange rate of GBP:USD of 1.2555. The Debenture bears interest at a rate of 3.99% per annum over the Bank of England Base Rate (0.1% as of July 16, 2020), payable monthly on the outstanding principal amount of the Debenture. The Debenture has a term of 6 years from the date of drawdown, July 15, 2026, the “Maturity Date”. The first repayment of £4,166.67 (exclusive of interest) will be made 13 month(s) after July 16, 2020. Voluntary prepayments are allowed with 5 business days’ written notice and the amount of the prepayment is equal to 10% or more of the Limit or, if less, the balance of the debenture. The Debenture is secured by all GTC’s assets as well as a guarantee by the UK government, with the proceeds of the Debenture are to be used for general corporate and working capital purposes. The Debenture includes customary events of default, including, among others: (i) non-payment of amounts due thereunder, (ii) non-compliance with covenants thereunder, (iii) bankruptcy or insolvency (each, an “Event of Default”). Upon the occurrence of an Event of Default, the Debenture becomes payable upon demand.

*The foregoing descriptions of the Loan Agreement and the Debenture are only summaries and are qualified in their entirety by reference to the full text of such instruments which are filed as Exhibit 10.1 and Exhibit 10.2, respectively, to this Current Report on Form 8-K and incorporated herein by reference. The representations, warranties and covenants contained in such instruments were made only for purposes of such agreements and as of specific dates, were solely for the benefit of the parties to such agreements, and may be subject to limitations agreed upon by the contracting parties.*

On July 16, 2020, the Company’s Board of Directors approved and the Company entered into a 12-month consulting agreement (“Consulting Agreement”) with an unrelated third-party for capital raising advisory services and business growth and development services, with the term renewable upon mutual consent of the parties. Upon signing of the Consulting Agreement, the Company agreed to issue 20,000 restricted shares of its common stock to the consultant (the “Consulting Shares”), 5,000 additional restricted shares of common stock to be issued quarterly until the consultant may receive cash compensation for its services, which will be determined, upon completion of certain milestones, by the Company’s CEO.

**Item 3.02. Unregistered Sales of Equity Securities.**

The Company’s issuance of common stock is exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”) in reliance on Section 4(a) (2) of the Securities Act as a transaction by an issuer not involving a public offering. There were no discounts or brokerage fees associated with this transaction. All of the proceeds will be used to for immediate general corporate and working capital purposes.

The information disclosed in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
10.1	<a href="#"><u>Debenture by and among Global Telesat Communications LTD and HSBC UK BANK PLC, dated July 16, 2020</u></a>
10.2	<a href="#"><u>Coronavirus Business Interruption Loan Agreement by and among Global Telesat Communications LTD and HSBC UK BANK PLC, dated July 16, 2020</u></a>

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

By: /s/ David Phipps  
Name: David Phipps  
Title: Chief Executive Officer

Dated: July 21, 2020

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Dated July 16, 2020

Global Telesat Communications Limited

to

**HSBC UK Bank plc**

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**Debenture**

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Form of charge filed at the Land Registry under reference MD1552Q

**This Debenture** by way of deed made the 16<sup>th</sup> day of 2020

Between (1) Global Telesat Communications Limited Number 06764531 (the "Company") and

(2) HSBC UK Bank plc ("the Bank") (registered in England number 09928412) whose address for service for entry on the register is: Securities Processing Centre, PO Box 6304, Coventry, CV3 9JY

WITNESSES as follows

**Debenture as security for the Debt**

1. This Debenture shall be security for the payment and discharge of the Debt mentioned in clause 2 below.
2. The Debt is all money and liabilities whatever, whenever and however incurred whether now or in the future due, or becoming due, from the Company to the Bank whether incurred solely or jointly with any other person and whether as principal or surety ("the Debt"), including without limitation:-
  - (a) overdrafts, loans or other facilities and further advances of money;
  - (b) guarantees and indemnities to the Bank and any of the Company's other contingent liabilities owed to the Bank;
  - (c) discount, commission and other lawful charges and expenses;
  - (d) interest in accordance with any agreement between the Company and the Bank and, if there is no agreement, interest on any money and liabilities due from the Company at an annual rate of 3% above the Bank of England base rate from time to time computed and compounded monthly and/or according to the Bank's then current practice. Interest as above applies before and after any demand or judgment; and
  - (e) money agreed to be paid by the Company under clause 25 below.

**The Agreement to pay the Debt**

3. The Company agrees to pay and discharge the Debt when the same is due to be paid and discharged. It acknowledges and agrees that the Debt shall, in the absence of express written agreement by the Bank to the contrary, be due and payable to the Bank upon demand.

**Security given over the Company's Assets**

4. The Company, with full title guarantee, and as continuing security for the payment and discharge of the Debt,:-
  - (a) Charges by way of legal mortgage, all freehold (including commonhold) and leasehold land now vested in the Company together with all buildings fixtures, fittings and fixed plant and machinery now or at any time afterwards on it. This includes (without limitation) the land described or referred to in Part I of the Schedule below.
  - (b) Charges by way of first fixed charge (except as already charged above):-
    - (i) All the present and future right, title and interest of the Company in or to any freehold (including commonhold) or leasehold land or other immovable property wherever situated and all fixtures, fittings and fixed plant and machinery now or at any time afterwards on it.
    - (ii) All chattels now or at any time afterwards belonging to the Company. This excludes any of them for the time being forming part of the stock in trade or work-in-progress of the Company.
    - (iii) The benefit of all rights, licences, guarantees, rent deposits, contracts, deeds, undertakings and warranties relating to any land or other property mentioned above and/or to any trade or business from time to time carried on by the Company.

- (iv) All book debts and other debts and monetary claims and any rents, licence fees or other payments due from any lessee, licensee or occupier of any immoveable property (wherever) situated now or at any time afterwards due owing or incurred to the Company. In addition, the full benefit of all guarantees and securities for them and all liens, reservations of title and other rights enabling the Company to enforce any such debts or claims (all of the above collectively called the "debts"). This excludes any debts and claims (if any) which the Bank may from time to time have agreed in writing with the Company as being excluded from this fixed charge and also such debts and claims as are charged in accordance with clause 4 (b) (v) below.
  - (v) Any credit balance on any account of the Company with the Bank now or in the future.
  - (vi) Any credit balance on any account of the Company with any bank (other than the Bank) or other person, now or in the future.
  - (vii) All goodwill and uncalled capital of the Company now or in the future.
  - (viii) All the present and future right, title and interest of the Company in or to:
    - (a) all stocks, shares, debentures, bonds, loan capital and other securities of any description of any other person (including, without limitation, any subsidiary or subsidiary undertaking of the Company);
    - (b) all rights to subscribe to or convert other securities into or otherwise acquire any such securities now or at any time afterwards belonging to the Company; and
    - (c) all dividends, interest and other income and all other rights of whatsoever kind deriving from or incidental to, any of these.(collectively called, the "securities").
  - (ix) All rights and other property to which the Company is now, or may at any time afterwards, become entitled as a result of, or in connection with, any proceedings threatened or commenced under the Insolvency Act 1986 or any similar legislation in any jurisdiction.
  - (x) The benefit of all agreements for the provision by the Company to any person of any loan or credit or other financial accommodation of any description (including, without limitation, any finance leases and hire or hire-purchase agreements) now, or at any time afterwards, entered into by the Company.
  - (xi) All rights under all policies of insurance, including life insurance or assurance, (including, without limitation, the insurances mentioned to in clause 8(a) below), including all rights and claims to which the Company is now, or may at any time afterwards, become entitled in relation to the proceeds of those policies (collectively called, the "charged insurances").
  - (xii) All patents, trademarks, service marks, designs, utility models, copyrights, design rights, moral rights, inventions, confidential information, know-how, applications for registration of any of them and the right to apply for them in any part of the world and rights of a similar nature arising or subsisting anywhere in the world in relation to all or any of the above (whether registered or unregistered) now or at any time afterwards belonging to the Company (collectively called, the "intellectual property").
  - (xiii) The proceeds of sale of any property mentioned above.
- (c) Assigns and agrees to assign absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Debt, all of its present and future right, title and interest in and to:-
- (i) To the extent not charged by clause 4(a) and 4(b), all present and future rents and other sums due to the Company under any lease, agreement for lease, underlease, tenancy, licence or other right of occupation to which Company's real property is from time to time subject together with any related guarantee or other security for the performance of a lessee's obligations.

- (ii) To the extent not charged by clause 4(b), the charged insurances.
- (iii) To the extent not charged by clause 4(b), the intellectual property.
- (d) Charges by way of floating charge, all the undertaking of the Company and all its property whatsoever and wheresoever both present and future excluding any part of the same which is, for the time being, effectively charged by way of legal mortgage, assigned or charged by way of fixed charge by this Debenture and recognised as effectively so charged under the laws of the jurisdiction in which the same is situated.

The property referred to in clauses 4 (a), (b), (c) and (d) above is collectively called the “charged property”. The property referred to in clauses 4 (a), (b) and (c) (together with any property for the time being effectively charged by way of fixed charge by the application of clause 5 below) is collectively called the “fixed charged property”.

If or to the extent that the mortgaging, assigning or charging of any charged property is ineffective because of a prohibition on that mortgaging, assigning or charging, the Company holds it on trust for the Bank.

To the extent that this Debenture creates security over any hedging or derivative contract, that security shall be by way of charge and this Debenture shall only charge the net amount owed thereunder, and in accordance with the terms of, that hedging or derivative contract after all applicable set-off, close-out netting or combination of accounts has taken place.

#### **Bank’s ability to convert Floating Charge and automatic conversion**

- 5. (a) The Bank may, by notice in writing to the Company, convert the floating charge created by clause 4(d) above into a fixed charge in respect of such of the property of the Company as may be specified in such notice. The Bank may give such notice:
  - (i) on or following the happening of any of the events mentioned in clause 10 below; or
  - (ii) if it appears to the Bank that such property is in danger of seizure, distress, diligence, execution or any other form of legal process or that the same, and/or the security now created in respect of it, is otherwise in jeopardy.

In either event, the ability of the Company to deal in any way with such property shall cease except to the extent that the Bank may otherwise agree in writing.

- (b) The floating charge created by clause 4(d) will convert automatically into fixed charges:
  - (i) if any of the circumstances set out in clause 10(c), (d) or (e) occur;
  - (ii) if the Company creates or attempts to create security over all or any of the charged property (other than security permitted under this Debenture or created pursuant to a Parallel Security Document);
  - (iii) on the crystallisation of any other floating charge over the charged property;
  - (iv) if any person levies or attempts to levy any distress, attachment, execution or other legal process against any assets referred to in clause 4(d); and/or
  - (v) in any other circumstances prescribed by law.

#### **Restrictions on Company**

- 6. The Company shall not, except with the prior written consent of the Bank: -
  - (a) create, or attempt to create, or allow to subsist over all or any of the charged property, any mortgage, charge, lien, trust, pledge or other security other than this Debenture, any Parallel Security Document and the mortgages or matters (if any) mentioned in Part 2 of the Schedule below; or
  - (b) allow any tangible property, forming part of the fixed charged property, to leave the possession of the Company (except for the purpose of necessary repair or maintenance) or to be used by any person other than the Company or for any purpose other than in connection with the business of the Company; or

- (c) release, exchange, compound, set off, grant time or agree to any other arrangement in respect of, or in any other way deal with, all or any of the debts except as expressly allowed by this Debenture; or
- (d) part with, hire, lend, sell, assign or dispose of all, or any part of (or any right, title or interest in), the fixed charged property or all, or (except by a sale or disposal in the ordinary course of the Company ordinary day to day trading activities and for the purpose of carrying on the same) any part of, the remainder of the charged property.

#### **Land Registry Restriction**

7. In respect of any part of, or interest in, the fixed charged property title to which is or becomes registered at the Land Registry, the Company applies to the Chief Land Registrar to enter the following restriction on the Proprietorship Register of the title of all such property: -

“No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated in favour of HSBC UK Bank plc referred to in the Charges Register.”

#### **Company’s Obligations to the Bank**

8. Until this Debenture is discharged:

- (a) The Company will:
  - (i) Insure, and keep insured, the charged property with such insurer and against such risks and in such amounts and otherwise upon such terms as the Bank may reasonably require or in the case that the Bank makes no such requirement, then in accordance with accepted prudent business practice from time to time in respect of property of the same type.
  - (ii) Comply with the terms and conditions of, and punctually pay all premiums and other monies necessary for keeping up such insurances referred to in clause 8(a)(i) or any other insurance referred to in clause 4(b)(xi) and clause 4(c) (collectively called the “insurances”).
  - (iii) See that the interest of the Bank is noted upon all policies of the insurances or, if the Bank reasonably so requires, that any policy relating to the insurances is held on a co-insured basis in the names of the Company and the Bank.
  - (iv) If the Bank reasonably requires, produce to, or deposit with, the Bank all policies of insurance and the receipts for all premiums and other payments necessary for effecting and keeping up such policies of insurance as the Company is required to take out under this Debenture (collectively called the “policies”). The Company shall be deemed to have complied with this clause 8(a)(iv) if it has complied with the equivalent clause of any Parallel Security Document.
  - (v) Promptly notify the Bank of anything which may give rise to a claim under the policies and ensure that nothing is done or not done as a consequence of which any of the policies might be adversely affected or which may increase the premium payable.
- (b) The Company agrees (whether or not this Debenture shall have become enforceable) that: -
  - (i) The Bank may (but need not) itself effect or maintain any insurances, and, if it does so, the Company shall be liable to the Bank for the cost of such insurances and the expenses incurred by the Bank in relation thereto.



- (ii) All sums at any time payable to the Company under any policies of insurance shall (subject to any prior rights and claims of any third party) be paid direct to the Bank. If the same are not paid directly to the Bank by the insurers then the Company shall be trustee of them for the benefit of the Bank and shall transfer them to the Bank accordingly and in any event upon the Bank's request. The insurance monies shall at the option of the Bank be applied (subject to clause 27 below) in or towards the payment or discharge of the Debt or in making good or recouping expenditure in respect of the loss or damage for which such monies are received.
- (c) The Company will:
  - (i) Keep all buildings on any land charged by this Debenture and all fixtures and plant and machinery on and in them (and all other tangible property comprised in the charged property) in good and substantial repair and condition.
  - (ii) Whenever any of the said buildings, fixtures, fittings or plant and machinery are destroyed, damaged or deteriorates, immediately repair, replace and make good the same and ensure that any such replacement property is subject to security in favour of the Bank on the same terms as set out in this Debenture. If the Company shall fail to do so, then the Bank shall be entitled (but not bound) to do so instead at the Company's cost and expense and all amounts so paid by the Bank shall become part of the Debt and be payable by the Company to the Bank on demand.
- (d) The Company will not without the prior written consent of the Bank: -
  - (i) pull down or remove the whole or any part of any buildings forming part of the land charged by this Debenture;
  - (ii) sever or unfix or remove any of the fixtures or fittings; or
  - (iii) except for the purpose of effecting necessary repairs to them or of replacing the same with new or improved models or substitutes, remove any of the plant and machinery belonging to, or in use by, the Company.
- (e) The Company will: -
  - (i) Carry on any trade, business or agricultural use on any land now or afterwards used by the Company for the purposes of trade, business or agriculture. It shall do so in accordance with the standards of good management from time to time current in the trade or business or (in the case of agricultural use) with the standards of good husbandry, from time to time. The Company shall also do so in accordance with the authorised planning use of such land.
  - (ii) Obtain, maintain and comply with all licences, consents and other authorisations (including, without limitation, environmental permits) and effect all registrations which may be necessary or desirable in relation to all or any part of the charged property or any business or other activity from time to time carried on by the Company.
- (f) The Company will not without the prior written consent of the Bank: -
  - (i) carry out, or allow to be carried out, on any land charged by this Debenture, any development as defined in the Town and Country Planning Act 1990;
  - (ii) enter into any agreement under Section 106 of the said Act; or
  - (iii) change, or allow to be changed, the use of any land charged by this Debenture.
- (g) The Company will:
  - (i) Observe and perform all covenants, stipulations and conditions which from time to time affect the use or possession of the charged property whether arising under any lease, Commonhold Community Statement, or other agreement under which the charged property is held.

- (ii) Punctually pay all rents and other payments becoming due, or to become due, under any lease, Commonhold Community Statement or other agreement mentioned above. Pay all taxes, rates, duties, fees, charges, assessments, impositions, calls, instalments and outgoings properly payable in respect of any of the charged property as and when due and the Bank may do so as agent of the Company if the Company fails to do so and all amounts so paid by the Bank shall become part of the Debt and be payable by the Company to the Bank on demand.
  - (iii) If the Bank so requires, produce to the Bank evidence sufficient to reasonably satisfy the Bank that the requirements mentioned at clauses 8(g)(i) and 8(g)(ii) have been complied with.
- (h) The Company will: -
- (i) Comply with all statutory and other laws and regulations affecting the charged property including but not limited to all environmental laws and environmental permits applicable from time to time to all or any part of the charged property or any business or other activity from time to time carried on by the Company.
  - (ii) Not allow any circumstances to arise which could lead:-
    - (a) to any competent authority or other person taking action, or making a claim under any environmental laws (including the requirement to clean up any contaminated land or the revocation, suspension, variation or non-renewal of any environmental permit); or
    - (b) to the Company having to take action to prevent the possibility of any such action or claim.
  - (iii) Indemnify separately each of the Bank or any Receiver (defined in clause 12 below) (and their respective officers, agents and delegates) against all costs expenses and liabilities properly incurred (directly or indirectly) as a result of any non-compliance or alleged non-compliance with any environmental laws in relation to all or any part of the charged property or anything done or not done on it.
- (i) The Company will: -
- (i) Within 7 days after becoming aware of the same, give full particulars to the Bank of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority whatsoever (including, without limitation, any licensing authority) which affects all or any part of the charged property including, in the case of any land, the locality in which it is situated.
  - (ii) If the Bank reasonably requires, immediately, and at the cost of the Company, take all reasonable and necessary steps to comply with any of the matters mentioned in clause 8(i)(i) above and make (or join with the Bank in making) such objections or representations as may reasonably be available in respect of them.
- (j) The Company will permit the Bank, its agents and any person authorised by it, to enter on any land charged by this Debenture or on which any other part of the fixed charged property is situated, at all reasonable times and on reasonable notice (except in case of emergency) for the purpose of inspecting or valuing any of the fixed charged property and if the Bank calls for such a valuation (which it is entitled to call for) such valuation shall be at the expense of the Company.
- (k) The Company will not without the prior written consent of the Bank: -
- (i) grant or vary, or agree to grant or vary, any licence or tenancy affecting any land charged by this Debenture;
  - (ii) exercise the powers of leasing, or agreeing to lease, or of accepting or agreeing to accept surrenders of leases, conferred by Sections 99 or 100 of the Law of Property Act 1925;
  - (iii) in any other way, dispose, or agree to dispose of, or create, any legal or equitable estate or interest in any land charged by this Debenture;

- (iv) negotiate, settle or waive any claim for loss, damage or other compensation (including without limitation compulsory purchase compensation) affecting any land charged by this Debenture; or
  - (v) apply for an improvement or other grant or do anything which might result in any land charged by this Debenture being subject to any statutory charge.
- (l) The Company will ensure that, without the prior written consent of the Bank: -
- (i) no person other than the Company shall be registered under the legislation in force from time to time in relation to the registration of land in England and Wales as proprietor of any land charged by this Debenture;
  - (ii) no person shall become entitled to any proprietary right or interest which may adversely affect the value of such land (unless such entitlement exists at the date of this Debenture or at the time of the acquisition of such land by the Company) and the Company shall indemnify the Bank for all expenses reasonably incurred by the Bank in lodging from time to time cautions, restrictions or notices against the registration of title to any such land.
- (m) The Company will: -
- (i) Permanently keep all tangible moveable property forming part of the fixed charged property at the Company's premises or at such other premises as the Bank may from time to time reasonably approve in writing.
  - (ii) Keep such fixed charged property within England and Wales and notify the Bank upon request of the location of such fixed charged property from time to time.
  - (iii) Upon written notice from the Bank, keep such fixed charged property at the premises so notified or at such other premises as may be reasonably authorised in writing by the Bank.
- (n) The Company will: -
- (i) Get in and realise the debts in the ordinary course of its business (which shall not extend to selling or assigning or transferring any right or interest in them or in any other way factoring or discounting them).
  - (ii) Pay the proceeds of such getting in and realisation, and all other monies received, recovered or realised in respect of the fixed charged property, into such separate and denominated accounts as the Bank shall from time to time nominate in writing for such purpose or as the Bank may otherwise from time to time require. If the Bank shall not nominate any such account, the Company current account with the Bank shall be the nominated account for the purpose of this clause 8(n).
  - (iii) Pending such payment, hold such proceeds and other monies upon trust for the Bank.
  - (iv) Except with the prior written consent of the Bank, not be entitled to withdraw or transfer from any such account any monies standing to the credit of such account.
- (o) The Company will punctually pay all calls, instalments and other monies that may become due in respect of the securities.
- (p) The Company will: -
- (i) Not exercise any of the rights and powers attaching to any of the securities in a manner which, in the reasonable opinion of the Bank, may adversely affect the value of the security created by this Debenture; and
  - (ii) prior to this Debenture becoming enforceable, and subject to clause 8(p)(i) above, all rights and powers attaching to the securities shall be exercisable by the Company or as it may direct.

- (q) The Company will: -
- (i) Take all such necessary steps, and do all such acts (including the payment as and when due of any appropriate fees and policing against any infringement of, or challenge to, the intellectual property) to maintain the value, subsistence and validity of the intellectual property.
  - (ii) Where appropriate, use its best endeavours to protect and safeguard the intellectual property from and against theft, loss, destruction, unauthorised access, copying or use by third parties.
  - (iii) Not use, or allow to be used, or take any step in respect of any of the intellectual property in any way which, in the reasonable opinion of the Bank, may adversely affect the value of it.
- (r) The Company will deposit with the Bank (and the Bank shall be entitled to retain) all deeds, certificates and other documents constituting or evidencing title to the fixed charged property (except insofar as the same are held, or required to be held, by any third party in accordance with any obligation ranking in priority to the security created by this Debenture). The Company shall be deemed to have complied with this clause if it has complied with the equivalent clause of any Parallel Security Document relating to the same fixed charged property.
- (s) The Company will on being reasonably required to do so by the Bank, and at the cost and expense of the Company:-
- (a) Execute, sign, deliver and do all things necessary (including, without limitation, the assignment of all or any of the debts and the transfer of all or any of the securities, to the Bank or its nominee and the giving of any notices and effecting of any registrations) as (and in such form as) the Bank may reasonably require to (among other things) perfect a legal mortgage, assignment or other fixed security in favour of the Bank of all or such part as shall be specified of the fixed charged property or otherwise to improve, perfect or protect the security (including the Bank's priority) intended to be created by or pursuant to this Debenture or to facilitate the exercise of any powers, authorities and discretions conferred on the Bank and/or any Receiver under or in accordance with this Debenture.
  - (b) Endorse, or cause to be endorsed, on any documents constituting or evidencing title to the fixed charge property and give to third parties such notices of the security created by this Debenture as the Bank may reasonably require.
- (t) The Company will: -
- (i) Notify the Bank prior to taking any steps to open an account with any bank (other than the Bank) or other person.
- (u) The Company will: -
- (i) Comply in full with any obligations of the Company to provide information under the PSC Regime to any company that shall have issued any shares in which the Company holds any interest from time to time. Further, on the date of this Debenture, the Company represents to the Bank that the Company has complied in full with any obligations the Company has under the PSC Regime to provide information to any company that shall have issued any shares in which the Company holds an interest and that no "warning notice" or "restrictions notice" (in each case as defined in Schedule 1B to the Companies Act 2006) has been issued to the Company in respect of all or any part of the securities and remains in effect.
  - (ii) Comply with any notice served on the Company under the Companies Act 2006 (including pursuant to Part 21A of the Companies Act 2006) within the timeframe specified in the notice.

#### **Bank's Powers**

9. (a) At any time before this Debenture is discharged (and whether or not the same shall have become enforceable), the Bank may, if and whenever, and so often as it shall reasonably think fit, apply the whole or any part of the monies from time to time standing to the credit of any account as referred to in clause 8(n) in or towards the discharge of the Debt.

- (b) The Bank may pay the monies mentioned in clause 9(a) above to the credit of any other account nominated by the Bank (including an account opened by it for this purpose) as security for any contingent or future liability of the Company to the Bank.
- (c) Unless otherwise stated, all powers of the Bank conferred by this Debenture shall be exercisable without prior notice to the Company.

**When the Debenture becomes enforceable**

10. This Debenture shall become enforceable:-

- (a) if the Debt is not paid or discharged when due (whether on demand, at agreed maturity or earlier as the case may be); or
- (b) if the Company is in breach of any of the obligations under this Debenture; or
- (c) if the Company shall enter into any composition or arrangement for the benefit of its creditors; or
- (d) if any step is taken for the administration or winding up of the Company (which includes, without limitation, in each case, the board of directors or the Company's shareholders, passing a resolution for the same) except where, in the case of winding up, the Bank has consented in writing for the purpose of a solvent reconstruction or amalgamation; or
- (e) if a third party shall take possession of, or a receiver shall be appointed over, or any secured creditor of the Company shall seek to enforce its security in respect of, all or any of the charged property or any other event shall happen which puts in jeopardy all or any part of the security created by this Debenture; or
- (f) if the Bank, in its reasonable discretion, considers that any claim may be or has been made against the Bank under any bond, guarantee, indemnity or other contingent liability issued or entered into for any liabilities of the Company in respect of which the Bank reasonably considers that it may not be or has not been indemnified on demand or as and when required under any agreement it has with the Company regarding the same;
- (g) if any security granted under a Parallel Security Document has become enforceable; or
- (h) if any other event shall occur which has been agreed by the Company and the Bank as an event upon the occurrence of which this or any other security for the Debt shall be enforceable, which shall include but not be limited to a request by the Company to the Bank to appoint a receiver and/or administrator of the Company.

If any of the above events referred to at clauses 10(a) to 10(h) should occur:-

- (i) the powers of sale and of appointing a receiver conferred by Section 101 of the Law of Property Act 1925 shall immediately arise and become exercisable by the Bank free from the restrictions contained in Sections 103 and 109 of that Act; and
- (j) the powers of leasing, or agreeing to lease, or of accepting or agreeing to accept surrenders of leases (conferred by Sections 99 and 100 of the Law of Property Act 1925) shall immediately become exercisable.

These powers are available to the Bank whether or not the Bank shall then be in possession of all or any part of the charged property. The Bank may grant a lease at a premium and for any length of term and, generally, without the necessity for the Bank to comply with any restrictions imposed by, or other provisions of, the sections and legislation mentioned above (and so that for the purposes of Sections 99 and 100 of the Law of Property Act 1925, the expression "mortgagor" shall include any person deriving title under the Company and sub-sections 99 (18) and 100 (12) shall not apply).

## Right of Appropriation

11. To the extent that the security created by this Debenture constitutes a “security financial collateral arrangement” and the assets secured by this Debenture (“Secured Assets”) constitute “financial collateral” for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (“Regulations”), the Bank shall have the right on giving prior notice to the Company, at any time after this Debenture becomes enforceable, to appropriate all or any part of those Secured Assets in or towards discharge of the Debt. The parties agree that the value of the appropriated Secured Assets shall be, in the case of cash, the amount of cash appropriated and, in the case of any stocks, shares, debentures, bonds, loan capital and other securities of any description, determined by the Bank by reference to any publicly available market price and, in the absence of which, by such other means as the Bank (acting reasonably) may select including, without limitation, an independent valuation. For the purpose of Regulation 18(1) of the Regulations, the Company agrees that any such determination by the Bank will constitute a valuation “in a commercially reasonable manner”.

## Appointment of Administrator or Receiver

12. (a) The floating charge created by this Debenture is intended to be a qualifying floating charge as defined by paragraph 14 of schedule B1 to the Insolvency Act 1986.
- (b) At any time after having been requested to do so by the Company, or after this Debenture has become enforceable (and whether or not any of the events mentioned in clause 10 are continuing), the Bank may appoint by deed or by writing under the hand of a duly authorised officer of the Bank, or otherwise (i) any one or more persons to be administrator of the Company (each an “Administrator”) or (ii) any one or more persons to be a receiver of any charged property (each a “Receiver”). These expressions shall, where necessary, include any person substituted as Administrator or Receiver.
- (c) The Bank may (so far as it is lawfully able to do so) from time to time by deed or by writing under the hand of a duly authorised officer of the Bank or otherwise, remove any person appointed to be a Receiver and may in a similar way appoint another in his place.
- (d) If at any time two or more persons shall hold office as Receiver of the same property, each one of them shall be separately entitled (subject to any contrary direction in the appointment) to exercise all the powers, authorities and discretions conferred on them.
- (e) The power to appoint a Receiver shall be in addition to all statutory and other powers of the Bank under the Insolvency Act 1986 and the Law of Property Act 1925.
- (f) The power to appoint a Receiver shall be and remain exercisable by the Bank even though there may be a prior appointment in respect of all or any part of the charged property.
13. (a) The Bank shall not, nor shall the Receiver, be liable to account as mortgagee in possession in respect of all or any of the charged property nor be liable for any loss upon realisation or for any neglect or default (unless wilful) of any nature whatsoever in connection with all or any of the charged property for which a mortgagee in possession might as such be liable.
- (b) All reasonable costs, charges and expenses properly incurred by the Bank or the Receiver (including its internal management and administration costs and the costs of any proceedings in relation to this Debenture or the Debt) shall be paid by the Company on demand.
14. The Receiver shall be the agent of the Company and the Company shall be responsible for his acts and remuneration as well as for any defaults committed by him.

## Powers of Receiver

15. The Receiver shall (subject to any limitations or restrictions expressed in the document appointing him but notwithstanding any restriction or limitation binding on the Company under this Debenture or any winding-up or dissolution of the Company or any analogous proceedings in any jurisdiction) have all the powers (as varied and extended by this Debenture) conferred on receivers by the Insolvency Act 1986 and the Law of Property Act 1925 and (without affecting the above in any way) the following powers:-

- (a) (i) to sell, transfer, assign, convey or grant, accept surrender or vary, terminate or surrender leases of or in exchange and enter into and or terminate leases of any of the charged property; and
- (ii) in any other way to dispose of, or deal with, all or any of the charged property in respect of which the Receiver is appointed (or agree any of the same) and in either case in such a way and generally on such terms and conditions as he reasonably thinks fit.

Any transaction mentioned above may be for such payment or other consideration as the Receiver shall think fit whether for (i) a lump sum and/or (ii) a consideration payable in instalments and whether for cash or otherwise. In the case of the latter, it shall form part of the charged property and be charged with the payment and discharge of the Debt.

Fixtures and plant and machinery may be taken and sold separately from the premises to which they are fixed (or in which they are contained) without the consent of the Company being obtained or necessary.

- (b) To take possession of, collect and get in, all or any of the charged property in respect of which the Receiver is appointed and for that purpose to make such demands and take any proceedings as the Receiver shall reasonably think fit.
- (c) To carry on, manage, develop, reconstruct, amalgamate or diversify (or agree the same) any trade or business (including farming) as has from time to time been carried on the whole or any part of the fixed charged property.
- (d) (i) To make any arrangement or compromise between the Company and any other person which the Receiver may reasonably think expedient.
- (ii) To take, defend or participate in any proceedings (including, without limitation, arbitration proceedings) as the Receiver may reasonably think expedient.
- (e) To make, effect and complete such improvements, development and repairs to any of the charged property as the Receiver may reasonably think expedient.
- (f) To make calls (and to enforce payment of them) conditionally, or unconditionally, on the members of the Company in respect of any uncalled capital with the benefit of all the powers in the Articles of Association of the Company conferred on the directors.
- (g) To appoint managers, officers, servants, workmen, nominees and agents for any of the purposes mentioned in this clause 15 at such remuneration and for such periods and on such terms as the Receiver may reasonably determine.
- (h) If the Receiver thinks fit, but without affecting the indemnity contained in clause 23 below, to effect with any insurer any policy or policies of insurance either in lieu, or satisfaction of, or in addition to, such indemnity.
- (i) To delegate by power of attorney, or in any other way, to any person or persons approved in writing by the Bank, all or any of the powers, authorities and discretions which are for the time being exercisable by the Receiver under this Debenture.
- (j) (i) To promote the formation, or otherwise acquire the share capital of, any body corporate with a view to such body corporate becoming a subsidiary of the Company or otherwise;
- (ii) to purchase, lease, or otherwise acquire any interest in all or any of the Company undertaking and property;
- (iii) to carry on any business in succession to the Company or any subsidiary of the Company; and in each case, as the Receiver may otherwise reasonably think fit.
- (k) To apply for, and otherwise take such steps as the Receiver may consider reasonably necessary or desirable to obtain (in the name of a nominee or otherwise), such licences, consents, permits and approvals as the Receiver may reasonably think expedient.

- (l) To make elections for value added tax purposes as the Receiver may reasonably think fit.
  - (m) For any of the purposes authorised by this clause 15, to raise money by borrowing from the Bank or from any other person on the security of all or any of the charged property in respect of which the Receiver is appointed.
    - (i) The Receiver may raise money as mentioned above on such terms (including, if the Bank shall consent, terms under which such security ranks in priority to all or any of the security created by this Debenture) as the Receiver may reasonably think fit; and
    - (ii) the repayment of all such monies and the payment of interest on them and related costs charges and expenses, shall be treated for all purposes as expenses properly payable by the Receiver.
  - (n) To exercise any of the powers which the Bank would be entitled to exercise under this Debenture.
  - (o) To do all such other acts and things as the Receiver may reasonably consider to be incidental or necessary to any of the matters or powers mentioned above and/or which the Receiver lawfully may or can do as agent for the Company.
  - (p) To exercise any of the above powers on behalf of the Company or on the Receiver's own behalf or, in the case of the powers contained in clause 15 (f) above, on behalf of the directors of the Company.
16. Subject to claims having priority to the security created by this Debenture, all monies received, recovered or realised by the Receiver or (on any exercise by the Bank of its enforcement powers under this Debenture) the Bank, shall be applied in the following order:-
- (a) In payment of all reasonable costs, charges and expenses of, and incidental to, (i) the appointment of the Receiver and (ii) the exercise of all or any of the powers of the Receiver or the Bank and of any other outgoings properly payable by them including without limitation (A) the repayment of monies borrowed as referred to in clause 15(m) above (B) the payment of interest and related costs, charges, and expenses (to the extent that the Bank has consented to the same being secured in priority to the security created by this Debenture) and (C) all amounts payable by the Bank to the Receiver under any order of any court or otherwise.
  - (b) In payment of remuneration to the Receiver at such rate as may from time to time be agreed between the Receiver and the Bank.
  - (c) In payment to the Bank in or towards payment or discharge of the Debt and all other amounts expressed to be secured by, or due or payable to the Bank under or in connection with, this Debenture.
  - (d) In payment of any surplus to the Company or any other person entitled to it.

**Power of Attorney**

17. (a) The Company irrevocably, and by way of security, appoints the Bank, any Receiver and each of their respective delegates, jointly and also individually to be the attorney and attorneys of the Company. Any attorney is authorised by the Company to do all things which the Company may be required to do under this Debenture. This includes (without limitation) anything which the Bank or the Receiver (or any such delegate) may consider necessary or appropriate for, or in connection with:
- (i) the improvement, perfection or protection of the security intended to be created by this Debenture; or
  - (ii) the exercise of any of the powers authorities and discretions conferred under this Debenture on the Bank and/or any Receiver.
- (b) The Company ratifies and confirms (and agrees to do so) whatever any such attorney shall do, or attempt to do, in the exercise of all or any of the powers, authorities and discretions mentioned above or under this power of attorney. The power of attorney conferred under this clause 17 is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971.



### **Bank has Powers of Receiver and other powers**

18. (i) Without affecting any other powers, authorities and discretions of the Bank, all or any of the powers, authorities and discretions conferred upon the Receiver (whether arising under this Debenture or otherwise) may also be exercised by the Bank at any time after this Debenture has become enforceable. This is so whether or not a Receiver has been appointed.
- (ii) The Bank shall also be entitled to delegate by power of attorney, or in any other manner, to any person or persons all or any of its powers authorities and discretions.
- (iii) No such delegation mentioned above shall prevent the subsequent exercise of the powers, authorities and discretions by the Bank itself or prevent the Bank from making any subsequent delegation of them to some other person.
- (iv) The Bank may revoke any such delegation at any time.
19. At any time after this Debenture shall have become enforceable, or after any powers conferred by any interest having priority to the security created by this Debenture shall have become exercisable, the Bank may redeem such or any other prior interest or arrange the transfer of it to itself. It may settle and pass the accounts of any third party concerned and any account so settled and passed shall be conclusive and binding on the Company. All monies paid by the Bank to the third party in accordance with such accounts shall as from such payment be due from the Company to the Bank on current account and shall bear interest and be secured as part of the Debt.
20. The rights and remedies of the Bank under this Debenture are in addition to, and not in substitution for, any rights or remedies provided by law.
21. The restriction on the right of consolidating mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this Debenture.
22. (i) If the Company at any time fails to perform and observe the terms, and obligations contained in this Debenture, the Bank may (but without being under any duty to do so) take such steps as in its reasonable opinion may be required to remedy such failure; and
- (ii) this includes, without limitation, making any payment, and for the purpose mentioned in clause 22 (i) above, the Bank and its agents may enter upon any land of the Company without being regarded as having entered into possession of it.

### **Indemnity**

23. The Company agrees to fully indemnify each of the Bank and the Receiver from and against all and any liability they might incur in the exercise (or apparent exercise) of any powers, authorities and discretions under or in connection with this Debenture (with the exception of fraud or wilful default on the part of the Bank or the Receiver, but only to the extent committed by any of them) or any failure by the Company to comply with any of its obligations under this Debenture.

### **Protection of Purchasers**

24. No purchaser or other person dealing with the Bank or the Receiver (or any of their respective delegates)
- (i) shall be bound or entitled to see or enquire whether any power, authority or discretion under this Debenture has arisen or become exercisable;
- (ii) be concerned with any notice to the contrary or to see whether any delegation shall have lapsed for any reason or been revoked; or
- (iii) be bound or entitled to concern himself with the proceeds of any sale or other dealing or be answerable in any circumstances for the application of the said proceeds.

### **Payment of costs, charges and expenses**

25. The Company shall reimburse to the Bank on demand on a full indemnity basis, all costs, charges and expenses (including, without limitation, all amounts reasonably determined by the Bank to be necessary to compensate it for internal management or administration costs, charges and expenses) properly incurred by the Bank:-
- (i) in ensuring this Debenture is effective;
  - (ii) in connection with the improvement, perfection or protection of the security created by this Debenture;
  - (iii) in the exercise of any rights, remedies, powers, authorities and discretions conferred under, or in connection with, this Debenture.

(together with any value added tax or similar tax charged or chargeable in respect of such costs, charges and expenses).

All such amounts shall be debited to an account in the name of the Company. Until they are reimbursed they shall bear interest at the rate of three per cent per annum over the Bank of England base rate from time to time calculated and compounded monthly and/or according to the Bank's then current practice and shall be payable on demand. They will be secured as part of the Debt by this Debenture.

### **Independence of Security**

26. (a) This Debenture shall be in addition to, and independent of, every other security which the Bank may at any time hold for any of the Debt secured by this Debenture.
- (b) No prior security held by the Bank over all or any of the charged property shall merge in the security created by this Debenture.
- (c) This Debenture shall remain in full force and effect as a continuing security unless and until the Bank discharges it.

### **Bank's powers to deal with Accounts and Money Received**

27. (a) If the Bank receives notice of any subsequent charge or other interest affecting all or any of the charged property (other than arising under a Parallel Security Document), the Bank may open a new account or accounts for the Company in its books.
- (b) If the Bank does not open a new account, it shall be regarded as having done so unless the Bank gives express written notice to the contrary to the Company. Notwithstanding any appropriation by the Company to the contrary, as from the time of receipt of such notice, all payments made by the Company to the Bank (other than those dealt with under clause 8(n)) shall be treated as having been credited to a new account of the Company. Such payments will not be applied in reduction of the amount due, owing or incurred from the Company to the Bank at the time when it received the notice.
28. (a) All monies received, recovered or realised by the Bank under this Debenture (including the proceeds of any conversion under clause 31 below) may, in the reasonable discretion of the Bank, be credited to any suspense or impersonal account.
- (b) Such monies referred to above in clause 28(a) may be held in such account (where they shall not reduce the Debt) for so long as the Bank may think fit pending the application from time to time of such monies and all accrued interest (at the rate, if any, agreed in writing between the Company and the Bank from time to time) in or towards the discharge of the Debt.
29. The Company waives any right of set-off it may have now, or at any time in the future, in respect of the Debt (including sums payable by the Company under this Debenture).
30. The Bank may certify or determine the amount of a rate or amount applicable or due under this Debenture and in relation to the Debt. These certifications and determinations by the Bank shall, in the absence of manifest error, be conclusive evidence of those rates and amounts.

### **Currency Conversion**

31. (a) For the purpose of or pending the discharge of the Debt, the Bank may convert any monies received, recovered or realised by the Bank under this Debenture (including the proceeds of any previous conversion under this clause) from their existing currency of denomination into such other currency of denomination as the Bank may reasonably think fit.
- (b) Any such conversion shall be made at the Bank's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each previous reference in this clause to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

### **Dealings with you and others**

32. The Bank may, in its discretion, grant time, or make any other arrangement, variation or release with any person or persons not party to this Debenture (whether or not such person or persons are jointly liable with the Company) in respect of any of the Debt or of any other security or guarantee for it. If the Bank does, it will not in any way affect either this Debenture or the liability of the Company for the Debt.

### **Bank's Right of Set Off**

33. In addition to all rights of set off conferred by law, the Bank may set-off any money standing from time to time to the credit of any account the Company has with the Bank against the Debt. If the obligations are in different currencies, the Bank may convert either obligation into the other currency in accordance with clause 31.

### **Preservation and Retention of Security**

34. (a) Any settlement, discharge or release (including in relation to this Debenture or the Debt) between (i) the Company and (ii) the Bank or the Receiver (the "Relevant Person(s)") shall be conditional upon no security given, or payment made, to the Relevant Person(s) by the Company (or any other person) being avoided or reduced as a result of any provisions or enactments relating to insolvency for the time being in force in any jurisdiction.
- (b) In the event of such security or payment being avoided or reduced, the Relevant Person(s) shall be entitled to recover the value or amount of such security or payment from the Company subsequently as if such settlement, discharge or release had not occurred.

### **Notices Governing Law and Jurisdiction**

35. Without affecting any other lawful method of service, any demand or notice to be made or given by the Bank to the Company (including without limitation, a demand for payment of all or any of the Debt) may be made or given by any manager or officer of the Bank or of any branch of it:-
- (a) By letter addressed to the Company and delivered to any officer of the Company at any place or sent by first-class post to, or left at the registered office of, the Company or any place of business or activity of the Company last known to the Bank. If sent by post it will be deemed to have been made or given two business days (Monday to Friday, except public holidays in England) after the day of posting.
- (b) By electronic means to the electronic mail address of the Company last known to the Bank. It shall be regarded as having been made or given at the time of transmission.
36. (a) English law governs this Debenture, its interpretation and any non-contractual obligations arising from or connected with it.
- (b) Both the Company and the Bank submit to the exclusive jurisdiction of the courts of England and Wales in relation to all claims, disputes, differences or other matters (including non-contractual claims, disputes, differences or other matters) arising out of or in connection with this Debenture.

## Disclosure of Information

37. The Company consents to the disclosure by the Bank of any information about the Company, this Debenture, the charged property and the Debt:-
- (a) to any person to whom the Bank has transferred, or proposes or may propose to transfer, all or any of its rights under this Debenture and/or the Debt and to any rating agencies and any advisers to the Bank in connection with such transfer; and/or
  - (b) to any person with whom the Bank has entered into, or proposes or may propose to enter into, any contractual arrangements in connection with this Debenture and/or the Debt; and/or
  - (c) to any company within the HSBC Group being HSBC Holdings plc and its associated and subsidiary companies from time to time, or any of its or their agents; and/or
  - (d) to any insurer who is to, or who proposes to, provide insurance to the Bank in respect of the charged property, this Debenture and/or the Debt; and/or
  - (e) to any other person to whom, and to the extent that, such information is required to be disclosed by any applicable law or regulation.

## Transfer of Rights

38. (a) The Bank may transfer all or any of its rights under this Debenture and/or the Debt to any person at any time.
- (b) If the Bank transfers all or any of its rights under this Debenture and/or the Debt, the Company rights under this Debenture and/or the Debt (as the case may be) will stay exactly the same.
- (c) The Company will be bound to any person to whom the Bank transfers any such rights. That person will have the Bank's powers and rights so far as the Bank transfers these to that person. The Bank will be released automatically from its obligations to the Company so far as that person assumes the Bank's obligations.
- (d) The Company will at the expense of the Bank or the person to whom the rights are transferred, do anything reasonably requested by the Bank to effect a transfer of all or any of the Bank's rights under this Debenture and/or the Debt.
- (e) The Company will not transfer all or any part of its rights under this Debenture and/or the Debt without the prior written consent of the Bank.
- (f) In these Transfer of Rights provisions and in the Disclosure of Information provisions above;
- (i) the term **transfer** means sale, assignment and/or transfer by novation;
  - (ii) the term **rights** means rights, benefits and/or obligations; and
  - (iii) the term **person** means any person, trust, fund or other entity.

## The Bank's written consent and reasonable requirement

39. (a) Where the words "without the Bank's written consent" appear in any clause, the Bank will not unreasonably withhold consent. The Company agrees that it is reasonable for the Bank to refuse to consent to something if, in the Bank's reasonable opinion, it adversely affects or might affect:
- (i) the Bank's security under this Debenture and its ability to enforce it;
  - (ii) the value of that which is secured to the Bank and its ability to sell the same;
  - (iii) the Bank's ability to recover the Debt; or
  - (iv) the assessment of the value of this Debenture as an asset of the Bank.

- (b) Where the words “the Bank reasonably requires” appear in any clause, the Company agrees that it is reasonable for the Bank to require something if, in the Bank’s reasonable opinion, it will or might assist in:
- (i) the preservation of the Bank’s security under this Debenture or the value of that which is secured by it; or
  - (ii) the Bank’s ability to recover the Debt.

**Severance and Modification - Unenforceability**

40. (a) If any of the clauses (or part of a clause) and/or any of the paragraphs (or part of a paragraph) becomes invalid or unenforceable in any way under any law, the validity of the remaining clauses (or part of a clause) or paragraph (or part of a paragraph) will not in any way be affected or impaired.
- (b) If any invalid or unenforceable clause or paragraph mentioned above (or part of either) would not be invalid or unenforceable if its form or effect were modified in any way, it shall be deemed to have the modified form or effect so long as the Bank consents.

**Parallel Security**

41. (a) The Company may at any time enter into a Parallel Security Document. Entry into and performance of the terms of a Parallel Security Document shall not breach any term of this Debenture.
- (b) The Company consents to the Bank and HSBC Bank plc entering into priority, intercreditor or other similar arrangements (to which the Company shall not be party) to regulate the ranking of the security granted by the Company under this Debenture and any Parallel Security Document.

**Interpretation:-**

42. (a) The words or expressions:-
- (i) “the Company” shall include any person from time to time deriving title under the Company.
  - (ii) “the Bank” shall include its successors and transferees and in both cases to the extent of their respective rights and benefits (including, without limitation, any person in whom under the laws of such person’s place of incorporation all or substantially all of the assets and liabilities of the Bank become vested).
  - (iii) “environmental laws” includes all applicable laws, regulations and directives (and all notices, circulars, orders, judgments and decisions of any court or other competent authority in any jurisdiction) concerning the pollution or protection of the environment or the health of humans, animals or plants including without limitation public and workers’ health and safety, the generation, use, treatment, storage, transportation or disposal, or discharge or release into the environment, of any chemicals or other pollutants or contaminants or industrial, radioactive, dangerous, toxic or hazardous substances or wastes (in whatever form and including noise and genetically modified organisms).
  - (iv) “environmental permits” means all permits, licenses, consents, approvals, certificates and other authorisations (including all conditions applicable to them) required under any environmental laws.
  - (v) “holding company” “subsidiary” and “subsidiary undertaking” shall have the meanings respectively set out in the Companies Act 2006 (as the same may be amended, varied or replaced from time to time).
  - (vi) “PSC Regime” means the regime relating to “people with significant control”, as set out in Part 21A of the Companies Act 2006 and The Register of People with Significant Control Regulations 2016.
  - (vii) “include(s)”, “including” and “in particular” shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words.

- (viii) "other" and "otherwise" shall not have their meaning narrowed on account of any preceding words where a wider construction is possible.
- (ix) "Parallel Security Document" means any security document in respect of any asset secured under this Debenture entered into by the Company in favour of HSBC Bank plc.
- (b) Any reference to a person shall include any person, company, corporation, body corporate, government, state (or agency of a state) and any association or partnership (whether or not having legal personality) of any of these.
- (c) Any reference to any statute or any section of any statute shall be regarded as including reference to any statutory modification or re-enactment of it for the time being in force.
- (d) References to the singular shall include the plural and vice versa; the use of the male pronoun shall include the female and neuter; the use of the neuter pronoun shall include both the male and the female.
- (e) The headings are used for guidance only.

**Company compliance with Memorandum and Articles of Association**

43. The Company confirms that this Debenture does not contravene any of the provisions of its Memorandum and Articles of Association.

IN WITNESS this Deed has been executed as a deed by the Company and is intended to be and is delivered on the date first mentioned above.

**The Schedule referred to above**

**Part 1**

(Freehold and/or leasehold land)

**Registered Title**

All the property(ies) comprised in the following title(s) at the Land Registry:

<b>Title Number</b>	<b>Short description of the property</b>
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**Unregistered Title**

All the property(ies) now vested in the Company and comprised in the Deed(s) referred to below:

<b>Short description of the property</b>	<b>Date</b>	<b>Deed/Document</b>	<b>Parties</b>
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**Part 2**

(Prior mortgages or other matters relating to the property described above)

<b>Short description of the property</b>	<b>Legal Mortgage / Charge dated</b>	<b>Parties</b>
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Executed as a deed by the Company acting by:

Signature /s/ David Phipps Director

Name in full David Phipps  
(Block letters)

Signature /s/ Jenna Foster Director/Company Secretary

Name in full Jenna Foster  
(Block letters)

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(For use by a  
Company with  
multiple directors  
and/or a Company  
Secretary)

Executed as deed by the Company acting by:

Signature \_\_\_\_\_ Director

Name in full \_\_\_\_\_  
(Block letters)

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(For use where one  
director is  
authorised to sign)

In the presence of:

Signature of witness /s/ Lucy Angell Witness

Full name of witness Lucy Angell  
(Block letters)

Address: 6 Rowland Ave Poole BH15 3DE

Occupation: Senior Ecommerce Coordinator

For and on behalf of HSBC UK Bank plc

/s/ Sabah Anwar







The Directors  
 Global Telesat Communications Limited  
 19-25 Nuffield Road  
 Nuffield Industrial Estate  
 Poole  
 Dorset  
 BH17 0RU

29th April 2020

### Coronavirus Business Interruption Loan Agreement

**THIS IS AN IMPORTANT LEGAL DOCUMENT THAT YOU SHOULD READ IN ITS ENTIRETY USING A DEVICE WITH A LARGE SCREEN, SUCH AS A TABLET, LAPTOP OR SIMILAR. WE RECOMMEND THAT YOU OBTAIN INDEPENDENT LEGAL ADVICE AND MAKE SURE YOU UNDERSTAND IT BEFORE YOU SIGN IT.**

**YOU ARE RESPONSIBLE FOR REPAYING THE WHOLE OF THIS LOAN AT ALL TIMES. WE WILL ALWAYS TRY TO RECOVER THE FULL AMOUNT OF THE LOAN FROM YOU OR FROM ANY SECURITY PROVIDED TO US FIRST.**

We are pleased to offer you a committed sterling term loan facility (the **Facility**). This agreement sets out the terms that apply to the Facility.

This agreement is between you and us.

By 'you' and 'your' we mean everyone or every business we have offered to provide the Facility to.

By 'us', 'we' and 'our', we mean HSBC UK Bank plc, or another entity that we transfer our rights and/or obligation to under the agreement to.

#### 1. What we are providing and what it will cost you

The details of this Facility are:

<b>Limit</b>	£250,000.00 (the <b>Limit</b> ).
<b>Currency</b>	Sterling
<b>Purpose</b>	You will only use the loan we provide under this Facility (the <b>Loan</b> ) for general working capital requirements. We will not monitor or check how you use the Loan.

HSBC UK Bank plc. Registered in England and Wales (company number: 9928412).

Registered Office: 1 Centenary Square, Birmingham, B1 1HQ. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 765112).

<b>Drawdown Period</b>	You may draw down the Loan from the date you accept this agreement (the <b>Acceptance Date</b> ) to the date falling 60 days after the Acceptance Date.
<b>Cancellation</b>	<p>If you do not make a draw down within the Drawdown Period, we will cancel the Facility and you will immediately pay us any amounts owing to us in connection with the Facility.</p> <p>If you do not draw down the Loan in an amount equal to the Limit within the Drawdown Period, we will cancel the undrawn portion of the Facility at the end of the Drawdown Period.</p> <p>We may cancel the Facility and require you to pay all amounts outstanding under the Facility if it becomes unlawful for us to comply with this agreement or to provide the Facility.</p>
<b>Repayments</b>	<p>You are responsible for paying back the money you owe us.</p> <p>You won't need to make any repayments of capital for the first 12 months after the date you draw down the Loan (the <b>Initial Repayment Free Period</b>). Your first repayment will be made on the date 13 month(s) after the date you draw down the Loan and you will repay the Loan in 59 monthly instalments of £4,166.67 (exclusive of interest). You will then make a final repayment of £4,166.47 on the Final Repayment Date.</p> <p>Once you have made a repayment or prepayment you cannot redraw that amount of the Loan that was repaid or prepaid.</p> <p>As well as repaying the Loan, you will also pay us interest as detailed below.</p> <p>We may change the amount of your repayment instalments if you make a prepayment or if it is required to accurately reflect the remaining amount payable by you.</p> <p>In any event you must pay us all outstanding amounts under this Facility (including accrued interest) by the Final Repayment Date.</p>
<b>Final Repayment Date</b>	The date 6 years from the date of the drawdown of the Loan.
<b>Deferred Capital Repayments</b>	<p>You can request to defer some of your capital repayments provided that:</p> <ul style="list-style-type: none"><li>(a) no Event of Default has occurred and is continuing;</li><li>(b) you elect to defer the repayments before the Final Repayment Date; and</li><li>(c) the term of the Loan (including any extended term) does not exceed 6 years from the date of drawdown of the Loan.</li></ul> <p>You must defer at least three monthly repayment(s) each time you elect to defer and cannot defer more than 24 months' worth of repayments in total including those repayments which were deferred during the Initial Repayment Free Period.</p>

If you elect to defer any capital repayments we will either:

- (a) extend the Final Repayment Date by the number of deferred repayments (provided that this does not extend the Final Repayment Date to a date which is more than 6 years from the date of drawdown of the Loan); or
- (b) adjust the amount of the repayment amounts to be paid by you following the deferred period.

We will confirm which option we have chosen as soon as we can following our receipt of your notice of deferral.

Deferring your capital repayments will not affect your obligation to pay us interest, which will still accrue and will be payable as set out in this letter.

**Voluntary Prepayments** You can prepay the Loan at any time if:

- (a) you give us at least 5 business days' written notice;
- (b) the amount of the prepayment is equal to 10% or more of the Limit or, if less, the balance of the Loan; and
- (c) you also pay us all accrued interest on the amount prepaid.

If you make a prepayment you will still have to make the repayments set out above but we may adjust the repayment amounts.

You must pay us the following fees and interest in connection with the Facility:

**Fixed Rate Break Fee** If we have offered you a fixed rate following a request under clause 4 of this agreement you may ask us in writing to change the interest rate applicable to the Loan from a fixed rate back to the Bank of England Base Rate. If you do this, or if you make any prepayment during the Fixed Rate Period, you must pay us a fee equal to:

- (a) for each full year of the Fixed Rate Period remaining, 1% of the amount voluntarily prepaid, or if we are changing the rate to the Bank of England Base Rate, 1% of the amount of the Loan which remains outstanding at that time; and
- (b) for each part of a year remaining, 1% of the amount prepaid or if we are changing the interest rate to the Bank of England Base Rate, 1% of the amount of the Loan which remains outstanding at that time, divided by 365 and multiplied by the number of days remaining in that partial year.

**Security Fees**

**Debenture**

Bank fee: £180

Bank fee for registration at Companies House: £50

Companies House registration fee: £15

**Interest**

Interest at a rate of 3.99% per annum over the Bank of England Base Rate payable on the outstanding principal amount of the Loan monthly and on the Final Repayment Date. We will either debit these interest payments from your account held with us (or any other nominated bank account, the details which have been confirmed and accepted by us) or your Loan account and will continue to do so until the Loan is fully repaid.

If you elect to apply for the business interruption payment (the **BIP**) from the UK Government (which was set out in the BIP offer letter provided to you) you won't need to make any payment of interest to us for the first 12 months after the date you draw down the Loan. This is because the BIP will cover those interest payments on your behalf. Your first payment of interest will therefore be on the date 13 months after the date you draw down the Loan and then monthly thereafter.

If you do not elect to apply for the BIP, no interest payments will be covered on your behalf and you will therefore be responsible for the payment of all interest accrued on the Loan.

The amount of interest you pay may change if, for example, there is a change in the Bank of England Base Rate.

If the Bank of England Base Rate is less than zero, the Bank of England Base Rate shall be deemed to be zero.

If you ask us in writing we will tell you the interest rate that is applicable to your Loan at that time.

You are not required to pay any fee to benefit from the CBILS. Please see schedule 3 for further details.

Your total indicative costs for the first 12 months following drawdown of the Loan, which will be covered by the BIP (should you elect to apply for it), will be £10,470.00 which is comprised of £10,225.00 interest and £245.00 security fees.

## **2. What we need from you**

Before you draw down under the Facility you must provide us with the following documents in a form we are happy with:

(a) General Conditions

- (i) a signed copy of this letter;
- (ii) a duly signed, dated and completed copy of the business interruption payment offer letter confirming whether you do/do not want to apply for a business interruption payment;
- (iii) a resolution of your board of directors approving your entry into this agreement and the Documents;
- (iv) evidence of who is authorised to make drawings from an account on your behalf or a bank mandate. If you don't give this to us we will assume that anyone who is authorised to instruct us to make payments on your behalf in Sterling in the amount of the relevant drawing from an account held with us is authorised; and

(v) the form of information declaration provided to you by us, duly signed, dated and completed without any amendments or variations;

(b) Security

(i) the following security documents, signed by the relevant parties (other than us):

1. Debenture comprising fixed and floating charges over all the assets and undertaking of the Borrower including all present and future freehold and leasehold property, book and other debts, chattels; goodwill; uncalled capital, both present and future.
- (ii) evidence that you, or the person providing us with any security, has good and marketable title to the assets it is securing; and
- (iii) any documents we need to enable us to register the security;

(c) Others

(i) all information needed for us to comply with our “know your client” requirements.

We will let you know if something further is needed and when we are happy with the form of the documents.

We will allow you to draw down the Loan if:

- (a) we have everything we have asked from you under this clause 2; and
- (b) no Event of Default or Potential Event of Default is continuing or would result from the drawdown.

By **Event of Default** we mean any of the events set out in clause 8 of this letter and by **Potential Event of Default** we mean an event or circumstance which would, with the expiry of a grace period, the giving of notice or the making of any determination be an Event of Default.

A Potential Event of Default is **continuing** if it has not been remedied or waived and an Event of Default is **continuing** if it has not been waived by us.

**3. How you can request the Loan**

You must provide us with a drawdown request by 9.30am on the morning of the proposed drawdown date.

The drawdown request must be in the form set out in schedule 1, or in such other form as we agree, and include:

- (a) the proposed drawdown date;
- (b) the amount of the Loan; and
- (c) details of the bank account to which the Loan should be paid.

Once you have submitted the request it cannot be amended or withdrawn.

You can only make one drawdown and it must be in an amount equal to the Limit.

#### 4. How you can request a Fixed Rate

At any time following the drawdown of the Loan, if no Event of Default has occurred and is continuing, you may ask us for a fixed rate by making a request in the form set out in schedule 2.

We will use reasonable endeavours to offer you a confirmed fixed rate but we are not obliged to do so. If we agree to offer you a confirmed fixed rate we will do this in a fixed rate quote. The fixed rate quote will tell you what the fixed rate is and for what period it applies (**Fixed Rate Period**).

#### 5. About the Coronavirus Business Interruption Loan Guarantee

This Loan is supported by the Coronavirus Business Interruption Loan Scheme (**CBILS**), managed by the British Business Bank, on behalf of, and with the financial backing of, the Secretary of State for Business, Energy and Industrial Strategy.

##### (a) CBILS Guarantee

We can only make the Loan available to you if we receive a guarantee from the UK Government under CBILS (the **CBILS Guarantee**). If you do not repay us the full amount of the Loan, the Government will pay some of the amounts due to us instead.

##### (b) Your responsibility for the repayment of the Loan

The CBILS Guarantee is provided to us and not to you. **You are responsible for repaying the whole of this Loan at all times.**

If you fail to repay the Loan to us, we can recover the full amount you owe us from any security that may have been provided to us for the Loan. If we are unable to recover the full amount of the Loan from you, or from any security provided to us, the CBILS Guarantee provides us with a partial guarantee for the Loan. **We will always try to recover the full amount of the Loan from you or any security provided to us first.**

##### (c) Claiming under the CBILS Guarantee

Where the CBILS Guarantee is called upon, we may be required to make repayments to the UK Government from any amounts we receive by enforcing any security that may have been provided to us for the Loan.

#### 6. Your confirmations to us

You make the following representations and warranties to us on: (i) the date that you sign this letter; (ii) on any date on which you request a drawdown; (iii) any date on which you make a drawdown; and (iv) on each date you make a payment of capital and/or interest to us.

You make these representations and warranties on your behalf and on behalf of any other party which provides guarantees or security to us (other than the CBILS Guarantee) in support of your obligations to us (an **Obligor**). Any reference to 'you' in paragraphs (a) to (o) below refer to you and any Obligor:

- (a) you are duly incorporated or established under the laws of your jurisdiction of incorporation or establishment and you have the power and authorisations needed to own your assets and carry on your business as it is being conducted;

- (b) you are able to enter into and perform your obligations under any document required in connection with us providing the Facility to you (the **Documents**);
- (c) your obligations under the Documents are legal, valid and binding;
- (d) you comply with all laws and regulations (including all environmental laws and regulations) which apply to you;
- (e) no Event of Default or Potential Event of Default is continuing or would result from the drawdown and there are no other events or circumstances which constitute (or would, with the expiry of a grace period, the giving of notice or the making of any determination constitute) a default or termination event (however described) under any other agreement or instrument you are a party to;
- (f) there is no material current, pending or threatened litigation or similar proceedings affecting you or any proceedings that could, if adversely determined, affect you;
- (g) you have good and marketable title to the assets over which the security is granted;
- (h) any security that we have the benefit of has or will have first ranking priority (unless we agree otherwise with you);
- (i) your obligations to us rank pari passu with your other unsecured and unsubordinated obligations to other parties (other than us) unless those other obligations are preferred by law;
- (j) no person has taken any step to commence any insolvency proceedings, or threatened to take any step to commence any insolvency proceedings, in relation to you or, if you are part of a wider group of entities, any member of your group;
- (k) your centre of main interests is situated in the jurisdiction of your incorporation or establishment and you have no establishment in any other jurisdiction;
- (l) any written information provided to us by you or on your behalf was true, complete and accurate in all material respects when it was provided and has not become materially misleading or incorrect;
- (m) you are not required to make any deduction or withholding for or on account of tax, duty or any other charge for any payment you make to us;
- (n) you have conducted your businesses in compliance with applicable anti-corruption laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws; and
- (o) neither you, nor any subsidiary, director, officer, employee, agent or affiliate of yours nor any of their subsidiaries is, or is owned or controlled by, an individual or entity that is, (i) the subject of any Sanctions, or (ii) located, organised or resident in a country or territory that is, or whose government is, the subject of Sanctions.

**What are Sanctions?**

**Sanctions** means any counter-terrorism legislation or any international economic or trade sanctions adopted, administered or enforced by the United Nations Security Council (the Council as a whole or its individual members), the Office of Foreign Assets Control of the U.S. Department of the Treasury (OFAC), the U.S. Department of Commerce Bureau of Industry and Security, the US Department of State, the European Union (the Union as a whole or its member states), Hong Kong or the United Kingdom.



## 7. What you agree to do

We want to build a relationship with you and continue to support your business. For us to do that we expect you to run your business in a commercially prudent manner and keep the nature of your business the same as it is at the start of our relationship. We also expect you to:

- (a) prepare your financial information in accordance with generally accepted accounting standards;
- (b) let us have copies (in a form acceptable to us) of:
  - i. your accounts (audited, if required by law) no later than 9 months after your financial year end;if your accounts have not been audited we can ask that an audit is carried out at your cost by a registered auditor;
- (c) give us any information we reasonably request including information about your financial position or trading activities or anything we need to satisfy our 'know your customer' requirements;
- (d) tell us if you or any Obligor breach the agreement or any security or guarantee granted in our favour, if there is a Potential Event of Default or if there is any material litigation or similar proceedings which affect you or any Obligor, or, if you are part of a wider group of entities, any of your group companies; and
- (e) keep your business and assets insured with a reputable insurer against risks that a business carrying on the same or similar business would usually insure against and send us copies of any policies and premium receipts if we ask for them.

If we ask you, you will fully co-operate with us and do what we reasonably ask you to do:

- (a) in connection with: (i) any interest conferred or intended to be conferred on us by or (ii) any of our rights, powers or remedies under, any Document; and/or
- (b) to enable us to realise any Document which we have an interest in.

You also confirm to us that:

- (a) you have and will maintain any licences and/or authorisations you need to run your business;
- (b) you will comply with all laws and regulations (including all environmental laws and regulations) which apply to you;
- (c) you will not use, and you will make sure that, as applicable, no other member of your group, director, shareholder or Obligor will use, directly or indirectly, any part of the Facility for any payments that could constitute a violation of any applicable anti-bribery law,
- (d) you will not, and you will make sure that, as applicable, no other member of your group, director, shareholder or Obligor will, directly or indirectly, use the Facility or lend, contribute or otherwise make available the Facility to any person:
  - i. to fund any activities or business of or with any person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions; or
  - ii. in any other manner that would result in a violation of Sanctions by any person.

## 8. Events of Default

If any of these Events of Default occur then we may:

- (a) cancel all or part of the Facility and we will have no further obligations to you;
- (b) stop you from exercising your right to elect to defer any capital repayments;
- (c) demand immediate repayment of all amounts due to us under the Facility;

(d) declare that all or any part of the Loan is repayable on demand; and/or

(e) enforce any security or guarantees.

An Event of Default will occur if:

(a) you or any Obligor does not pay any amount due to us under the Documents when due, unless there has been a technical error in making the payment and it is made within 3 business days;

(b) any of the representations and warranties you or any Obligor makes to us under the Documents is or becomes materially misleading or incorrect;

(c) you fail to provide any financial information that you are required to give us under clause 7 when due;

(d) there is a breach of any Document which provides security in favour of us;

(e) you or any Obligor breaches any provision of the Documents (other than those referred to in (a) to (d) above) unless the breach can be remedied and is remedied within 10 business days of the earlier of you or the Obligor becoming aware of the breach and us notifying you or the Obligor of the breach;

(f) there is an event of default (however described) under any other finance arrangements you or an Obligor are a party to;

(g) you or any Obligor rescinds or purports to rescind or repudiates or purports to repudiate any Document;

(h) any party to any intercreditor or priority arrangements (other than us) breaches the terms of those arrangements (unless such breach is waived by all parties (other than the party in breach));

(i) there is a change in control of you, any Obligor, or if you are part of a wider group, your group, without our written consent;

(j) any of the following events occur:

(i) you, any Obligor, or, if you are part of a wider group, any member of your group, admits that it is, or is declared to be or deemed to be, unable to pay its debts when due;

(ii) you, any Obligor, or, if you are part of a wider group, any member of your group enter into, or seek or propose, any composition or voluntary arrangement with your creditors or scheme of arrangement of your affairs;

(iii) any action is taken or any court order is made which adversely affects the whole or a material part of your assets or, if you are part of a wider group, assets of a member of your group;

(iv) an act, whether by you or another person, which either amounts to, or could directly result in, a formal step being taken for the receivership, administration, bankruptcy, liquidation, dissolution or analogous proceedings of, or in respect of, you or, if you are part of a wider group, any member of your group;

- (k) you, any Obligor, or, if you are part of a wider group, any member of your group, terminates or transfers the whole or a substantial part of its business; or
- (l) it becomes unlawful for you and/or an Obligor to comply with the Documents or any obligations under the Documents cease to be legal, valid and binding.

#### **9. Costs and expenses**

You will pay to us all our costs and expenses that we incur in connection with the Documents.

If we think we might, or if we have to, enforce or preserve our rights under, the agreement or any security or guarantee granted in our favour in support of your obligations or have to investigate any breach of the agreement or any security or guarantee, you will promptly pay us our costs and expenses associated with us taking such action.

We can debit these costs to your current account with us (or any other nominated account) or your loan account with us. We will tell you what the costs are before we debit them.

#### **10. Increased Costs**

You will pay us on demand the amount of any Increased Costs we incur because of:

- (a) a change in (or the interpretation, administration or application of), or the introduction of, a law or regulation;
- (b) compliance with any law or regulation made after the date of this agreement; and/or
- (c) the implementation or application of, or compliance with, Basel III, CRDIV or any other law or regulation which implements Basel III and/or CRDIV.

**By Increased Costs** we mean additional or increased costs incurred by us or a reduction in our rate of return from the Facility or our overall capital. This will include the consequences of any tax in respect of any payment received or receivable by us under the Facility (other than tax payable on your overall net income).

#### **What are Basel III and CRDIV?**

**Basel III** means:

- (a) the agreements contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
- (b) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement - Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
- (c) any further guidance or standards published by the Basel Committee on Banking Supervision relating to Basel III.

CRDIV means, together, the Capital Requirements Regulation (Regulation (EU) no. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending regulation (EU) No. 648/2012 and the Capital Requirements Directive (Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directive 2006/48/EC and 2006/49/EC) of the European Parliament and the Council, as either of the same may be amended, supplemented or restated from time to time.

## **11. Indemnity**

You must indemnify us on demand against any costs or losses that we incur because of:

- (a) a breach by you of the agreement;
- (b) the application by you of the Facility;
- (c) us providing funding to you or making arrangements to fund the Facility; and/or
- (d) a cancellation or prepayment of the Facility.

## **12. Payments**

- (a) You must make all payments in cleared funds on the due date for payment or, if that day is not a business day, on the next business day.
- (b) You must make all payments without any deduction or withholding.
- (c) If you are required by law to make any deduction or withholding from a payment, you will promptly pay to us additional sums that will make the net sum received by us equal to the full sum payable had there been no deduction or withholding.
- (d) All amounts payable to us under this agreement shall be deemed to be exclusive of VAT. Where VAT is chargeable, you must pay us an amount equal to the amount of VAT charged.
- (e) We may debit any amount you owe us under the agreement to any account you hold with us (including any accrued interest, fees or costs) even if it causes that account to become overdrawn or for any limit on that account to be exceeded. We will tell you the amount of any fees and/or costs before debiting them from your account.

## **13. How we use the payments you make**

We will apply any payment we receive from you or any other person in connection with the Facility:

- (a) firstly, to discharge all costs, fees and expenses (including legal fees) you owe us;
- (b) secondly, in or towards the discharge of any interest or other amounts owed to us other than principal; and
- (c) thirdly, in or towards the discharge of any principal you owe to us.

## **14. Interest and fees**

We will calculate fees, interest and default interest on a daily basis:

- (a) from the date we make the Facility available to you or, if applicable, the date the payment or fee is payable, until the date of actual payment; and
- (b) on the basis of a 365 day year or, if the market practice in the jurisdiction of the relevant currency differs, in accordance with that market practice.

You will pay us interest in arrears, at the rate specified in this agreement, on the charging dates you have agreed with us (you can ask us what these rates or dates are at any time).

If any fee or cost is specified as a percentage, it will be calculated on the total amount of the relevant Limit or Facility (as applicable) unless otherwise stated.

## 15. Currency

Payments to us should be made in the currency in which they are due. If we receive any money which is in a different currency or if we need to convert any order, judgment or award given in relation to a payment due from you into a different currency, we may convert this at the HSBC Exchange Rate. You must indemnify us on demand against any costs or losses that we incur because of that conversion.

If a change in any national currency unit occurs and affects the currency of the Loan we may amend the terms of this letter to reflect the change without your consent.

If we need to re-denominate the Loan we may ask you to enter into a new agreement on substantially the same terms as this agreement. If you do not agree to the new terms you will be able to prepay the outstanding amounts under this agreement on 5 business days' notice.

### **What is the HSBC Exchange Rate?**

This is the rate we use to convert payments to and from currencies other than the currency of your payment. It's based on the foreign currency market for each currency we offer so changes constantly. The rate will depend on the size of the payment and whether we are buying currency (because you are receiving a payment) or selling currency (because you are making a payment).

You can find out the rate at any time by contacting us (see our website for contact details <http://www.business.hsbc.uk/en-gb/contact-us>).

## 16. Set-off

If you have money in one of your accounts (except for trust, client or joint accounts), we may set it off against any amount you owe us which is due for payment on other accounts (including money you owe on a joint account) so it reduces or repays the amount you owe us. We'll only do this with accounts in your name.

In exercising our right, we may use any amounts you have in a fixed term deposit account and, where those deposits are not in the same currency as the amount owed, we may convert those amounts to the currency of the amount owed using our HSBC Exchange Rate. We may also adjust the amount of interest we pay you.

## 17. Transfer

You can't transfer any of your rights and obligations under this agreement.

We can transfer any of our rights and obligations under this agreement to anyone.

You will, at our expense or at the expense of the person we transfer our rights and/or obligations to, do anything that we reasonably request to effect the transfer.

## 18. Third party rates

If there is a change to any third party rate (for example the Bank of England Base Rate) the change will take effect on the same business day that the change is published.

## 19. Certificates and determinations

Any rate or amount under any Document that we certify or determine will, unless there is a manifest error, be conclusive evidence of the relevant matter.

## 20. Sharing information

If we make a reasonable request for information, you must give it to us as soon as possible. If you don't, or we suspect fraudulent or criminal activity of any kind:

- (a) we might try to get it from another source; and/or
- (b) we can terminate the Facility or suspend access to services.

You must make sure the information you give us is accurate and up to date and tell us within 30 days if anything changes.

We'll use your information as explained in our Privacy Notice (available at [www.business.hsbc.uk/legal](http://www.business.hsbc.uk/legal)).

You consent to us sharing any information about you, the Facility and/or the agreement with:

- (a) any person that we might transfer or have transferred our rights to under the agreement;
- (b) any person that we might enter into or have entered into any sub-participation with or any other transaction under which payments are to be made or may be made by reference to any of the Documents or any person who might or does invest in or finance such a transaction;
- (c) any member within the HSBC Group, being HSBC Holdings plc and its subsidiary companies from time to time;
- (d) any rating agency or other person that we have to send that information to under any applicable law or regulation or where requested by a regulatory authority or by the rules of a stock exchange or in connection with any litigation or similar proceedings;
- (e) any insurer who is or who proposes to provide insurance to us in respect of a Facility; and
- (f) any employees, officers, directors, affiliates, auditors or professional advisers of any of the above persons.

## 21. Compliance with laws and regulations

We and you are each required to comply with the laws and regulations that apply to us, in the countries where the HSBC Group does business. These include, among others, laws and regulations that:

- (a) prohibit criminal conduct, such as fraud, bribery and corruption, money laundering, terrorist financing, insider dealing, market manipulation and tax evasion;
- (b) impose asset freezes, economic and other sanctions; and
- (c) require us to have controls, policies and procedures to prevent our services from being used for financial crime.

In the event we reasonably consider that the performance of this agreement, or any part of it, would cause us to breach any law or regulation that applies to us:

- (a) we will not be required to perform that part of this agreement; and
- (b) we will not be liable to you in any way for not performing it.

## 22. Third party rights

This agreement is between you and us, therefore a person who is not a party to the agreement will not have any rights to enforce it.

## 23. Waiver

No failure or delay by us in enforcing any of our rights under the agreement will mean that we have given up those rights, in whole or in part, or prevent us from enforcing those rights in the future.

## 24. Tax

It's up to you to meet your tax responsibilities in the UK and elsewhere. Some countries' tax laws may apply to you even if you don't have a business there. As you're responsible for your own tax obligations, no HSBC Group member is responsible for this or provides tax advice. It's your choice whether to seek independent legal and tax advice.

## 25. Events outside our control

Sometimes events happen which are outside of our reasonable control. These events can include natural events (such as a flood) and power failure and are often called force majeure events. If such an event does happen and it prevents or delays our performance of any of our commitments, we will not be liable to you as a result.

## 26. Security

Any amount that you owe us under this agreement will be secured by all the security that we already hold (or which we may hold in the future) in respect of your liabilities to us.

## 27. What laws apply to this agreement?

This agreement and any non-contractual obligations are governed by the laws of England and Wales and you and we both agree that the courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with the agreement.

## 28. Some final useful information about your Facility

Please also note the following terms that apply to your Facility:

- (a) Unless we have told you otherwise in this agreement, if we agree with you to amend any term of this agreement any amendment will only be effective if in writing and signed by both of us.
- (b) Your obligations under this agreement shall not be secured on any land or buildings to the extent that that security would make this agreement a "regulated mortgage contract" for the purposes of the UK Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544). This provision will always take priority over any provision in any security document you enter into.
- (c) If you need to contact us in connection with the Facility you should write to, or email, your relationship manager/director or otherwise you can find our contact details at <https://www.business.hsbc.uk/en-gb/contact-us>
- (d) We'll contact you or a person you've authorised us to contact, using the most recent address (postal or email) or telephone number you or they have given us. You must let us know as soon as possible if the contact details for you or any authorised person change. If you don't, you might not get information or notices from us – we won't be responsible for this.
- (e) If we send you a letter, you will be deemed to have received it at 12pm on the business day two days after we have posted the letter. In this agreement, by business day, we mean any day other than a Saturday, Sunday or public holiday in the United Kingdom, where we are open for business. If we email you, or use a platform or other electronic channel, you will be deemed to have received the notice or demand at the time the email was sent or, as applicable, at the time the notice or demand is notified to you on the relevant platform or electronic channel.

## 29. Right of appeal to lending conditions

You may have a right to appeal against the terms and conditions that we have offered. See the Lending Appeals Guide page on the Bank's website (currently <http://www.business.hsbc.uk/en-gb/contact-us/contact-us-appeals-for-borrowing-page>) for details.

## 30. How to make a complaint

- (a) If you have a complaint, please contact us using the details below. We'll send you a written acknowledgement within five working days and keep you informed of our progress until your complaint has been resolved. We'll do everything we can to sort out the problem.

You can contact us:

At Branch: Customers can visit a branch and speak to our dedicated members of staff face to face

By Telephone: Customers can give us a call on 03457 606060 (+44 1226 260878)

Online: Customers can email us at [customer.care.team@hsbc.com](mailto:customer.care.team@hsbc.com). Alternatively customers can complete our [online complaint form](#). A member of our dedicated team will be in contact with the customer shortly.

By Letter Customers can write to us at the following address

Customer Care Team  
HSBC UK  
PO Box 6125  
Coventry  
CV3 9GW

- (b) If you still remain dissatisfied, you may be able to refer your complaint to the Financial Ombudsman Service using the contact details set out below. If you're not eligible to use the Ombudsman Service, please note that, at the date of this agreement, we don't use any alternative dispute resolution services.

- Financial Ombudsman Service, Exchange Tower, London, E14 9SR
- [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)
- [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## 31. Accessibility

- (a) To find out more about our accessible service please visit [www.hsbc.co.uk/accessibility](http://www.hsbc.co.uk/accessibility) or ask at any of our branches.
- (b) If you'd like this in another format such as large print, Braille or audio, please contact us.



**32. About us and our authorisation details**

- (a) HSBC UK Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
- (b) Our Financial Services Register number is 765112. You can check these details by visiting the Financial Conduct Authority's website [www.fca.org.uk](http://www.fca.org.uk) or contacting them on **0800 111 6768**.
- (c) HSBC UK Bank plc is a company registered and established in England and Wales under registration number 09928412. Our registered office is at 1 Centenary Square, Birmingham, B1 1HQ, United Kingdom. Our VAT registration number is GB365684514.

To accept this agreement, please sign this agreement where indicated below and arrange for it to be returned to us. If you do not sign this agreement and return it to us within 30 days from the date specified on the front page, the offer set out in this agreement will lapse.

If we indicate as such to you, this letter may be signed by electronic signature (as defined in the Electronic Communications Act 2000) and shall have the same legal effect, validity and enforceability as if signed by hand written signature to the extent and as provided for in any applicable law (including the Electronic Communications Act 2000).

We can each sign different copies of this letter and these copies will, together, form a single agreement. Signed for and on behalf of **HSBC UK Bank plc**.

Signed: /s/ James Allingham

This agreement, signed for and on behalf of Global Telesat Communications Limited with authority to do so.

Signed: /s/ David Phipps

Print name: David Phipps

Date: July 16, 2020

**SCHEDULE 1**  
**DRAWDOWN REQUEST**

From: Global Telesat Communications Limited

To: HSBC UK Bank plc

Dated: \_\_\_\_\_

Dear Sirs

**CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME FACILITY LETTER DATED 29th April 2020 (THE “AGREEMENT”)**

We refer to the Agreement. This is a drawdown request. When we use capitalised terms in this drawdown request, these have the same meaning as in the Agreement.

1. We wish to draw down the Loan on the following terms:
- (a) **Drawdown Date:** \_\_\_\_\_ (or, if that is not a business day, the
  - (b) next business day).<sup>1</sup> £ \_\_\_\_\_<sup>2</sup>
- Amount:**

2. The proceeds of the Drawdown should be credited to:<sup>3</sup>

**Bank:**

**Account name:**

**Account number:**

**Sort code:**

3. We confirm that we have provided everything you require under clause 2 of the Agreement.
4. We agree that the applicable interest rate shall be determined as set out in the Agreement.
5. We confirm that no Event of Default has occurred and is continuing and that no Potential Event of Default would arise from the proposed draw down.
6. We confirm that each of the representations we have made to you in the Agreement are true.
7. This drawdown request is unconditional and irrevocable.

Yours faithfully

.....

Director for and on behalf of  
Global Telesat Communications Limited

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1 Please complete the Drawdown Date.  
2 Please complete the amount of Drawdown  
3 Please complete the details of the bank account for receiving proceeds of the Drawdown

**SCHEDULE 2**  
**FIXED RATE REQUEST**

To: HSBC UK Bank plc

Dated: \_\_\_\_\_

Dear Sirs

**CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME FACILITY LETTER DATED 29th April 2020 (THE “AGREEMENT”)**

When we use capitalised terms in this fixed rate request, these have the same meaning as in the Agreement.

1. This is a fixed rate request in accordance with clause 4 of the Agreement.
2. We request a fixed rate for a Fixed Rate Period of \_\_\_\_\_ months from \_\_\_\_\_ (*date*).
3. We confirm that the full amount of the Loan will be subject to the Fixed Rate.
4. This fixed rate request is irrevocable.

Yours faithfully

.....

Director for and on behalf of  
Global Telesat Communications Limited

**SCHEDULE 3**  
**CBILS BORROWER SIDE LETTER**



Steel City House  
West Street  
Sheffield  
S1 2GQ

Tel : 0114 206 2131

[british-business-bank.co.uk](http://british-business-bank.co.uk)  
[@britishbbank](https://twitter.com/britishbbank)

**Dear Borrower**

**1. CORONAVIRUS BUSINESS INTERRUPTION LOAN SCHEME – CBIL Scheme**

Following the announcement by Chancellor Rishi Sunak on 11 March 2020 we are writing to inform that your facility is being provided to you under the CBIL Coronavirus Business Interruption Loan Scheme (the “CBIL Scheme”).

The CBIL Scheme is delivered through the Enterprise Finance Guarantee (“EFG”) framework. References to “EFG” or the “Enterprise Finance Guarantee” in any communications from your finance provider should be read as references to the CBIL Scheme.

**2. CBIL GUARANTEE**

Your lender’s ability to provide you with this facility is dependent upon your lender receiving a guarantee from the UK Government under the CBIL Scheme. The guarantee provides your lender (and not you) with a partial guarantee, should you default on repaying this facility. You remain responsible for repaying the whole of this facility at all times.

**3. SCHEME GUARANTEE FEE**

You will not be required to pay any Scheme Guarantee Fee for the term of your CBIL Scheme Facility. Your Scheme Facility Letter and the Information Declaration you are asked to sign may refer to you paying a Scheme Guarantee Fee, this letter supersedes any parts of the Scheme Facility Letter and the Information Declaration that mention a “fee”. You will be sent a Guarantee Fee Payment Schedule by your lender, this should show the Scheme Guarantee Fee payable by you as being zero.

**Yours faithfully,**

*Patrick Hayes*

A handwritten signature in blue ink, appearing to be a stylized monogram or initials.

For and on behalf of British Business Financial Services Limited as agent for the Secretary of State for Business, Energy and Industrial Strategy