

MR01

Particulars of a charge



Companies House

23 0076/161



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☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

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

For further information, please
refer to our guidance at
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This form must be delivered to the Registrar for registration
21 days beginning with the day after the date of creation
delivered outside of the 21 days it will be rejected unless it
court order extending the time for delivery

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



ASIK9HHF

A04

28/10/2016

#121

COMPANIES HOUSE

1 Company details

Company number 0 4 2 2 0 4 1 9

Company name in full MAPLIN ELECTRONICS (HOLDINGS) LIMITED ✓

for official use

→ Filing in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 2 6 1 0 2 0 1 6 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name WELLS FARGO CAPITAL FINANCE (UK) LIMITED
(as Security Trustee) ✓

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes
☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue
☒ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes
☐ No

8

Trustee statement ¹

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☒

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Reed & Smith LLP* X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Meryem Hassan/766740 00067

Company name Reed Smith LLP

Address The Broadgate Tower

Post town London

County/Region

Postcode E C 2 A 2 R S

Country England

DX DX1066 City

Telephone 020 3116 3882



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4220419

Charge code: 0422 0419 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th October 2016 and created by MAPLIN ELECTRONICS (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th October 2016

Given at Companies House, Cardiff on 3rd November 2016



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Certified as a true copy of the
original instrument other than material
redacted pursuant to s.859G of the
Companies Act 2006

Reed Smith LLP

Reed Smith LLP

Date 27 October 2016

EXECUTION VERSION

Dated 26 October 2016

Maplin Electronics (Holdings) Limited
and Maplin Electronics Limited
(as Chargors)

Wells Fargo Capital Finance (UK) Limited
(as Security Trustee)

Share Charge
in respect of the entire issued
share capital of
MAPLIN ELECTRONICS
(HK) LIMITED

ReedSmith

Reed Smith LLP
The Broadgate Tower
20 Primrose Street
London EC2A 2RS
Phone +44 (0) 20 3116 3000
Fax +44 (0) 20 3116 3999
DX1066 City / DX18 London

reedsmith.com

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THIS DEED is made on *26 October* 2016

BETWEEN

- (1) **MAPLIN ELECTRONICS (HOLDINGS) LIMITED** a company incorporated under the laws of England and Wales with limited liability whose registered office is at Brookfields Way Manvers, Wath Upon Dearne, Rotherham, South Yorkshire, S63 5DL, England ("Chargor A"), and
- (2) **MAPLIN ELECTRONICS LIMITED** a company incorporated under the laws of England and Wales with limited liability whose registered office is at Brookfields Way Manvers, Wath Upon Dearne, Rotherham, South Yorkshire, S63 5DL, England ("Chargor B" and together with Chargor A, the "Chargors"), and
- (3) **WELLS FARGO CAPITAL FINANCE (UK) LIMITED** a company incorporated in England and Wales with company number 02656007 of 4th Floor, 90 Long Acre, London, WC2E 9RA, England, acting on its own behalf and as security trustee for and on behalf of the other Secured Parties (in such capacity, the "Security Trustee", which definition includes any successors, assigns and transferees).

WHEREAS -

- (A) The Chargors are entering into this Deed in connection with the Finance Documents
- (B) The board of directors of each Chargor is satisfied that entering into this Deed is for the purposes and to the benefit of the Chargors and their respective businesses
- (C) The Security Trustee holds the benefit of this Deed on trust for itself and the other Secured Parties on the terms of the Finance Documents

NOW THIS DEED WITNESSES as follows

1 DEFINITIONS AND CONSTRUCTION

1.1 Defined Terms

In this Deed, unless a contrary indication appears or the context otherwise requires, terms used shall have the meanings given to them in the Facility Agreement and in addition

"Charged Assets" means, in respect of each Chargor, the assets of each Chargor from time to time subject, or expressed to be subject, to the Charges or any part of those assets

"Charges" means all or any of the Security Interests created or expressed to be created by or pursuant to this Deed

"Company" means Maplin Electronics (HK) Limited, a company incorporated under the laws of Hong Kong with company number 523364 whose registered office is at Room B, 9th Floor, KOHO, 73-75 Hung To Road, Kwun Tong, Kowloon, Hong Kong

"Companies Ordinance" means the Companies Ordinance (Cap 622 of the Laws of Hong Kong)

"CPO" means the Conveyancing and Property Ordinance (Cap 219 of the Laws of Hong Kong)

"Deed" means this Share Charge

"Delegate" means a delegate or sub-delegate appointed under Clause 10.2 (Delegation)

"Dividends" means all present and future

- (a) dividends and distributions of any kind and any other sum received or receivable in respect of any Share or any other asset referred to in this definition,

- (b) rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of any Share or any other asset referred to in this definition,
- (c) allotments, offers and rights accruing or offered in respect of any Share or any other asset referred to in this definition, and
- (d) other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, any Share or any other asset referred to in this definition

"Facility Agreement" means the GBP35,000,000 facility agreement dated on or around the date of this Deed, entered into by, among others, the Chargors and the Security Trustee (in its capacity as agent, original lender, arranger and security trustee)

"Hong Kong" means the Hong Kong Special Administration Region of the People's Republic of China

"Instrument of Transfer" means the instrument of transfer and bought and sold notes substantially in the form set out in Schedule 7 (Instrument of Transfer)

"Nominee Share" has the meanings ascribed to it in Clause 3.1 (Charge)

"Party" means a party to this Deed and includes its successors in title, permitted assigns and permitted transferees

"Receiver" means a receiver and/or manager or other receiver appointed in respect of any or all of the Charged Assets pursuant to this Deed

"Secured Obligations" means any and all moneys, liabilities and obligations (whether actual or contingent, whether as principal, surety or otherwise, whether now existing or hereafter arising, whether or not for the payment of money, and including, without limitation, any obligation or liability to pay damages) which are or may become payable by the Obligors to the Secured Parties or any of them under or pursuant to the Finance Documents

"Shares" means, with respect to a Chargor

- (a) all present and future shares (of each class) in and/or ownership interests in the Company (including without limitation those set out in Schedule 2 (Particulars of Shares)),
- (b) all warrants, options or other rights to subscribe for, purchase or otherwise acquire any shares (of any class) of or ownership interests in the Company, and
- (c) all rights relating to any of those shares which are deposited with, or registered in the name of, any depositary, custodian, nominee or other similar person (including rights against any such person),

in each case, legally and/or beneficially owned by such Chargor

"Third Parties Ordinance" means the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong)

"Winding-up" means one of the events or circumstances mentioned in clauses 24.5 (Insolvency) and/or 24.6 (Insolvency Proceedings) of the Facility Agreement or any analogous procedure or step in any jurisdiction

1.2 Clause headings

Clause headings and the table of contents are for ease of reference only and do not affect the interpretation of this Deed

1.3 Construction

In this Deed, unless the context otherwise requires

- (a) references to Clauses and Schedules are references to the clauses of, and schedules to, this Deed,
- (b) reference in a Clause to a sub clause is a reference to a sub clause of that Clause,
- (c) a reference to any agreement is to that agreement as it may be amended or varied by the parties thereto from time to time,
- (d) the singular includes the plural, and
- (e) references to any person include references to their respective successors in title and permitted assigns

1.4 Trust

- (a) All rights, benefits, interests, powers and discretions granted to or conferred on the Security Trustee pursuant to this Deed shall be held by the Security Trustee on trust for the benefit of itself as Security Trustee and each other Secured Party from time to time. The Security Trustee may do all acts within its powers to administer and manage the trust constituted by this Clause including any full or partial release by deed of the rights, benefits and interests conferred by Clause 3.1 (Charge) or the release of all or any part of the Charges from this Deed. The trust constituted by this Clause shall come into existence on the date of this Deed and shall last for so long as any of the Secured Obligations remain outstanding.

1.5 Third Party Rights

- (a) The rights expressly conferred on each Receiver and each Delegate of the Security Trustee or the Receiver under this Deed are enforceable by each of them under the Third Parties Ordinance.
- (b) No other term of this Deed is enforceable under the Third Parties Ordinance by anyone who is not a Party.
- (c) The Parties may terminate this Deed or vary any of its terms without the consent of any third party. However, they must obtain consent if the termination or variation adversely affects the rights of a Receiver or of a Delegate of the Security Trustee or Receiver under this Deed, but only to the extent that the affected person has notified the Security Trustee that it intends to enforce that clause at the time of the termination or variation.

2 COVENANT TO PAY

Each Chargor hereby covenants that it will, on demand in writing made to it by the Security Trustee, pay or discharge to the Security Trustee all the Secured Obligations when due and payable under the terms thereof.

3 SECURITY

3.1 Charge

Each of (i) Chargor A, as legal owner of 1 ordinary share in the Company and of which it is holding on trust for Chargor B (the "Nominee Share") and (ii) Chargor B, as legal and beneficial owner of 199,999 ordinary shares in the Company and as beneficial owner of the Nominee Share and, in each case, as continuing security for the due and punctual payment and discharge of all Secured Obligations.

- (a) charges in favour of the Security Trustee (as trustee for the Secured Parties) by way of first fixed charge and assigns by way of first fixed security and agrees to assign by way of fixed security with first ranking priority to the Security Trustee, all its rights, title and interest present and future in and to the Shares and/or Dividends except to the extent that

such rights are subject to a valid and effective assignment by way of fixed security with first ranking priority under Clause 3 1(b), and

- (b) assigns by way of fixed security with first ranking priority, and agrees to assign by way of first fixed security absolutely to the Security Trustee (as trustee for the Secured Parties), all its rights (including those rights it may have against a nominee), present and future, relating to any of the Shares and/or Dividends, including without limitation
 - (i) its rights relating to or against any depositary, nominee or similar person with whom any of the Shares and/or Dividends may be deposited to the extent of those Shares and/or Dividends,
 - (ii) rights it may have against any person to require delivery to it of any of the Shares and/or Dividends,
 - (iii) rights (contractually or otherwise) to give instructions relating to any of the Shares and/or Dividends, and
 - (iv) all claims for damages and rights to receive moneys due or to become due for any reason whatsoever in respect of any of the Shares and/or Dividends,

including those rights it may have against a nominee or a Delegate

3 2 Share Certificates etc

In respect of each of the Shares and Dividends (that are in the form of shares and/or securities) held by, to the order of or on behalf of each Chargor on the date of this Deed, each Chargor shall forthwith upon execution of this Deed deliver to the Security Trustee all certificate(s) (if any, or if none, promptly upon the same being issued) representing such Share or Dividend

3 3 Further security

Each Chargor shall, as soon as reasonably practicable upon the Security Trustee so requiring by notice to it, execute and deliver (or procure the execution and delivery of the same) to the Security Trustee such other Security Interest (in such form as the Security Trustee shall reasonably require and, to the extent possible, on terms substantially similar to this Deed) in favour of the Security Trustee (as trustee for the Secured Parties) securing the Secured Obligations over the Chargor's present or future shares and/or interests in the Company (other than the Shares or Dividends to the extent subject to valid and effective Charges under this Deed) as shall be specified in such notice (whether generally or specifically) and whether for the purpose of obtaining legal title to the relevant shares and/or interests or otherwise

3.4 Retention of documents

The Security Trustee shall be entitled to continue to hold any document delivered to it pursuant to Clause 4 3 (Delivery of documents) until the Charges are released and if, for any reason, it releases any such document to a Chargor before such time, it may by notice to the relevant Chargor require that such document be redelivered to it and that Chargor shall immediately comply with that requirement or procure that it is complied with

4 RESTRICTIONS AND FURTHER ASSURANCE

4 1 Security

No Chargor shall

- (a) create or permit to subsist any Security Interest of whatsoever nature on any Charged Asset other than a Permitted Security Interest,
- (b) sell, transfer, grant, lease or otherwise dispose of any Charged Asset, other than any sale, lease, transfer or other disposal permitted by Clause 23 10 (Disposals) of the Facility Agreement

4 2 Disposal

No Chargor shall (nor shall a Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, withdraw, transfer or otherwise dispose of the Charged Assets, save as permitted by the Facility Agreement and, in the case of Dividends, as otherwise permitted by Clause 5 4 (Dividends)

4 3 Delivery of documents

In addition to the requirements under Clause 3 2 (Share certificates etc)

- (a) each Chargor shall promptly deliver or procure that there shall be delivered to the Security Trustee such documents relating to the Charged Assets as the Security Trustee requires and the following documents (in a form and substance satisfactory to the Security Trustee) (i) in respect of the Charged Assets in existence on the date of this Deed upon execution of this Deed and (ii) in respect of any Charged Asset coming into existence or acquired by a Chargor after the date of this Deed upon such coming into existence or acquisition, all of which documents may be held by the Security Trustee until all of the Charges are released
 - (i) (in the case where such Charged Assets are shares in the Company) valid and duly issued share certificates in respect of such Charged Assets or (in any other case) validly and duly issued share certificates (if any) or other documents of title in respect of such Charged Assets and a certified copy of the register of members of the Company,
 - (ii) duly executed Instrument of Transfer in respect of such Charged Assets but with the date and name of the transferee left blank, save that no blank bought and sold notes will need to be executed and delivered by Chargor A
 - (iii) (in respect of any Charged Asset that is held by or registered in the name of any person other than a Chargor) an acknowledgment duly executed by such person in substantially the form as set out in Schedule 3 (Form of Acknowledgment from Nominee) in respect of such Charged Asset, and
 - (iv) all other documents necessary to enable the Security Trustee (as trustee for the Secured Parties) to register such Charged Assets in its name or in the name of its nominees,
- (b) each Chargor shall promptly deliver or procure that there shall be delivered to the Security Trustee the following documents upon execution of this Deed
 - (i) an undated letter of resignation duly executed by each director of the Company appointed by a Chargor in substantially the form set out in Schedule 4 (Form of Letter of Resignation),
 - (ii) a letter of undertaking and authorisation duly executed by each director of the Company appointed by a Chargor in substantially the form set out in Schedule 5 (Form of Letter of Undertaking and Authorisation),
 - (iii) undated written resolutions of the board of directors of the Company duly executed by all of the directors of the Company appointed by a Chargor in substantially the form set out in Schedule 6 (Form of Written Resolutions),

and shall upon the appointment of any director of the Company by a Chargor after the date of this Deed procure the delivery to the Security Trustee of (i) the documents referred to in paragraphs (a) and (b) in respect of such director and (ii) the document referred to in paragraph (c). All of the documents delivered under this Clause 4 3 may be held by the Security Trustee until all of the Charges are released, and

- (c) upon any person holding any Charged Asset on behalf of a Chargor after the date of this Deed, the relevant Chargor shall procure the delivery to the Security Trustee of an acknowledgment duly executed by such person in substantially the form set out in Schedule 3 (Form of Acknowledgment from Nominee) in respect of such Charged Asset, which acknowledgment may be held by the Security Trustee until all of the Charges are released

4.4 Perfection and registration

- (a) Each Chargor will (and, if applicable, will procure that its nominees will)
 - (i) (to the extent that it is incorporated in Hong Kong or is registered as a "Non-Hong Kong Company" under Part 16 of the Companies Ordinance) ensure that this Deed shall be duly delivered, together with the relevant prescribed particulars, for registration with the Hong Kong Companies Registry forthwith upon execution hereof within the timeframe as prescribed in Part 8 of the Companies Ordinance,
 - (ii) promptly upon execution of this Deed, each Chargor shall, as soon as practicable after the execution thereof, record particulars of this Deed in its Register of Mortgages and Charges (the "Register of Charges"), and
 - (iii) within 14 days from the date of execution of this Deed, each Chargor shall deliver or procure to be delivered to the Security Trustee a certified true copy of the updated Register of Charges
- (b) At the request of the Security Trustee, immediately upon any transfer of any or all of the Charged Assets to the Security Trustee (as trustee for the Secured Parties) or its nominee or purchaser, procure the registration of such transfer in the books of the Company and the entry of the Security Trustee (as trustee for the Secured Parties) and/or its nominee or purchaser in the register of members of the Company as the holder of such Charged Assets

4.5 Further assurance

- (a) Each Chargor shall, at its own expense, promptly take such action as the Security Trustee may reasonably require
 - (i) for the purpose of perfecting or protecting the Security Trustee's rights under and preserving the Charges intended to be created or evidenced by this Deed or the priority of the Charges, and
 - (ii) following the occurrence of an Event of Default, for the purpose of facilitating the realisation of the Charged Assets or the exercise of any rights vested in the Security Trustee, any Receiver or any Delegate,

including (1) procuring the amendment of the articles of association of the Company to remove any discretion that the directors of the Company may have to refuse registration of share transfers when presented with an executed instrument of transfer and (2) the execution of any transfer, conveyance, charge, mortgage, assignment or assurance of the Charged Assets (whether to the Security Trustee or its nominees or otherwise), the making of any registration, the obtaining of any legal advice and the giving of any notice, order or direction

- (b) Without prejudice to Clause 4.5(a), each Chargor shall (and, if applicable, shall procure that its nominees will) at the request of the Security Trustee, promptly upon any transfer of any or all of the Charged Assets to the Security Trustee or its nominee or any purchaser in accordance with this Deed upon or after an enforcement in accordance with Clause 8 (Enforcement) of any of the Charges, procure the registration of such transfer in the books of the Company and the entry of the Security Trustee (as trustee for the Secured Parties), such nominee or such purchaser (as the case may be) in the register of members of the Company as the holder of such Charged Assets

4 6 Directors Resolution

After the Charges have become enforceable, each Chargor shall procure to the extent that it is within its power as a shareholder of the Company that any transfer to or by the Security Trustee or its nominee or purchaser of any of the Charged Assets is duly approved by the board of directors of the Company and registered in the register of members of the Company (if necessary, by replacing the board of directors of the Company with directors nominated by the Security Trustee)

5 CHARGED SHARES

5 1 Voting and other rights

Subject to Clause 5 3 (Voting and other rights if the Charges become Enforceable), each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that

- (a) it does so for a purpose not inconsistent with any Finance Document, and
- (b) the exercise or failure to exercise those rights would not prejudice the value of any or all of the Shares or the interests of any Secured Party under any Finance Document or would not result in or would not reasonably be expected to result in any Material Adverse Effect

5 2 Variation of Rights, Further Issuance

- (a) No Chargor shall, without the prior written consent of the Security Trustee, by the exercise of any voting rights or otherwise, permit or agree
 - (i) to any increase in the issued share capital of or ownership interest in the Company (save as permitted under Clause 5 2(b)),
 - (ii) any variation of the rights attaching to or conferred by all or any part of the Charged Assets, or
 - (iii) any amendment or variation of the articles of association of the Company
- (b) Clause 5 2(a) does not apply to the allotment or issuance of shares of the Company if all of such shares are fully paid-up and immediately subject to the Charges hereunder upon the allotment or issuance of the same

5 3 Voting and other rights if the Charges become Enforceable

At any time following the occurrence of an Event of Default

- (a) the Security Trustee or any Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Charged Asset as it sees fit,
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Trustee or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Trustee or such Receiver such forms of proxy as it may reasonably require in connection with that exercise,
- (c) the Security Trustee shall be entitled to transfer all or any part of the Charged Assets into the name of such nominee(s) of the Security Trustee as it shall require, and
- (d) the Security Trustee shall be entitled to exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets, including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in

- (i) the reconstruction, amalgamation, sale or other disposal of the Company or any of its assets or undertaking (including without limitation the exchange, conversion or reissue of any shares, ownership interests or securities as a consequence thereof),
- (ii) the release, modification or variation of any rights or liabilities attaching to such shares, ownership interests or securities, and
- (iii) the exercise, renunciation or assignment of any right to subscribe for any shares, ownership interests or securities,

in each case in such manner and on such terms as the Security Trustee may think fit, and the proceeds of any such action shall form part of the Charged Assets

5.4 Dividends

Each Chargor shall ensure that all income and other distributions in respect of any or all of the Charged Assets which it or its nominee is entitled to receive shall be paid immediately into a Blocked Account (as defined in the Facility Agreement) of Chargor B or otherwise as the Security Trustee may direct. The Security Trustee shall be entitled to apply the same in such manner as it sees fit in discharge of the Secured Obligations.

5.5 Acquisition of Shares

Each Chargor shall promptly notify the Security Trustee of

- (a) its acquisition of, or agreement to acquire, any Shares, and
- (b) the declaration, payment, allotment, offer or issue of any Dividend

5.6 Communications

Each Chargor shall as soon as reasonably practicable deliver to the Security Trustee a copy of every circular, notice, report, set of accounts or other documents received by it or its nominee in connection with any of the Charged Assets or in connection with or from the issuer of any of the Charged Assets.

5.7 Payment of calls etc

Each Chargor will promptly pay or procure the payment of all calls, instalments or other payments which may at any time become due in respect of any of the Charged Assets. If a Chargor fails to make or procure such payment, the Security Trustee may make such payment on behalf of that Chargor and any sum so paid by the Security Trustee shall be reimbursed by that Chargor on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate and in accordance with Clause 17 (Expenses, Stamp Duty and Interest).

5.8 Power of Attorney

If any Charged Asset is not held in a Chargor's name other than as a result of the enforcement of the Charges, the relevant Chargor shall as soon as reasonably practicable, at the request of the Security Trustee, deliver to the Security Trustee an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Charged Asset is held. That power of attorney shall appoint the Security Trustee (as trustee for the Secured Parties), every Receiver and every Delegate as the attorney of the holder of that Charged Asset and shall be in such form as the Security Trustee reasonably requires.

6 GENERAL UNDERTAKINGS

6.1 Authorisation

Each Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect (and supply certified copies to the Security Trustee of) any Authorisation required under any applicable law or regulation.

- (a) to enable it to perform its obligations under this Deed, and/or
- (b) to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed

6.2 Discharge other debts

Each Chargor shall punctually pay and discharge all debts and obligations in respect of the Charged Assets which by law have priority over the Charges

6.3 Depreciation of Charged Assets

No Chargor shall do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value of any of the Charged Assets

6.4 No deposit of Shares with any clearing house

No Chargor shall (and shall ensure that no other person acting for or on behalf of that Chargor will) deposit any Shares with any depositary, custodian, clearing house or system

6.5 Beneficial Ownership

Except as permitted by Clause 4.2 (Disposal), Chargor A shall at all times remain the legal owner of the Nominee Share and Chargor B shall at all times remain the legal owner of the Charged Assets other than the Nominee Share, and each Chargor shall not grant or attempt or agree to grant in favour of any other person any interest in or any option or other rights in respect of any of the Charged Assets. In the case of Chargor B, it shall except as permitted by Clause 4.2 (Disposal), at all times remain the beneficial owner of the Charged Assets (which shall include, for the avoidance of doubt, the Nominee Share) and shall not grant or attempt or agree to grant in favour of any other person any interest in or any option or other rights in respect of any of the Charged Assets

6.6 Information

Each Chargor shall give to the Security Trustee upon receipt copies of all notices, requests and other documents sent or received with respect to the Charged Assets and give to the Security Trustee such other information regarding the Charged Assets as the Security Trustee shall reasonably require

6.7 No participation in voting concerning a members' liquidation or compromise

Each Chargor shall not without the prior written consent of the Security Trustee participate in any vote concerning a members' voluntary liquidation or compromise

6.8 No amendments to articles of association

Each Chargor shall ensure that it shall not, without the prior written consent of the Security Trustee, use its voting rights to permit the Company to amend its articles of association in a way which could be expected to adversely affect the rights and interests of the Security Trustee and/or the Secured Parties

7 REPRESENTATIONS AND WARRANTIES

7.1 Representations

Each Chargor

- (a) represents and warrants to the Security Trustee that
 - (i) each Chargor is a company duly incorporated and validly existing under the laws of its place of incorporation and has full power, authority and legal right to own its property and assets and to carry on its business as such business is now being conducted,

- (ii) each Chargor has all legal power and authority to enter into this Deed and perform its obligations under this Deed and all actions (including any corporate action) required to authorise the execution and delivery of this Deed and the performance of its obligations under this Deed have been duly taken,
 - (iii) subject to the Legal Reservations, this Deed constitutes or, when so executed and delivered, will constitute legal, valid and binding obligations of each Chargor enforceable in accordance with its terms,
 - (iv) the entry into and performance of this Deed and the transactions contemplated by this Deed do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, or (ii) the constitutional documents of a Chargor, or (iii) any agreement or document to which a Chargor is a party or which is binding upon it or any of its assets or revenues, nor result in the creation or imposition of any Security Interest on any of its assets or revenues pursuant to the provisions of any such agreement or document,
 - (v) other than as specified in Clause 4.4, no consent of, giving of notice to, or registration with, or taking of any other action in respect of, any governmental authority or agency in any relevant jurisdiction or of any creditors of a Chargor is required for or in connection with the execution, performance, validity, enforceability and admissibility in evidence in the proceedings of this Deed, or the carrying out by a Chargor of any of the transactions contemplated hereby
 - (vi) no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of a Chargor, threatened against a Chargor or any of its assets which would have a Material Adverse Effect on its ability to perform its obligations under this Deed,
 - (vii) no meeting has been convened for winding up a Chargor, nor any such step is intended by it and, so far as it is aware, no petition, application or the like is outstanding for winding up of a Chargor,
 - (viii) all payments to be made by a Chargor under this Deed may be made by a Chargor free and clear of, and without deduction for, Taxes and no deductions or withholdings are required to be made therefrom,
 - (ix) the obligations of each Chargor under this Deed are direct, general, unconditional obligations of each Chargor and rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations save for any obligations mandatorily preferred by law and not by contract,
 - (x) each Chargor has complied with all Tax laws in all jurisdictions in which it is subject to Tax and has paid all Taxes due and payable by it and no material claims are being asserted against it with respect to Taxes,
 - (xi) no default by a Chargor under any provision of the Finance Documents to which a Chargor is a party or which is binding upon it or any of its assets has occurred,
 - (xii) each Chargor is generally subject to civil and commercial law and to legal proceedings and neither a Chargor nor any of its assets or revenues is entitled to any immunity or privilege (sovereign or otherwise) from any set off, judgment, execution, attachment or other legal process,
 - (xiii) in any proceedings taken in Hong Kong in relation to this Deed, the choice of the laws of Hong Kong as the governing law of this Deed and the submission by each Chargor to the jurisdiction in Hong Kong courts are valid and binding and any judgment obtained in Hong Kong would be recognised and enforced, and
- (b) further represents and warrants to the Security Trustee that

- (i) (in the case of Chargor B) it is the sole beneficial owner of the Charged Assets,
- (ii) it has not created any Security Interest in any of its rights, title, interest or benefits in the Charged Assets (other than by this Deed),
- (iii) except as otherwise permitted by Clause 4.2 (Disposal), neither it nor any of its nominees has sold or otherwise disposed of the Charged Assets or agreed to do so,
- (iv) prior to any transfer to the Security Trustee, it is the legal owner of the Charged Assets (except for Shares that are held by any person as nominee for a Chargor, as notified to the Security Trustee in writing prior to the date of this Deed),
- (v) the Shares subject to the Charges hereunder constitute the entire issued share capital of and ownership interest in the Company, and there is no outstanding agreement or commitment on the part of the Company or a Chargor to issue or allot (or procure the issuance or allotment of) any Shares to any person other than a Chargor,
- (vi) the Shares subject to the Charges hereunder have been validly issued by the Company and are fully paid up and there are no monies or liabilities payable or outstanding in relation to any of such Shares, and
- (vii) as at the date of this Deed, the particulars of the shares in the share capital of and ownership interest in the Company held by, to the order of or on behalf of a Chargor as set out in Schedule 2 (Particulars Of Shares) are accurate in all respects and such shares constitute 100% of the issued share capital of the Company

7.2 Repetition

Each Chargor represents and warrants to and undertakes with the Security Trustee that the foregoing representations and warranties will be true and accurate throughout the continuance of this Deed with reference to the facts and circumstances then existing until the Secured Obligations have been satisfied in full

8 ENFORCEMENT

8.1 When enforceable

The Charges shall be immediately enforceable following the occurrence of an Event of Default and the Security Trustee may, without notice to a Chargor or prior authorisation from any court in its discretion

- (a) enforce all or any part of any Charges (at the times, in the manner and on the terms it thinks fit) and take possession and hold or dispose of all or any part of the Charged Assets in accordance with such powers granted to it pursuant to this Deed, and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions given to a Receiver under this Deed and/or otherwise conferred by law

8.2 Enforcement when no amounts outstanding

Without prejudice to Clause 15.6 (Appropriations), if the Security Trustee enforces the security constituted by this Deed or receives or recovers any amount pursuant to any Charges or in connection with any Charged Assets at a time when no amounts are due under the Finance Documents but at a time when amounts may or will become so due, the Security Trustee (or any Receiver or any Delegate) may elect to pay the proceeds of any receipt or recovery made by it pursuant to such enforcement or the amount so received or recovered into an interest bearing escrow account (pending application of the same from time to time in accordance with the provisions of this Deed)

8.3 No requirement of notice period

Neither the Security Trustee nor any Receiver is required to give any prior notice of non-payment or default to a Chargor before enforcing any or all of the Charges in accordance with this Deed, and there is no minimum period for which Secured Obligations must remain due and unpaid before the Charges can be enforced

8.4 No Liability as mortgagee in possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission in connection with all or any part of the Charged Assets to which a mortgagee in possession might otherwise be liable

8.5 Wide construction of enforcement powers

The enforcement powers of the Security Trustee and any Receiver under this Deed shall be construed in the widest possible sense and all Parties intend that the Security Trustee and the Receiver shall have as wide and flexible a range of enforcement powers as may be conferred (or, if not expressly conferred, as is not restricted) by any applicable law and/or the provisions of this Deed

8.6 Additional Power

Without prejudice to the generality of the other provisions in this Deed, the Security Trustee may at any time after the occurrence of an Event of Default to put into effect the documents delivered under Clause 4.3(b) and appoint its own nominees as directors and officers of the Company for the purposes of perfecting, protecting or enforcing the Charges

8.7 Sale of Charged Assets

Each of the Security Trustee and any Receiver shall be entitled to exercise such power of sale in such manner and at such time or times and for such consideration (whether payable immediately or by instalments) as it shall in its absolute discretion think fit (whether by private sale or otherwise) and so that the Charged Asset (or any relevant part thereof) may be sold (i) subject to any conditions which the Security Trustee or that Receiver may think fit to impose, (ii) to any person (including, without limitation, any person connected with a Chargor or the Security Trustee) and (iii) at any price which the Security Trustee or that Receiver in its absolute discretion, considers to be the best obtainable in the circumstances taking into account the nature of the Company as a private company

8.8 Exercise of rights without limitations

Each of the Security Trustee and any Receiver shall be entitled to exercise its rights, powers, discretions and remedies under this Deed despite any rule of law or equity to the contrary and in particular without the limitation contained in paragraph 11 of the fourth schedule to the CPO or any statutory provision which are analogous to that section under the law of any other relevant jurisdiction

9 APPOINTMENT AND RIGHTS OF RECEIVERS

9.1 Appointment of Receivers

At any time after the Security Interests hereby created has become enforceable, the Security Trustee may, by deed, or otherwise in writing signed by any officer or manager of the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver of the Charged Assets and may from time to time fix his or their remunerations. The Security Trustee may similarly remove any Receiver so appointed and appoint any person as additional or replacement Receiver(s). If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally or jointly and severally

9 2 Powers and rights of Receivers

- (a) Any Receiver appointed pursuant to this Clause 9 shall have, in relation to the Charged Assets in respect of which he is appointed
- (i) the rights, powers, discretions, privileges and immunities conferred on mortgagors, mortgagees in possession and/or receivers by any applicable law,
 - (ii) the powers and rights of an absolute owner and power to do or omit to do anything which a Chargor itself could do or omit to do (including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in any of the matters specified in Clause 5 3(d), in each case in such manner and on such terms as such Receiver may think fit, and the proceeds of any such action shall form part of the Charged Assets),
 - (iii) the powers and rights conferred on the Security Trustee, and
 - (iv) the powers and rights set out in Schedule 1 (Rights of Receivers),
- (b) Each Receiver shall in the exercise of such Receiver's rights, powers, discretions, privileges and immunities conform to the directions and regulations from time to time given or made by the Security Trustee

9 3 Agent of a Chargor

Any Receiver shall be the agent of a Chargor for all purposes. Each Chargor alone shall be responsible for each Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by that Receiver.

9 4 Remuneration

The Security Trustee may determine the remuneration of any Receiver and any maximum rate specified in any applicable legislation shall (to the extent capable of being excluded) not apply. The Security Trustee may direct payment of that remuneration out of moneys such Receiver receives in its capacity as such. Each Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of any Receiver.

9 5 No liability for exercise of powers

Neither the Security Trustee nor any Receiver shall be liable for any losses, involuntary or otherwise, which arise in the exercise by the Security Trustee or such Receiver of its powers under this Deed unless caused by its breach of the terms of this Deed, wilful default or gross negligence.

10 SECURITY TRUSTEE'S RIGHTS

10 1 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Trustee while the Charges are enforceable, whether or not the Security Trustee shall have taken possession or appointed a Receiver of any or all of the Charged Assets.

10 2 Delegation

Each of the Security Trustee and any Receiver may delegate in any manner to any person any rights exercisable by it under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee or, as the case may be, such Receiver reasonably thinks fit.

10.3 Terms of disposition

In making any sale or other disposal of all or any part of the Charged Assets or any acquisition in the exercise of their respective powers (including without limitation a disposal by any Receiver or Delegate or the Security Trustee to any company formed pursuant to paragraph (c) (Hive down) of Schedule 1 (Rights of Receivers)), any Receiver or Delegate or the Security Trustee may accept or dispose of as, and by way of consideration for, such sale or other disposal or acquisition, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may, if thought expedient by such Receiver or Delegate or the Security Trustee, be nil or may be payable or receivable in a lump sum or by instalments. Any contract for any such sale, disposal or acquisition by any Receiver or Delegate or the Security Trustee may contain conditions excluding or restricting the personal liability of such Receiver or Delegate or the Security Trustee.

11 APPLICATION OF PROCEEDS

All monies received or recovered by the Security Trustee or any Delegate or any Receiver in exercise of their rights or otherwise under this Deed shall, subject to Clause 15.6 (Appropriations) and subject to the claims of any person having prior rights thereto by law, be applied in the following order of priority:

- (a) in payment or satisfaction of all costs, charges, expenses and liabilities properly incurred and payments made by or on behalf of the Security Trustee, Receiver or Delegate in connection with the exercise of any powers hereunder and in preserving or attempting to preserve the Security Interests created under this Deed,
- (b) in or towards reduction of the remaining Secured Obligations in such manner as is provided in the Facility Agreement,

but so that if and for so long as a Chargor has any future or contingent liability to the Security Trustee, the Security Trustee may place and keep any such moneys to the credit of such interest bearing account or accounts, in such name or names, as the Security Trustee may deem fit, without obligation to apply the same as mentioned above until all such liability is ascertained and due, and the same shall form part of the Charged Assets.

12 LIABILITY OF SECURITY TRUSTEE, RECEIVER AND DELEGATES

- 12.1 Neither the Security Trustee, any Receiver nor any Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason) be liable to a Chargor, any Secured Party or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default or omission of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to any or all of the Charged Assets or in connection with any or all of the Finance Documents unless the same is attributable to his or their breach of the terms of this Deed, wilful default or gross negligence.
- 12.2 Nothing in this Deed shall be construed as placing on the Security Trustee any liability whatsoever in respect of any calls, instalments or other payments relating to any of the Charged Assets or any rights, shares or other securities accruing, offered or arising in respect of any of the Charged Assets or such calls, instalments or payments, and the relevant Chargor shall indemnify the Security Trustee upon demand in respect of all calls, instalments or other payments relating to any of the Charged Assets and/or to any rights, shares and other securities accruing, offered or arising in respect of the Charged Assets or such calls, instalments or payments in respect of any of such Charged Assets.

13 POWER OF ATTORNEY

13.1 Appointment

Each Chargor by way of security irrevocably (within the meaning of section 4 of the Powers of Attorney Ordinance (Cap 31 of the Laws of Hong Kong)) appoints the Security Trustee, every Receiver and every Delegate severally as its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit

- (a) to do anything which the Chargor is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other deeds, instruments, notices, orders and directions relating to, the Charged Assets or any part thereof), and
- (b) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Charged Assets (or any part thereof) or under this Deed and/or applicable laws and regulations (including without limitation, following the occurrence of an Event of Default, any right of a legal or beneficial owner of the Charged Assets)

13.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (Appointment)

14 PROTECTION OF THIRD PARTIES

14.1 No duty to enquire

No person dealing with the Security Trustee, any other Secured Party, any Receiver or any Delegate shall be concerned to enquire

- (a) whether the power or rights conferred by or pursuant to any Finance Document are exercisable,
- (b) whether any consents, regulations, restrictions or directions relating to such powers or rights have been obtained or complied with,
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers or rights, or
- (d) as to the application of any money borrowed or raised or of any proceeds of any disposition or realisation

14.2 Protection to purchasers

- (a) The receipt of the Security Trustee or any Receiver or Delegate shall be conclusive discharge to a purchaser of the Charged Assets (or any part thereof) from the Security Trustee or such Receiver or Delegate
- (b) No purchaser or other person dealing with the Security Trustee, any Receiver or any Delegate shall be bound to inquire whether the right of the Security Trustee, such Receiver or such Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee, such Receiver or such Delegate in such dealings

15 SAVING PROVISIONS

15.1 Continuing Security

Subject to Clause 16 (Discharge of Security), the Charges are continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part

15.2 Reinstatement

If any payment by or recovery from a Chargor or any discharge or release given by a Secured Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) under or in connection with any Finance Document is avoided or reduced for any reason including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event

- (a) the liabilities of the Chargor hereunder and the Charges shall continue as if such payment, recovery, discharge or release had not occurred, and
- (b) each Secured Party shall be entitled to recover the value or amount of that payment or recovery from the Chargor and any and all Charges hereunder, as if such payment, recovery, discharge or release had not occurred

15.3 Cumulative rights

The security created by or pursuant to this Deed, and the rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed, shall be cumulative, in addition to and independent of every other security which the Security Trustee or any other Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Security Trustee (whether in its capacity as trustee or otherwise or any other Secured Party) over the whole or any part of the Charged Assets shall merge into the security constituted by this Deed

15.4 Waiver of defences

Neither the obligations of a Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Charges (without limitation and whether or not known to it or any of the Secured Parties) including

- (a) any time, waiver or consent granted to, or composition with, any Chargor, any Obligor or any other person,
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any such Obligor or other person,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, any Chargor, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of any Chargor or dissolution or change in the members or status or constitution of corporate Obligor, any Obligor or any other person,
- (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security,
- (f) any variation of the terms of the trust upon which the Security Trustee holds the security constituted by this Deed,

- (g) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security,
- (h) any insolvency or similar proceedings,
- (i) this Deed or any other Finance Document not being validly executed by or binding against any party, or
- (j) any other Security Interest, guarantee or indemnity now or thereafter, held by the Security Trustee or any other person in respect of the Secured Obligations or any other liabilities

15.5 Immediate recourse and demands

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from a Chargor under this Deed. This waiver applies irrespective of any law or any provision of any Finance Document to the contrary. The making of one demand under this Deed will not preclude the Security Trustee from making any further demands.

15.6 Appropriations

Until all the Secured Obligations have been irrevocably paid in full and no further Secured Obligations may become outstanding, each Secured Party (or any trustee or agent on its behalf) may, whether any of the Secured Obligations is overdue

- (a) refrain from applying or enforcing any other moneys, security or rights held, received or recovered by that Secured Party (or any trustee or agent on its behalf), or apply and enforce the same in such manner and order as it sees fit (save as otherwise expressly provided in this Deed) and a Chargor shall not be entitled to the benefit of the same, and/or
- (b) hold in a suspense account any moneys received or recovered from a Chargor or on account of any Charged Asset or the Chargor's liability under this Deed (pending application of the same from time to time in accordance with the provisions of this Deed)

15.7 Deferral of a Chargor's rights

Until all the Secured Obligations have been irrevocably paid in full and no further Secured Obligations may become outstanding and unless the Security Trustee otherwise directs, no Chargor shall

- (a) exercise any rights which it may have by reason of the performance by it of its obligations under the Finance Documents
 - (i) to be indemnified by any person,
 - (ii) to claim any contribution from any other Obligor or any other guarantor of any Obligor's obligations under any or all of the Finance Documents, and/or
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any guarantee or other security taken pursuant to, or in connection with, any or all of the Finance Documents by any Secured Party, or
- (b) accept or permit to subsist any Security Interest from any Obligor or any other person in respect of any rights any Chargor may have arising out of this Deed. Notwithstanding the foregoing, if any such Security Interest shall be accepted or subsisting, a Chargor acknowledges that its rights under such Security Interest shall be held on trust for the Security Trustee (as trustee for the Secured Parties)

15 8 Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or Security Interests now or subsequently held by any Secured Party in connection with the Secured Obligations

15 9 Subsequent Security

If any Secured Party (or any trustee or agent on its behalf) at any time receives or is deemed to have received notice of any subsequent Security Interest affecting all or any part of the Charged Assets or any assignment, transfer or disposition of all or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of a Chargor to any Secured Party (or any trustee or agent on its behalf) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the first-mentioned Secured Party (or any trustee or agent on its behalf) received such notice

15.10 Tacking

Each Secured Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances)

16 DISCHARGE OF SECURITY

16 1 Final redemption

- (a) Subject to Clauses 15 2 (Reinstatement) and 16 2 (Retention of security), if the Security Trustee is satisfied that all the Secured Obligations have been irrevocably paid in full and that no further Secured Obligations may become outstanding, the Security Trustee shall promptly at the request and cost of a Chargor (a) release, reassign or discharge (as appropriate) the Charged Assets from the Charges (except to the extent already disposed of or enforced against in accordance with this Deed) in each case without recourse to, or any representation or warranty by, the Security Trustee or any other Secured Party any of their respective nominees and (b) return to a Chargor all documents delivered to or for the benefit of the Security Trustee pursuant to this Deed
- (b) For those Charged Assets which have been transferred and registered under the name of the Security Trustee (as trustee for the Secured Parties) or its nominee, the Security Trustee shall only be obliged to return the share certificate(s) then representing the Charged Assets not yet disposed of or realised by the Security Trustee pursuant to its powers under this Deed (but not the original share certificates originally delivered to the Security Trustee by a Chargor) with the instruments of transfer duly executed in favour of a Chargor or such other person as a Chargor may direct

16 2 Retention of security

If the Security Trustee considers that any amount paid or credited to or recovered by any Secured Party under any Finance Document is capable of being avoided or otherwise set aside on the Winding-up of a Chargor or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid

16 3 Consolidation

Any restrictions on the consolidation of any Security Interest shall be excluded to the fullest extent permitted by law and the Security Trustee shall, so far as it is lawful and subject to other provisions of this Deed, be entitled to consolidate all or any of the Charges with any other Security Interest whether in existence on the date of this Deed or in the future

17 EXPENSES, STAMP DUTY AND INTEREST

The provisions of clauses 12 3 (Default Interest), 18 (Costs and Expenses) and 14 7 (Stamp Taxes) of the Facility Agreement (with any necessary consequential amendments) shall be

deemed to be incorporated into this Deed as if they were set out in full in this Deed and as if any reference therein to the Borrower (as defined therein) included a reference to each Chargor

18 PAYMENTS

18.1 Payments

All payments by a Chargor under this Deed (including damages for its breach) shall be made to such account, with such financial institution and in such other manner as the Security Trustee may direct

18.2 Subrogation

So long as any Secured Obligations remains outstanding

- (a) any rights of a Chargor, by reason of the performance of any of its obligations under this Deed, the enforcement of any of the Charges or any action taken pursuant to any rights conferred by or in connection with this Deed, to be indemnified by any person, to prove in respect of any liability in the Winding-up of any person or to take the benefit of or enforce any Security Interest, guarantees or indemnities, shall be exercised and enforced only in such manner and on such terms, as the Security Trustee may require, and
- (b) any amount received or recovered by a Chargor (i) as a result of any exercise of any such rights or (ii) in the Winding-up of any such person shall be held in trust for and immediately paid to the Security Trustee

19 TAX GROSS UP

The provisions of Clause 14.2 (Tax Gross Up) of the Facility Agreement (with any necessary consequential amendments) shall be deemed to be incorporated into this Deed as if they were set out in full in this Deed and as if any reference therein to the Borrower (as defined therein) included a reference to each Chargor

20 SEPARATE AND INDEPENDENT OBLIGATIONS

The Security Interests created by each Chargor by or in connection with any Finance Document is separate from and independent of the Security Interests created or intended to be created by any other Obligor by or in connection with any Finance Document.

21 CONDUCT OF BUSINESS BY THE SECURITY TRUSTEE

No provision of this Deed will

- (a) interfere with the right of any Secured Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit,
- (b) oblige any Secured Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim, or
- (c) oblige any Secured Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax

22 OTHER INDEMNITIES

22.1 Currency and other indemnities

The provisions of Clause 16 (Other Indemnities) of the Facility Agreement (with any necessary consequential amendments) shall be deemed to be incorporated into this Deed as if they were set out in full in this Deed and as if any reference therein to the Borrower (as defined therein) included a reference to each Chargor

22.2 Indemnities separate

Each indemnity in each Finance Document shall

- (a) constitute a separate and independent obligation from the other obligations in that or any other Finance Document,
- (b) give rise to a separate and independent cause of action,
- (c) apply irrespective of any indulgence granted by any Secured Party,
- (d) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any Secured Obligations or any other judgment or order, and
- (e) apply whether or not any claim under it relates to any matter disclosed by a Chargor or otherwise known to any Secured Party

23 SET-OFF

The provisions of clause 34 (Set-off) of the Facility Agreement (with any necessary consequential amendments) shall be deemed to be incorporated into this Deed as if they were set out in full in this Deed and as if any reference therein to the Borrower included a reference to the Chargor. For the avoidance of doubt, without any prejudice to any right of set off, lien or other rights which the Security Trustee (as trustee for the Secured Parties) is at any time entitled whether by operation of law or otherwise, the Security Trustee may (but shall not be obliged to) set off against any obligation of the Chargor due and payable by it under this Deed, without prior notice, against any moneys held by the Security Trustee for the account of the Chargor or the account jointly held by the Chargor and any other person at any office of the Security Trustee anywhere and in any currency.

24 ASSIGNMENTS AND TRANSFERS

24.1 No Assignments or Transfers by a Chargor

- (a) A Chargor may not assign or transfer any or all of its rights and/or obligations under this Deed

24.2 Assignment and Transfer by Security Trustee to Successor

The Security Trustee may assign and/or transfer all or any of its rights and/or obligations under this Deed to any successor Security Trustee in accordance with the provisions of the Facility Agreement. Upon such assignment and transfer taking effect, the successor Security Trustee shall be and be deemed to be acting as security trustee for the Secured Parties for the purposes of this Deed and in place of the former Security Trustee.

25 RIGHTS, AMENDMENTS, NOTICE, WAIVERS AND DETERMINATIONS

25.1 Ambiguity

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to this Deed, the terms of this Deed shall prevail (to the maximum extent permitted by law).

25.2 Remedies, Waivers and Certificate, etc.

The provisions of Clauses 35 (Notices), 36 (Miscellaneous Provisions) and 38 (Remedies and Waivers) of the Facility Agreement (with any necessary consequential amendments) shall be deemed to be incorporated into this Deed as if they were set out in full in this Deed and as if any reference therein to the Borrower included a reference to each Chargor.

26 COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any Party may execute this Deed by signing any such counterpart

27 GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of Hong Kong

28 JURISDICTION

28 1 Jurisdiction of Hong Kong courts

- (a) The courts of Hong Kong have non-exclusive jurisdiction to settle any disputes arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "Dispute")
- (b) The Parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and, accordingly, no Party will argue to the contrary
- (c) This Clause 28 1 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions

28 2 Process Agent

Without prejudice to any other mode of service allowed under any relevant law, the Chargors

- (a) irrevocably appoint the Company as agent for service of process in relation to any proceedings before the Hong Kong courts in connection with this Deed, and
- (b) agree that failure by a process agent to notify a Chargor of the process will not invalidate the proceedings concerned

28 3 Waiver of Immunity

Each Chargor waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of

- (a) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues (or any part thereof), and
- (b) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenue (or any part thereof)

IN WITNESS whereof this Deed has been executed and delivered as a deed by the Parties on the date specified above

Schedule 1

RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 9 (Appointment and Rights of Receivers) shall have the right, either in his own name or in the name of a Chargor (notwithstanding any dissolution or Winding-up of a Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person

(a) Take possession

to take possession of the Charged Assets, and to require payment to it of all Dividends including without limitation, to complete any instruments of transfer and to procure the transfer of the Charged Assets into the name of the Security Trustee (as trustee for the Secured Parties) or its nominee and, if necessary, take possession of and collect the share certificates and/or other documents of title relating to the Charged Assets, in each case, at the cost and risk of the relevant Chargor,

(b) Deal with Charged Assets

to sell, transfer, assign, exchange or otherwise dispose of or realise the Charged Assets to any person (including a new company formed pursuant to paragraph (c) (Hive down)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred),

(c) Hive down

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or part thereof or any rights attaching thereto,

(d) Borrow money

to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise),

(e) Rights of ownership

to exercise and do (or permit a Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute legal or beneficial owner of the Charged Assets (including without limitation the exercise of any or all of the voting rights in respect of the Charged Assets and the right to receive Dividends),

(f) Covenants and guarantees

to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them and to use the company seal of a Chargor,

(g) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Charged Assets,

(h) Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets and in addition to take or defend proceedings for the compulsory winding-up of a Chargor and proceedings for directions under section 255 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32 of the Laws of Hong Kong),

(i) Redemption of Security

to redeem any Security Interest (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets,

(j) Spend money

in the exercise of any of the above powers, to spend such sums as he may properly think fit and a Chargor shall forthwith on demand repay to the Security Trustee or the Receiver (as the case may be) all sums so spent together with interest on those sums at such rates as the Security Trustee may from time to time properly determine from the time they are paid or incurred and until repayment those sums (together with such interest) shall be secured by the Charges,

(k) Acquisitions

to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary or desirable for the improvement or realisation of the whole or any part of the Charged Assets or otherwise for the benefit of the whole or any part of the Charged Assets,

(l) Receipts

to give valid receipts for all moneys and execute all assurances and things which may be proper or necessary for realising any Charged Asset,

(m) Delegation

to delegate his powers in accordance with Clause 10.2 (Delegation),

(n) Appointment and Removal of Directors

to complete, date and put into effect any stock transfer form or instrument of transfer delivered in relation to the Charged Assets or any part thereof pursuant to Clause 4 (Restrictions and Further Assurance), any letter of resignation, any undated resolution(s) of the board of directors of the Company and/or any other document(s) delivered pursuant to Clause 4 (Restrictions and Further Assurance) and to exercise all powers of appointment and/or removal of the directors of the Company attaching to the Charged Assets or any part thereof, and

(o) Other powers

to do anything else he may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Security Trustee or any Receiver under or by virtue of any Finance Document to which a Chargor is party and/or applicable statutory provisions and common law

Schedule 2
PARTICULARS OF SHARES

<u>Beneficial Owner</u>	<u>Shares (type, number and nominal value)</u>	<u>Registered Holder</u>
Maplin Electronics Limited	199,999 ordinary shares	Maplin Electronics Limited
Maplin Electronics Limited	1 ordinary share	Maplin Electronics (Holdings) Limited (holding on trust for Maplin Electronics Limited)

Schedule 3

FORM OF ACKNOWLEDGMENT FROM NOMINEE

To Wells Fargo Capital Finance (UK) Limited as Security Trustee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

At the request of [Maplin Electronics (Holdings) Limited / Maplin Electronics Limited] (the "Chargor"), I/we hereby

- 1 warrant and confirm that I am/we are the registered holder(s) of [insert number and description of relevant Charged Assets] (the "Share[s]") and am/are holding the Share[s] as nominee for and on behalf of the Chargor,
- 2 acknowledge that the Chargor has, pursuant to a share charge (as amended from time to time, the "Share Charge") dated [] between inter alia, the Chargor and Wells Fargo Capital Finance (UK) Limited as Security Trustee, charged the Share[s] in favour of you as security upon the terms and conditions specified therein,
- 3 undertake that I/we shall, upon and at all times after notification by you to us that the security constituted by the Share Charge has become enforceable, hold the Share[s] on trust for you (or any other person whom you may nominate),
- 4 undertake that I/we shall, upon being requested by you to do so, transfer the legal title in the Share[s] to you (or any other person whom you may nominate) and do all acts and execute all documents as may be necessary and/or as you may require for such purpose, and
- 5 irrevocably and unconditionally appoint each of you, any Receiver (as defined in the Share Charge) and any Delegate (as defined in the Share Charge) severally to be my/our attorney on the terms of Clause 13 (Power of Attorney) of the Share Charge (mutatis mutandis) as if I was/we were a Chargor, and undertake to execute such further powers of attorney in such form as you may reasonably require from time to time

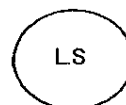
Dated

[in the case where the relevant nominee is a company incorporated in Hong Kong or a company incorporated outside Hong Kong which has a company seal]

THE COMMON SEAL of)
[name of relevant nominee])
was hereunto affixed)
in the presence of)

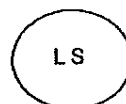
[in the case where the relevant nominee is a company outside Hong Kong which does not have any company seal]

SIGNED, SEALED and DELIVERED)
as a DEED by)
[name of relevant authorised signatory])
for and on behalf of)
[name of relevant nominee])
in the presence of)



Witness
[in the case where the relevant nominee is an individual]

SIGNED, SEALED and DELIVERED)
as a DEED by)
[name of relevant nominee])
in the presence of)



Witness

Schedule 4
FORM OF LETTER OF RESIGNATION

To The Board of Directors
 Maplin Electronics (HK) Limited (the "Company")
 Room B, 9th Floor, KOHO, 73-75 Hung To Road,
 Kwun Tong, Kowloon, Hong Kong

Date *[to be left blank]*

Dear Sirs,

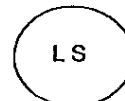
Resignation

I hereby tender my unconditional and irrevocable resignation as a director of the Company with effect from the date of this letter. I confirm that

- 1 I have no claims whatsoever against the Company or any of its subsidiaries or associated companies (if any) on any account (whether for loss of office, for accrued remuneration or for fees or otherwise howsoever), and
- 2 there is no outstanding agreement or arrangement with the Company or any of its subsidiaries or associated companies (if any) under which the Company or any of such subsidiaries or associated companies has or would have any obligation to me whether now or in the future or under which I would derive any benefit

SIGNED, SEALED and DELIVERED
as a DEED by
[name of director]
in the presence of

)
)
)
)



Witness

Schedule 5

FORM OF LETTER OF UNDERTAKING AND AUTHORISATION

To Wells Fargo Capital Finance (UK) Limited as Security Trustee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

Share Charge dated [] between Maplin Electronics (Holdings) Limited and Maplin Electronics Limited each "Chargor" (and together the "Chargors") and Wells Fargo Capital Finance (UK) Limited as Security Trustee (as amended from time to time, the "Share Charge") in respect of, among other things, the shares in Maplin Electronics (HK) Limited (the "Company")

I hereby unconditionally and irrevocably

- 1 undertake to procure, to the extent of my powers as a director of the Company, that any or all of the shares in the Company which are charged to the Security Trustee pursuant to the Share Charge shall upon your request be promptly registered in the name of the Security Trustee or (at the request of the Security Trustee) any person(s) whom the Security Trustee may nominate, and
- 2 authorise each of the Security Trustee and any other person(s) authorised by the Security Trustee severally to complete, date and put into effect
 - (a) any letter of resignation signed by me and delivered pursuant to Clause 4 (Restrictions and Further Assurance) of the Share Charge,
 - (b) any written resolutions of the board of directors of the Company signed by me delivered pursuant to Clause 4 (Restrictions and Further Assurance) of the Share Charge, and
 - (c) any other document signed by me and delivered pursuant to Clause 4 (Restrictions and Further Assurance) of the Share Charge,

at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms

Dated

SIGNED, SEALED and DELIVERED

as a DEED by

[name of relevant director]

in the presence of

Witness

)
)
)
)

LS

Schedule 6
FORM OF WRITTEN RESOLUTIONS

Maplin Electronics (HK) Limited (the "Company")

**WRITTEN RESOLUTIONS OF
THE BOARD OF DIRECTORS OF THE COMPANY**

Dated *[to be left blank]*

IT IS RESOLVED THAT

- 1 each of the following transfers of the shares in the Company be approved and that, upon the delivery to any director of the Company of a duly completed instrument of transfer in respect of any of the following transfers, the name of the relevant transferee be entered forthwith in the register of members of the Company in respect of the relevant shares so transferred and that new share certificates in respect of such shares be issued forthwith to such transferee in accordance with the Articles of Association of the Company
[to be left blank]

- 2 each of the following persons be appointed as an additional director of the Company with immediate effect
[to be left blank]

- 3 the resignation of the following persons as directors of the Company be accepted with immediate effect
[to be left blank]

- 4 the above changes in directorships of the Company be notified to [each relevant registry] as soon as shall be practicable and that any director or the secretary of the Company be authorised to sign and deliver any relevant return in connection therewith

[all the directors of the Company to state their names and sign]

Schedule 7

INSTRUMENT OF TRANSFER

Maplin Electronics (HK) Limited

We, Maplin Electronics (Holdings) Limited and Maplin Electronics Limited of
in consideration of the Sum of
hereby paid to us by
of

(the "Transferee"), do hereby transfer to the said Transferee the _____ Shares each numbered
_____ standing in our name in the Register of Members of Maplin Electronics (HK) Limited to
hold unto the said Transferee, its executors, administrators or assigns, subject to the several
conditions upon which we hold the same at the time of execution hereof And we the said Transferee
do hereby agree to take the said Shares subject to the same conditions

Witness our hands the _____ day of _____,

[
Transferor

SIGNED by _____)
Maplin Electronics (Holdings) Limited)
in the presence of - _____)

Name
Title

}

OR

[
Transferor

SIGNED by _____)
Maplin Electronics Limited)
in the presence of - _____)

Name
Title

}

Transferee

SIGNED by _____)
_____)
in the presence of - _____)

Sold Note

Name of Purchaser (Transferee) _____
Address _____
Name of the Company in which
the Shares are to be transferred Maplin Electronics (HK) Limited
Number of Shares _____ Shares
Consideration _____

Signed by
MAPLIN ELECTRONICS LIMITED

Dated

Bought Note

Name of Seller (Transferor) Maplin Electronics Limited
Address _____
Occupation _____
Name of the Company in which
the Shares are to be transferred Maplin Electronics (HK) Limited
Number of Shares _____ Shares of _____ each
Consideration _____

Signed by
[The Transferee]

Dated

SIGNATURE PAGE

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Deed on the date stated at the beginning

THE CHARGORS

Executed by [REDACTED]
[REDACTED]
for and on behalf of
MAPLIN ELECTRONICS (HOLDINGS)
LIMITED

)
)
)
)
)
)

[REDACTED]

Director

[REDACTED]

Director

In the presence of.

Signature of witness

[REDACTED]

Name

[REDACTED]

Address

Occupation

[REDACTED]

TAYLOR WESSING LLP
5 NEW STREET SQUARE
LONDON EC4A 3TW

Executed by [REDACTED]
[REDACTED]
for and on behalf of
MAPLIN ELECTRONICS LIMITED

)
)
)
)
)
)

[REDACTED]

Director

In the presence of

Signature of witness

[REDACTED]

Name

[REDACTED]

Address

Occupation

[REDACTED]

TAYLOR WESSING LLP
5 NEW STREET SQUARE
LONDON EC4A 3TW

THE SECURITY TRUSTEE

SIGNED by

for and on behalf of
WELLS FARGO CAPITAL FINANCE
(UK) LIMITED

)
)
)
)
)

Directo

