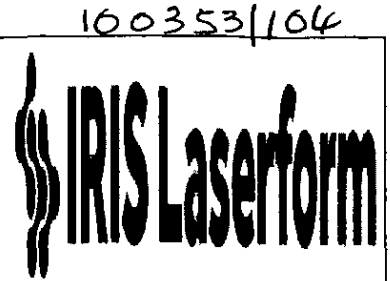


MR01

Particulars of a charge



A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

✓ **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
instrument Use form M

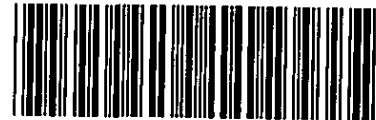
For further information, please
refer to our guidance at
COMPANIESHOUSE.gov.uk

This form **must be delivered to the Registrar for registration** within
21 days beginning with the day after the date of creation of the charge.
If the form is delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record

MONDAY



A20 23/12/2013 #4

1

Company details

Company number 0 7 4 7 4 4 1 3

Company name in full Poppy Bidco Limited (the "Charging Company")

2

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 d1 d8 m1 m2 y2 y0 y1 y3

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 Barclays Bank PLC

(in its capacity as Security Agent for the Beneficiaries, as such terms

Name are defined in the debenture accompanying this Form MR01)

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

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

Terms defined in the Debenture registered by virtue of this Form MR01 shall have the same meanings when used in this Form MR01
"Charging Date" means 18 December 2013

The Charging Company, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges to the Security Agent (as trustee for the Beneficiaries)

(a) by way of legal mortgage, all Land in England and Wales which is at the Charging Date vested in it and not registered at the Land Registry, and

(b) by way of fixed charge

Continued on continuation page

5

Fixed charge or fixed security

Does the instrument include a fixed 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 chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

MR01 - continuation page

Particulars of a charge

4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Description

(i) all other Land which is at the Charging Date, or in the future becomes, its property (including any leasehold interest only to the extent that such leasehold interest is not prohibited under its terms from being charged or has by virtue of obtaining lessor's consent pursuant to clause 3 7(a) of the Debenture ceased to be a Floating Charge Property),

(ii) all Intellectual Property presently belonging to it, including its interest in any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others (to the extent that any consent of a relevant person has been obtained), and

(iii) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others (to the extent that any consent of a relevant person has been obtained)

MR01

Particulars of a charge

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 *Hyun Lovers International LLP* X

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

MR01**Particulars of a charge****Presenter information**

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **Michael Thompson**

Company name **Hogan Lovells International LLP**

Address **Atlantic House**

Holborn Viaduct

Post town **London**

County/Region

Postcode **E C 1 A 2 F G**

Country **United Kingdom**

DX **57 London Chancery Lane**

Telephone **+44 (20) 7296 2000**

**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 £13 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.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 7474413

Charge code: 0747 4413 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th December 2013 and created by POPPY BIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2013

Jx

Given at Companies House, Cardiff on 2nd January 2014



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED

18 DECEMBER

2013

**POPPY FINCO LIMITED AND CERTAIN OF ITS
SUBSIDIARIES
(as Chargors)**

- and -

**BARCLAYS BANK PLC
(as Security Agent)**

DEBENTURE

**This Deed is entered into with the benefit of and subject to the terms of
the Intercreditor Agreement (as defined herein)**



Matter ref X1775248
F3/SJB/MAT/3602950
Save for material redacted pursuant to s859G of the
Companies Act 2006, we hereby certify that this is a
true copy of the composite original

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London EC1A 2FG

Signed

Dated

20/12/2013

Hogan Lovells

LIB01/F3MAT/3602950 5

**Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London EC1A 2FG**

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THIS DEBENTURE is made on 18 DECEMBER

2013

BETWEEN

- (1) **The Companies** named in Schedule 1 (*The Chargors*); and
- (2) **Barclays Bank PLC** as Security Agent

WITNESSES as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless the context otherwise requires, words or expressions defined in the Facilities Agreement shall have the same meanings in this Debenture and this construction shall survive the termination of the Facilities Agreement. In addition, in this Debenture

"Act" means the Companies Act 2006

"Assets" means in relation to a Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them

"Beneficiary" means each Finance Party, each Hedge Counterparty and any Receiver or Delegate

"Chargor" means each company named in Schedule 1 (*The Chargors*) and (with effect from its accession) each other company which executes a Deed of Accession and Charge and any company which subsequently adopts the obligations of a Chargor

"Company" means Poppy Bidco Limited, a limited liability company incorporated under the laws of England and Wales with registered number 07474413

"Declared Default" means the Agent first exercising its respective rights under Clause 26.18 (*Acceleration*) of the Facilities Agreement

"Deed of Accession and Charge" means a deed of accession and charge substantially in the form of Schedule 3 (*Form of Deed of Accession and Charge for a New Chargor*)

"Default" means a Default under and as defined in the Facilities Agreement

"Derivative Rights" includes

- (a) allotments, rights, money or property arising at any time in relation to any Investments by way of conversion, exchange, redemption, bonus, preference, option or otherwise,
- (b) dividends, distributions, interest and other income paid or payable in relation to any Investments, and
- (c) stock, shares and securities offered in addition to or substitution for any Investments

"Event of Default" means an Event of Default under and as defined in the Facilities Agreement

"Excluded Land" means any leasehold property with less than 25 years remaining on the applicable lease as at, and at any time after, the date of this Debenture

"Excluded Specified Investments" means any Chargor's shareholding in

- (a) a non-wholly owned Subsidiary, or
- (b) a wholly owned Subsidiary that is not a Material Company

"Facilities Agreement" means the facilities agreement dated on or around the date of this Debenture and made between Poppy Finco Limited (as Parent), the Original Borrowers, the Original Guarantors, the Original Lenders, Barclays Bank PLC (as Agent and Security Agent) and Barclays PLC and BlueBay Direct Lending I Investments (Luxembourg) S a r l and BlueBay Direct Lending I Co-Invest A Investments (Luxembourg) S á r l (as Senior Arrangers)

"Finance Document" means the Facilities Agreement, any Accession Deed, any Ancillary Document, any Compliance Certificate, any Fee Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Transaction Security Document, any Transfer Certificate or undertaking delivered pursuant to Clause 27 (*Changes to the Lenders*) of the Facilities Agreement, any Utilisation Request, and any other document designated as a **"Finance Document"** by the Agent and the Parent

"Finance Party" means the Agent, the Security Agent, the Arrangers, the Lenders, the Issuing Bank and any Ancillary Lender

"Financial Collateral" in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003, as amended

"Fixed Security Asset" means an Asset for the time being comprised within an assignment created by clause 3 1 (*Assignments*) or within a mortgage or fixed charge created by clause 3 2 (*Fixed security*) or arising on crystallisation of a floating charge whether under clause 4 (*Crystallisation*) or otherwise and includes all Assets assigned, mortgaged or charged by the equivalent provisions in any Deed of Accession and Charge

"Floating Charge Asset" means an Asset for the time being comprised within the floating charge created by clause 3 3 (*Creation of floating charge*) (or by the equivalent provision of any Deed of Accession and Charge) but, in relation to Assets situated in Scotland and charged by clause 3 3(b) (or by the equivalent provision of any Deed of Accession and Charge) only in so far as concerns the floating charge over that Asset

"Floating Charge Property" means any leasehold interests owned by a Chargor which that Chargor is prohibited under the terms of the lease from charging or for which landlord consent is required and has not yet been obtained in accordance with clause 3 7(a) (*Lessor's consent*)

"Group" means the Parent and its Subsidiaries for the time being

"Hedge Counterparty" has the meaning given to that term in the Intercreditor Agreement

"Hedging Agreements" has the meaning given to that term in the Intercreditor Agreement

"Holding Account" means a Holding Account as defined in the Facilities Agreement

"Insurance Policy" means any contract or policy of insurance of any Chargor (including all cover notes) of whatever nature which are from time to time taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest at any time (excluding, for the avoidance of doubt, third party liability insurance and insurance in favour of employees)

"Intellectual Property" means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, domain names, registered and unregistered rights in designs (including in relation to semiconductor products) anywhere in the world (which may now or in the future subsist) and, in each case, any extensions and renewals of, and any applications for, such rights

"Intellectual Property Rights" in relation to a Chargor, means all and any of its Intellectual Property and all other intellectual property rights, causes of action, interests and assets charged by it pursuant to paragraphs (c)(xii) to (xiv) inclusive of clause 3.2 (*Fixed security*) (or pursuant to the equivalent provisions in any Deed of Accession and Charge)

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Debenture and made between, amongst others, the Parent, the Obligors, the Security Agent, the Agent, the Arrangers and the Investor (each term as defined therein)

"Investments" means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Schedule 2, Part II of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depository interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Investments by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise

"Land" means (other than any Excluded Land) freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade and tenant's fixtures)

"Liability" means any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise

"New Chargor" means a member of the Group which becomes a Chargor under this Debenture in accordance with clause 26 (*Accession of a New Chargor*)

"Parent" means Poppy Finco Limited a limited liability company incorporated under the laws of England and Wales with registered number 07479464

"Party" means a party to this Debenture

"Receivables" in relation to a Chargor, means all sums of money receivable by it at any time consisting of or payable under or derived from any Asset described in clause 3.2 (*Fixed security*) or described in the equivalent provision of any Deed of Accession and Charge

"Receiver" means any receiver or receiver and manager appointed under clause 16 (*Appointment of a Receiver or an Administrator*) including (where the context requires or permits) any substituted receiver or receiver and manager

"Relevant System" has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether established in the United Kingdom or elsewhere) providing means for the deposit of, and clearance of transactions in, Investments

"Secured Sums" means all present and future obligations and liabilities (whether actual or contingent and whether incurred jointly or severally or in any other capacity whatsoever and whether incurred originally by a Chargor or by some other person) of each Chargor to all or any of the Beneficiaries under each or any of the Finance Documents, in each case together with

- (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any Finance Document, and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents

"Security Agent" means Barclays Bank PLC acting as security agent and trustee for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Finance Documents

"Specified Intellectual Property" means the Intellectual Property listed in Schedule 4 (*Specified Intellectual Property*)

"Specified Investments" means, (other than any Excluded Specified Investments), in relation to a Chargor, all Investments which at any time

- (a) represent a holding in a Subsidiary of such Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Act "30 per cent or more" were substituted for "a majority",
- (b) are held in the name of the Security Agent or its nominee or to its order, or
- (c) that Chargor has deposited certificates for with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee

1 2 Interpretation

Unless the context otherwise requires, the interpretative provisions set out in the paragraphs below shall apply in this Debenture

- (a) References to any Party shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees
- (b) "**Including**" and "**In particular**" shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing"
- (c) A "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing
- (d) "**Property**" includes any interest (legal or equitable) in real or personal property and any thing in action
- (e) "**Variation**" includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and "**vary**" and "**varied**" shall be construed accordingly
- (f) "**Writing**" includes facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and "**written**" has a corresponding meaning
- (g) Subject to clause 30 4 (*Variations*), references to this Debenture or to any other document (including any Finance Document) include references to this Debenture or such other document as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities made available under such other document and, in addition, references to this Debenture shall include (with effect from the date on which it comes into force) each Deed of Accession and Charge executed pursuant to it
- (h) References to uncertificated Investments are to Investments the title to which can be transferred by means of an electronic or other entry in a Relevant System and references to certificated Investments are to Investments which are not uncertificated Investments
- (i) The singular shall include the plural and vice versa and any gender shall include the other genders
- (j) clauses, paragraphs and Schedules shall be construed as references to clauses and paragraphs of, and Schedules to, this Debenture
- (k) Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances

- (l) Headings in this Debenture are inserted for convenience and shall not affect its interpretation
- (m) A Default is "**continuing**" for the purposes of the Finance Documents if it has not been remedied or waived
- (n) "**Blank stock transfer form**" means a stock transfer form validly executed by the relevant Chargor but with the section relating to the consideration and the transferee left blank

1 3 **Conflict of terms**

If any conflict arises between the covenants and undertakings in clause 11 (*Land*) and clause 12 (*Intellectual Property Rights*) and the covenants and undertakings in clause 25 (*General undertakings*) of the Facilities Agreement, the covenants and undertakings given in the Facilities Agreement shall prevail

2 **COVENANT TO PAY**

2 1 **Covenant to pay**

Each Chargor (as primary obligor and not merely as surety) covenants with the Security Agent (as trustee for the Beneficiaries) that it will, on the Security Agent's written demand, pay or discharge the Secured Sums at the times and in the manner provided in the relevant Finance Documents

2 2 **Proviso**

The covenants contained in this clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law

2 3 **Demands**

- (a) The making of one demand shall not preclude the Security Agent from making any further demands
- (b) Any third party dealing with the Security Agent or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Debenture

3 **CREATION OF SECURITY**

3 1 **Assignments**

Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, assigns absolutely to the Security Agent (as trustee for the Beneficiaries)

- (a) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies, and
- (b) all its rights, title and interest from time to time in respect of the Hedging Agreements

3.2 Fixed security

Each Chargor, with full title guarantee, as security for the payment or discharge of all Secured Sums, charges to the Security Agent (as trustee for the Beneficiaries)

- (a) by way of legal mortgage, all Land in England and Wales now vested in it and registered at the Land Registry or which will be subject to first registration at the Land Registry upon the execution and delivery of this Debenture, in each case as described in Schedule 2 (*Registered Land to be Mortgaged*),
- (b) by way of legal mortgage, all other Land in England and Wales now vested in it and not registered at the Land Registry,
- (c) by way of fixed charge
 - (i) all other Land which is now, or in the future becomes, its property (including any leasehold interest only to the extent that such leasehold interest is not prohibited under its terms from being charged or has by virtue of obtaining lessor's consent pursuant to clause 3.7(a) ceased to be a Floating Charge Property),
 - (ii) all interests and rights in or relating to Land or the proceeds of sale of Land now or in the future belonging to it (including any leasehold interest only to the extent that such leasehold interest is not prohibited under its terms from being charged or such leasehold interest has by virtue of obtaining lessor's consent pursuant to clause 3.7(a) ceased to be a Floating Charge Property),
 - (iii) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this clause 3.2,
 - (iv) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land,
 - (v) all Specified Investments which are now its property, including all proceeds of sale derived from them,
 - (vi) all Specified Investments in which that Chargor may in the future acquire any interest (legal or equitable), including all proceeds of sale derived from them,
 - (vii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Investments,
 - (viii) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Investments,
 - (ix) all insurance or assurance contracts or policies now or in the future held by or otherwise benefiting it which relate to Fixed Security Assets or which are now or in the future deposited by it with the Security Agent, together with all its rights and interests in such contracts and policies (including the

benefit of all claims arising and all money payable under them) apart from any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) in this Debenture,

- (x) all its goodwill and uncalled capital for the time being,
- (xi) all Specified Intellectual Property belonging to it,
- (xii) all other Intellectual Property presently belonging to it, including its interest in any Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others (to the extent that any consent of a relevant person has been obtained),
- (xiii) all Intellectual Property that may be acquired by or belong to it in the future, including any such Intellectual Property to which it is not absolutely entitled or to which it is entitled together with others (to the extent that any consent of a relevant person has been obtained),
- (xiv) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world to the extent that they are able to be charged under this clause,
- (xv) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world to the extent that they are able to be charged under this clause,
- (xvi) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in sub-paragraphs (c)(ix) to (xiv) inclusive of this clause,
- (xvii) all trade debts now or in the future owing to it,
- (xviii) all other debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group,
- (xix) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Security Asset except to the extent that such items are for the time being effectively assigned under clause 3.1 (*Assignments*),
- (xx) any beneficial interest, claim or entitlement it has in any pension fund now or in the future,
- (xxi) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Security Asset except to the extent that such rights, money or property are for the time being effectively assigned or charged by fixed charge under the foregoing provisions of this Debenture,
- (xxii) all moneys at any time standing to the credit of any Holding Account and/or the Mandatory Prepayment Account, and

- (xxiii) the benefit of all licences, consents and authorisations held in connection with its business or the use of any Asset and the right to recover and receive all compensation which may be payable in respect of them to the extent that they are able to be charged under this clause

3.3 Creation of floating charge

Each Chargor, with full title guarantee, charges to the Security Agent (as trustee for the Beneficiaries) as security for the payment or discharge of all Secured Sums, by way of floating charge

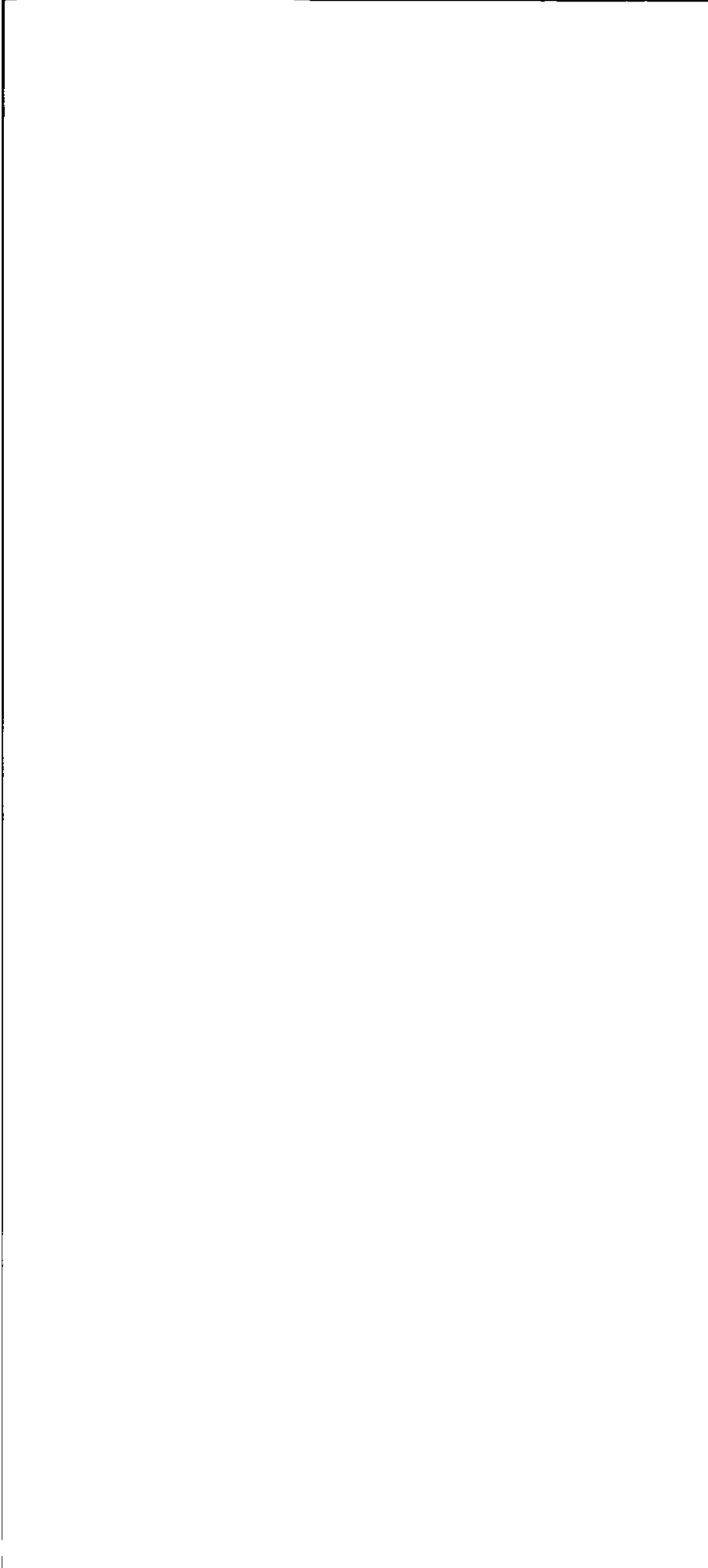
- (a) all its Assets, except to the extent that such Assets are for the time being effectively assigned by way of security by virtue of clause 3.1 (*Assignments*) or charged by any fixed charge contained in clause 3.2 (*Fixed security*), including any Assets comprised within a charge which is reconverted under clause 4.4 (*Reconversion*), and
- (b) without exception, all its Assets in so far as they are for the time being situated in Scotland

3.4 Notices of Assignment

- (a) The Chargors shall on the date of the Debenture (or, if acceding to this Debenture, on the date of the relevant Deed of Accession and Charge) give notice to the insurers (and any broker) of the security over the Insurance Policies and their proceeds created by this Debenture substantially in the form set out at Part 2 of Schedule 5 (*Forms of Notice of Assignment*) and otherwise comply with its obligations in clause 25.24 (*Insurance*) of the Facilities Agreement
- (b) The Company shall on the date of this Debenture (or, if later, on the date on which it enters into the Hedging Agreements) execute a notice of assignment in respect of the Hedging Agreements in substantially the form set out in Part 1 of Schedule 5 (*Forms of Notice of Assignment*) and immediately deliver the notice to each Hedge Counterparty
- (c) The Company and the Parent shall request the execution and delivery to the Security Agent of acknowledgments by the addressees of the notices delivered to them pursuant to paragraphs (a) and (b) above

3.5 Priority

- (a) Any fixed Security created by a Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3.3 (*Creation of floating charge*)
- (b) Any Security created in the future by a Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture (except to the extent mandatorily preferred by law)



3.6 Application to the Land Registry

Each Chargor

- (a) in relation to each register of title of any present and future Land of that Chargor which is charged to the Security Agent under this Deed or pursuant to clause 9 (*Further Assurance*), consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry any and all of the following, at any time
 - (i) a form AP1 (*application to change the register*) in respect of the security created by this Debenture,
 - (ii) a form AN1 (*application to enter and agreed notice*) in respect of the security created by this Debenture,
 - (iii) a form RX1 (*application to register a restriction*) in the following terms

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Chargee] referred to on the charges register, or their conveyancer", and
 - (iv) a form CH2 (*application to enter an obligation to make further advances*), and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by clause 3.2 (*Fixed security*) at its own expense, immediately following its execution of this Debenture

3.7 Lessor's consent

- (a) Each Chargor shall use reasonable endeavours, including incurring reasonable costs and expenses, (provided that the relevant Chargor is satisfied that such endeavours will not involve placing commercial relationships with third parties in jeopardy) to obtain any lessor's consent required for the creation of the charges envisaged by paragraphs (a), (b) and (c)(i) of clause 3.2 (*Fixed security*) over all leasehold land with a term of 25 years or more to run as soon as possible (including in relation to the Floating Charge Properties), keep the Security Agent informed of the progress of its negotiations with the lessor and provide the Security Agent with a copy of each consent promptly after its receipt
- (b) If, notwithstanding paragraph (a) above, such lessor's consent cannot be obtained in relation to any leasehold interest, that interest shall be subject to a floating charge under clause 3.3 (*Creation of a floating charge*) and shall be designated as a Floating Charge Property until such lessor's consent has been obtained, at which point that interest shall no longer be designated as a Floating Charge Property but shall instead be subject to a charge under clause 3.2 (a), (b), (c)(i) or (c)(ii) (*Fixed security*) as appropriate
- (c) If any charge created in paragraphs (a), (b) and (c)(i) and c(ii) of clause 3.2 (*Fixed security*) or clause 3.3 (*Creation of a floating charge*) breaches the terms of any

lease under which the relevant Chargor holds any leasehold property, such breach shall not in turn constitute a breach of any of the representations and warranties given by any Chargor in the Finance Documents

- (d) If, despite the relevant Chargor's endeavours under paragraph (a) of this clause 3.7, any lessor of any leasehold property takes, or threatens to take, proceedings for forfeiture of a lease on the grounds that its consent had not been obtained to the creation of a charge over that leasehold interest in this Debenture, the Security Agent will (if so requested by such Chargor) release the floating security constituted by this Debenture over that lease

3.8 Intellectual Property consent

Where consent is required for the charging of Intellectual Property under paragraphs c(xii) to c(xiv) of clause 3.2 (*Fixed security*) and the Security Agent (acting reasonably) has made a written request to the relevant Chargor for such consent to be obtained, the Chargor shall use reasonable endeavours to obtain the consent as soon as possible, keep the Security Agent informed of the progress of its negotiations and provide the Security Agent with a copy of each consent promptly after its receipt

4 CRYSTALLISATION

4.1 Crystallisation by notice

The floating charge created by each Chargor in clause 3.3 (*Creation of floating charge*) may, subject to clause 4.5 (*Moratorium Assets*), be crystallised into a fixed charge by notice in writing given at any time by the Security Agent to the relevant Chargor (or to the Parent on its behalf) if

- (a) a Declared Default has occurred, or
- (b) the Security Agent in good faith considers that a Default under clause 26.8 (*Creditors' process*) of the Facilities Agreement has occurred and is continuing and the Security Agent in good faith considers that any of the Assets expressed to be charged to the Security Agent by this Debenture may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the relevant Chargor

4.2 Automatic crystallisation

If, without the Security Agent's prior written consent

- (a) any Chargor, in contravention of any Finance Document, resolves to take or takes any step to
 - (i) charge or otherwise encumber any of its Floating Charge Assets,
 - (ii) create a trust over any of its Floating Charge Assets, or

- (iii) dispose of any Floating Charge Asset (except by way of sale in the ordinary course of such Chargor's business to the extent that such disposal is not otherwise prohibited by any Finance Document), or
- (b) any person resolves to take or takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process, or
- (c) an Event of Default under clause 26.6 (*Insolvency*) or 26.7 (*Insolvency proceedings*) of the Facilities Agreement has occurred and is continuing,

then the floating charge created by clause 3.3 (*Creation of floating charge*) shall, subject to clause 4.5 (*Moratorium Assets*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset or, in the case of paragraph (c) above into a fixed charge over all Floating Charge Assets of the relevant Chargor

4.3 Future Floating Charge Assets

Except as otherwise stated in any notice given under clause 4.1 (*Crystallisation by notice*) or unless the crystallisation relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by any Chargor after crystallisation has occurred under Clause 4.1 (*Crystallisation by notice*) or Clause 4.2 (*Automatic crystallisation*) shall become subject to the floating charge created by Clause 3.3 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the specific Floating Charge Assets affected by the crystallisation

4.4 Reconversion

Any charge which has crystallised under Clause 4.1 (*Crystallisation by notice*) or 4.2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Security Agent to the relevant Chargor (or to the Parent on its behalf), be reconverted into a floating charge in relation to the Assets specified in such notice

4.5 Moratorium Assets

The floating charge created by each Chargor in Clause 3.3 (*Creation of floating charge*) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 and/or paragraph 43 in Schedule A1 of the Insolvency Act 1986

5 TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS

5.1 Documents

Subject to the rights of any prior chargee and except as otherwise expressly agreed in writing by the Security Agent, each Chargor shall

- (a) within one Business Day of the date of this Deed, deposit with the Security Agent, and the Security Agent shall be entitled to retain during the continuance of the security created by this Debenture, all deeds and documents of title relating to all its Land, certificates of registration and certificates constituting or evidencing Specified Investments (other than share certificates and stock transfer forms in

respect of shares issued by a company incorporated outside of England and Wales),

- (b) promptly notify the Security Agent where any Excluded Specified Investment ceases to be an Excluded Specified Investment and as soon as reasonably practicable, execute and deliver to the Security Agent all deeds and documents of title relating to such Specified Investments, and
- (c) execute and deliver to the Security Agent at the Security Agent's request such documents and transfers and give such instructions and perform such other acts as the Security Agent may reasonably require at any time to constitute or perfect an equitable or legal charge (at the Security Agent's option) over its Specified Investments, including any eligible to participate in a Relevant System

5.2 Insurance

- (a) Each Chargor shall
 - (i) maintain at all times insurance policies which comply with Clause 25.24 (*Insurance*) of the Facilities Agreement and comply with the terms of all such insurance policies, including any stipulations or restrictions as to use or operation of any asset, and shall not do or permit anything which may make any insurance policy void or voidable,
 - (ii) make notifications to insurers of any claims or prospective claims in accordance with the provisions of the relevant insurance policy and diligently pursue the making of recoveries from insurers,
- (b) Each Chargor shall request that the members of the Group shall punctually make all premium and other payments necessary for effecting or maintaining such insurances and on demand shall produce to the Security Agent the receipts of such payments, and
- (c) If any default shall at any time be made in effecting or maintaining such insurance or in producing any such receipt to the Security Agent on demand pursuant to the Transaction Security Documents, the Security Agent (acting reasonably) may take out or renew such insurances in such sums as the Security Agent may think expedient and all money expended by the Security Agent under this provision shall be recoverable by the Security Agent under Clause 20 (*Costs and expenses*) of the Facilities Agreement

6 COLLECTION OF RECEIVABLES

6.1 No derogation

No Chargor shall purport, without the Security Agent's prior written consent, to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery, other than in relation to the commutation of Receivables with its customers in the ordinary course of trade

6 2 Factored debts

If the Security Agent releases, waives or postpones its rights in respect of any Receivable to enable a Chargor to factor or discount them to any person (the "factor"), the charges created by this Debenture shall in all other respects remain in full force and effect. In particular, all amounts becoming due to such Chargor from the factor and any Receivables reassigned, or due to be reassigned to such Chargor, shall be subject to the relevant fixed charge created by this Debenture, subject only to any defences or rights of set-off which the factor may have against such Chargor.

6 3 Information

Each Chargor shall deliver to the Security Agent such particulars as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require.

7 NEGATIVE PLEDGE AND OTHER RESTRICTIONS

No Chargor shall, without the prior written consent of the Security Agent (and with the exception of Permitted Security and Permitted Disposals)

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets, or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Assets, or part with possession or ownership of them, or purport or agree to do so

8 RIGHT OF APPROPRIATION

8 1 The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

8 2 The Security Agent may, on or at any time after the security constituted by this Debenture becomes enforceable, by notice in writing to the relevant Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Arrangements (No 2) Regulations 2003) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise.

8 3 The value of any Financial Collateral appropriated under Clause 8 1 shall be

- (a) in the case of cash, its face value at the time of appropriation, and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent acting reasonably by reference to a public index or other applicable generally recognised source or such other process as the Security Agent acting reasonably may select, including an independent valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent,

as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent.

8 4 The Security Agent will account to the relevant Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums then due and the Chargors shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums then due

8 5 Each Chargor agrees that the method of valuing Financial Collateral under Clause 8 3 is commercially reasonable

9 **FURTHER ASSURANCE**

The provisions of Clause 25 35 (*Further assurance*) of the Facilities Agreement shall apply, with the necessary changes being made, as if set out in full in this Debenture

10 **CONTINUING SECURITY**

This Debenture shall be a continuing security for the Beneficiaries, notwithstanding any intermediate payment or settlement of accounts or other matter whatever, and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien or other rights exercisable by any Beneficiary as banker against any Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Beneficiary

11 **LAND**

11 1 **Positive Covenants** Each Chargor covenants that it shall

(a) **Compliance with lease** punctually pay the rents reserved by and observe and perform in all material respects the other material covenants, agreements or obligations on its part to be observed and performed which are contained in any lease, agreement for lease, tenancy agreement or licence to occupy relating to any Land and, to the extent that it makes commercial sense to do so, enforce the observance and performance by the landlord or licensor of its material obligations under any such document, and

(b) **Acquisitions** notify the Security Agent promptly following its acquisition of any Land

11 2 **Supplemental Legal Mortgage** if, at any time and from time to time, a Chargor has any interest in any Land which is registered at the Land Registry (or which would be subject to first registration at the Land Registry on the creation of a mortgage over it), but which is not Restricted Land at that time, and which (for any reason) is also not subject to a legal mortgage under this Debenture or under any Deed of Accession at that time, the relevant Chargor will, subject to the Agreed Security Principles, to the extent required to do so by (and in accordance with) Clauses 25 34 (*Further Assurance*), promptly execute and deliver to the Security Agent a supplemental legal mortgage, in the agreed terms, over that Land as security for the Secured Sums

11 3 **Negative covenants:** No Chargor shall (without the prior written consent of the Security Agent)

(a) **No onerous obligations** enter into any onerous or restrictive obligation affecting its Land or create or permit to arise any overriding interest or any easement or

right whatever in or over it which, in each case, would be reasonably likely to materially and adversely affect its value or the value of the Security constituted by this Debenture over it, or

- (b) **No sharing:** share the occupation of any Land with any other person (or agree to do so) to the extent that to do so would materially adversely affect (i) the value of such Land, or (ii) the interests of the Beneficiaries

11 4 **Consolidation of Mortgages**

Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture

12 **INTELLECTUAL PROPERTY RIGHTS**

12 1 **Positive Covenants**

Each Chargor shall

- (a) **Consents**

Promptly seek to obtain any consent required for the creation of a fixed charge over any Intellectual Property Rights relating to the Specified Intellectual Property

- (b) **Filings and registrations**

Promptly file and register in or with such patent, trade mark or other intellectual property register or authority as may be available for the purpose (in the UK or elsewhere) in such name as may be required by the law of the place of registration, such of the following as may be capable of filing or registration there

- (i) all charges of Specified Intellectual Property made pursuant to this Debenture,
- (ii) if so requested by the Security Agent all licences of Intellectual Property granted to or acquired by it, and
- (iii) all future assignments, mortgages and/or charges of Specified Intellectual Property made pursuant to this Debenture,

and maintain or renew such filings and registrations where applicable

12 2 **Negative covenants**

Without the prior written consent of the Security Agent or other than as expressly permitted by the Finance Documents, no Chargor shall

- (a) **No disposals etc**

Other than in the ordinary course of trade (and for the avoidance of doubt, such exception not being applicable in respect of any Specified Intellectual Property), sell, assign, lease, license, sub-license or grant any interest in its Intellectual Property Rights, or purport or agree to do so or part with possession or ownership

of them, or allow any third party access to, or the right to use or exploit, any Intellectual Property Rights

(b) Contracts

Other than in the ordinary course of trade (and for the avoidance of doubt, such exception not being applicable in respect of any Specified Intellectual Property), enter into any contract or arrangement for supply or otherwise whereby any third party obtains any assignment of or any right or licence in relation to any Intellectual Property Rights on the occurrence or non-occurrence of any future event or circumstance whatever

(c) Trade marks

Amend the specification of any registered trade mark included in its Intellectual Property Rights or authorise or knowingly permit any third party to register any trade mark which is the same as or confusingly similar to any such trade mark in respect of goods or services which are the same as or similar to the goods or services for which such trade mark is registered to the extent that it would be reasonably likely to materially and adversely affect its value or the value of the security constituted by this Debenture

(d) Patents

Amend the specification or drawings referred to in any granted patent to the extent that it would be reasonably likely to materially and adversely affect its value or the value of the security constituted by this Debenture

13 SPECIFIED INVESTMENTS

13.1 Voting and other rights

Each Chargor undertakes not to exercise any voting or other rights in a way which would be reasonably likely to prejudice the value of its Specified Investments or otherwise to jeopardise the Security constituted by this Debenture over them

13.2 Before Enforcement

Unless and until the occurrence of a Declared Default

- (a) all voting and other rights attaching to Specified Investments belonging to a Chargor including all Derivative Rights shall continue to be exercised by such Chargor for so long as it remains their registered owner and such Chargor shall not permit any person other than such Chargor, the Security Agent or the Security Agent's nominee to be registered as holder of such Specified Investments or any part of them, and
- (b) if Specified Investments belonging to a Chargor are registered in the name of the Security Agent or the Security Agent's nominee, all voting and other rights attaching to them including all Derivative Rights shall be exercised by the Security Agent or the Security Agent's nominee in accordance with instructions in writing from time to time received from such Chargor and, in the absence of any such

instructions, the Security Agent or the Security Agent's nominee shall not exercise any such rights

13.3 After Enforcement

At any time after a Declared Default that is continuing

- (a) the Security Agent may exercise (but is not obliged to exercise) in the name of a Chargor or otherwise and without any further consent or authority on the part of any Chargor, all voting and other rights attaching to the Specified Investments as it sees fit for the purpose of protecting the interests of each Beneficiary in relation to the Secured Sums, including any rights to nominate or remove a director as if the Security Agent were the sole beneficial owner of the Specified Investments,
- (b) all Derivative Rights shall, if received by a Chargor or its nominee, be held on trust for and forthwith paid or transferred to the Security Agent, and
- (c) each Chargor shall (and shall procure that its nominees shall) accept short notice for and attend any meeting of the holders of any Specified Investments, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Investments as the Security Agent may direct from time to time as it sees fit for the purpose of protecting the interests of each Beneficiary in relation to the Secured Sums

For the avoidance of doubt, unless and until the Security Agent takes any step to exercise any voting rights or power attaching to the Specified Investments, all such rights remain with the Chargor

13.4 Positive covenants

Each Chargor covenants with the Security Agent that it shall (at its own expense)

- (a) procure that any person holding Specified Investments as its nominee or to its order shall execute and deliver to the Security Agent or as it directs a letter substantially in the form set out in Schedule 7 (*Form of Nominee's Undertaking Relating to Specified Investments*), and
- (b) execute and deliver to the Security Agent or as it directs such documents, transfers and powers of attorney, give such instructions and perform such other acts as the Security Agent may reasonably require at any time to convert any of such Chargor's certificated Specified Investments into uncertificated form (or vice versa)

13.5 Negative covenants

Each Chargor covenants with the Security Agent that it will not, without the prior written consent of the Security Agent (other than as permitted by the Finance Documents) consent to its Specified Investments being consolidated, sub-divided or converted or any rights attached to them being varied

14 OPENING OF NEW ACCOUNTS

14 1 Creation of new account

On receiving notice that any Chargor has granted Security over or otherwise encumbered or disposed of any of its Assets in contravention of any Finance Document, a Beneficiary may rule off all its accounts and open new accounts with such Chargor

14 2 Credits to new account

If a Beneficiary does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to that Beneficiary shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from the Chargor to such Beneficiary at the time when it received such notice

15 POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS

15 1 Section 103 of the LPA

Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Security Agent shall not exercise such power of sale until this Debenture has become enforceable

15 2 Powers of sale extended

The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Agent by virtue of this Debenture are extended so as to authorise the Security Agent (whether in its own name or that of the Chargor concerned) to

- (a) grant a lease of any Land vested in a Chargor or in which it has an interest on such terms and conditions as the Security Agent shall think fit, and
- (b) sever any fixtures from Land vested in a Chargor and sell them separately

16 APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR

16 1 Appointment

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after

- (a) the occurrence of a Declared Default that is continuing,
- (b) a step or proceeding is taken for the appointment of an administrator, liquidator or provisional liquidator in relation to a Chargor,
- (c) notices to creditors are sent out under section 98 of the Insolvency Act 1986 in relation to a Chargor,
- (d) a proposal is made in relation to a Chargor for a voluntary arrangement under Part I of the Insolvency Act 1986,

- (e) a step or proceeding is taken in relation to a Chargor with a view to seeking a moratorium, or
- (f) a request has been made by the Parent and/or a Chargor to the Security Agent for the appointment of a Receiver or an administrator over its Assets or in respect of a Chargor,

(except for the purposes of paragraphs (b) to (e), any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 days of commencement, or if earlier, the date on which it is advertised, or any step or procedure contemplated by paragraph (b) of the definition of Permitted Transaction in the Facilities Agreement) this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between such Chargor and any Beneficiary, the Security Agent may (unless precluded by law) appoint in writing any person or persons to be a receiver or a receiver and manager (or receivers or receivers and managers) of all or any part of the Assets of such Chargor or, an administrator or administrators of such Chargor, as the Security Agent may choose in its entire discretion

16 2 Power to act separately

Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary

16 3 Receiver's remuneration

The Security Agent may from time to time determine the remuneration of a Receiver

16 4 Removal of Receiver

The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver

16 5 Further appointments of a Receiver

Such an appointment of a Receiver shall not preclude

- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act, or
- (b) the appointment of an additional Receiver to act while the first Receiver continues to act

16 6 Receiver's agency

The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until such Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or any other Beneficiary

17 POWERS OF A RECEIVER

The Receiver may exercise, in relation to each Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the relevant Chargor, without the need to observe any of the provisions of Sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Investments or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of such Chargor,
- (b) promote the formation of a Subsidiary of the relevant Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of such Chargor,
- (c) sever any fixtures from Land and/or sell them separately,
- (d) exercise all voting and other rights attaching to Investments owned by the relevant Chargor,
- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of the relevant Chargor by any Subsidiary contemplated by paragraph (b) above on a basis whereby the consideration may be for cash, Investments, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit,
- (f) make any arrangement or compromise with any Beneficiary or others as he shall think fit,
- (g) make and effect all repairs, renewals and improvements to the Assets of the relevant Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit,
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine,
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver,
- (j) pay the proper administrative charges of any Beneficiaries in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the relevant Chargor,

- (k) commence and/or complete any building operations upon any Land of the relevant Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit,
- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of the relevant Chargor's Intellectual Property Rights, and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise incidental or conducive to the preservation, improvement or realisation of the relevant Assets

18 POWER OF ATTORNEY

18.1 Appointment of attorney

Each Chargor, by way of security and to more fully secure the performance of its obligations under this Debenture, hereby irrevocably appoints the Security and/or Agent/nominee (whether or not a Receiver or administrator has been appointed) and any Receiver separately to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to

- (a) do anything which that Chargor is obliged to do (but after the request of the Security Agent has not done) in accordance with this Debenture, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document, and
- (b) enable the Security Agent or any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Debenture or by statute in relation to this Debenture or the Assets charged, or purported to be charged, by it

18.2 Ratification

Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to his appointment under this clause

18.3 Sums recoverable

All sums expended by the Security Agent, any nominee and/or any Receiver under this Clause 18 shall be recoverable from each Chargor under Clause 20 (*Costs and expenses*) of the Facilities Agreement

19 OTHER POWERS EXERCISABLE BY THE SECURITY AGENT

19.1 Receiver's powers

All powers of a Receiver conferred by this Debenture may be exercised by the Security Agent after this Debenture has become enforceable. In that event, paragraph (i) of Clause 17 (*Powers of a Receiver*) shall be read and construed as if the words "be charged on the Assets of the relevant Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver"

19 2 Receipt of debts

At any time after a Declared Default has occurred and is continuing the Security Agent or any manager, officer, nominee or agent of the Security Agent is hereby irrevocably empowered to

- (a) receive all trade debts and other debts and claims which may be assigned to the Security Agent pursuant to this Debenture and/or under any other Transaction Security Document,
- (b) on payment give an effectual discharge for them and on non-payment to take and institute (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of the relevant Chargor or in the name of the Security Agent for their recovery,
- (c) agree accounts and make allowances and give time to any surety, and
- (d) Each Chargor ratifies and confirms whatever the Security Agent or any manager or officer of the Security Agent shall do or purport to do under this Clause

19 3 Security Agent's powers

The Security Agent shall have no liability or responsibility to any Chargor arising out of the exercise or non-exercise of the powers conferred on it by this Clause 19, except for gross negligence or wilful default

19 4 No duty of enquiry

The Security Agent need not enquire as to the sufficiency of any sums received by it in respect of any debt or claim or make any claim or take any other action to collect in or enforce them

20 APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER

20 1 Order of priority:

Any money received or realised under the powers conferred by this Debenture shall be paid or applied in accordance with the terms of the Intercreditor Agreement

20 2 Suspense account

Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may place and keep to the credit of a suspense account any money received from or realised in respect of any Chargor's liability under this Debenture. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Security Agent in good faith to be a fair market rate

20 3 Discretion to apply

Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may refrain from applying or enforcing any other moneys, security

or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its unfettered discretion

21 PROTECTION OF THIRD PARTIES

21 1 No duty to enquire

No purchaser from, or other person dealing with, the Security Agent, its nominee or any Receiver or administrator appointed under this Debenture shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Security Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters

21 2 Receipt

The receipt of the Security Agent shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Security Agent

22 PROTECTION OF THE SECURITY AGENT, ANY NOMINEE AND RECEIVER

22 1 Limitation

Neither the Security Agent nor any nominee nor Receiver shall be liable in respect of any Liability which arises out of the exercise or the purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and in so far as such Liability results from its own gross negligence or wilful default

22 2 Entry into possession

Without prejudice to the generality of Clause 22 1 (*Limitation*), neither the Security Agent, any nominee nor any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him respectively. If and whenever the Security Agent, or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession

23 SECURITY AGENT

23 1 Security Agent as trustee

The Security Agent declares itself to be a trustee of this Debenture (and any other Security created in its favour pursuant to this Debenture) for the Beneficiaries. The retirement of the person for the time being acting as Security Agent and the appointment of a successor shall be effected in the manner provided for in the Intercreditor Agreement

23 2 Trustee Act 2000

The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000

23 3 No partnership

Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Beneficiaries and the Security Agent

23 4 Provisions of the Intercreditor Agreement

The provisions of Clause 14 (*The Security Agent*) and Clause 22 (*Consents, amendments and override*) of the Intercreditor Agreement shall apply to the Security Agent's rights, obligations and duties under this Debenture as if set out in this Debenture in full

24 SET-OFF

24 1 Right

After the occurrence of an Event of Default that is continuing, a Beneficiary may (but is not obliged to) retain any money standing to the credit of any Chargor with such Beneficiary in any currency upon any account or otherwise (whether or not in such Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to such Chargor combine or consolidate all or any of such money with all or such part of the Secured Sums due or owing by it as such Beneficiary may select and such Beneficiary may purchase with any such money any other currency required to effect such combination or consolidation

25 TRANSFER BY A BENEFICIARY

- (a) Any Beneficiary may at any time assign and transfer all or any of its rights in relation to this Debenture to any person to whom it is permitted to transfer any of its rights under the relevant Finance Document or otherwise grant an interest in them to any person
- (b) The Security Agent may assign and transfer all of its rights and obligations under this Debenture to any replacement Security Agent appointed in accordance with the Intercreditor Agreement. Upon such assignment and transfer becoming effective, the replacement Security Agent shall be, and be deemed to be, acting as agent and trustee for each of the Beneficiaries (including itself) for the purposes of this Debenture in replacement of the previous Security Agent

26 ACCESSION OF A NEW CHARGOR

26 1 Method

Any member of the Group may at any time, become a party to this Debenture (providing that where such member of the Group is incorporated in a Sanctioned Country the Majority Lenders approve the addition of that Subsidiary), by delivering to the Security Agent in form and substance satisfactory to it

- (a) a Deed of Accession and Charge, and

- (b) certified extracts from the minutes of a meeting of its Board of Directors evidencing the due authorisation and execution of the Deed of Accession and Charge and any other conditions precedent required by the Finance Documents

26 2 New Chargor bound

The New Chargor shall become a Chargor under this Debenture with effect from the time when the Deed of Accession and Charge takes effect, at which point

- (a) the New Chargor shall become bound by all the terms of this Debenture and shall assume the same obligations as "Chargor" as if it were an original party to this Debenture, and
- (b) the other Chargors shall assume the same obligations in respect of the New Chargor as if it were an original party to this Debenture

27 RELEASE OF SECURITY

27 1 Redemption

Subject to Clause 27 2 (*Avoidance of Payments*), if all Secured Sums have been unconditionally and irrevocably paid in full and none of the Beneficiaries are under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Finance Document, the Security Agent will (at the request and cost of the Chargors), promptly execute and do all such reasonable acts as may be necessary to release the Assets from the Security constituted by this Debenture. Such release shall not prejudice the rights of the Security Agent under Clause 20 (*Costs and expenses*) of the Facilities Agreement.

27 2 Avoidance of Payments

If the Security Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of each Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

28 THIRD PARTY RIGHTS

28 1 Directly enforceable rights

Pursuant to the Contracts (Rights of Third Parties) Act 1999

- (a) the provisions of Clause 24 (*Set-Off*), and Clause 25 (*Transfer by a Beneficiary*) shall be directly enforceable by a Beneficiary,
- (b) the provisions of Clause 16 (*Appointment of a Receiver or an Administrator*) to Clause 22 (*Protection of the Security Agent and Receiver*) inclusive shall be directly enforceable by any nominee or Receiver, and
- (c) the provisions of Clause 21 (*Protection of Third Parties*) shall be directly enforceable by any purchaser

28 2 Exclusion of Contracts (Rights of Third Parties) Act 1999

Save as otherwise expressly provided in Clause 28 1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of either the Contracts (Rights of Third Parties) Act 1999 or any other provision of English law under which rights might accrue to persons other than a party to enforce any term (express or implied) of this Debenture

28 3 Rights of the Parties to vary

The Parties (or the Parent, on behalf of the Chargors, and the Security Agent (on behalf of the Beneficiaries)) may by agreement vary any term of this Debenture (including this Clause 28) without the necessity of obtaining any consent from any other person

29 JOINT AND SEPARATE LIABILITY

All covenants, agreements, representations and warranties on the part of the Chargors contained in this Debenture are given by them jointly and separately and shall be construed accordingly

30 FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS

30 1 Delay etc

All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Beneficiary, nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them

30 2 Severability

No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable

30 3 Illegality, invalidity, unenforceability

Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture

30 4 Variations

No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Beneficiaries) and the Parent (on behalf of the Chargors) or by all Parties

30 5 Consents

Save as otherwise expressly specified in this Debenture, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its entire discretion

31 COUNTERPARTS

This Debenture may be executed in any number of counterparts, and this has the same effect as if the signatures were on a single copy of this Debenture

32 NOTICES

32 1 Notices provision

Any communication to be made under or in connection with this Debenture shall be made in accordance with the notice provision of the Facilities Agreement

32 2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Debenture is

- (a) in the case of the Chargors, set out in Schedule 1 (*The Chargors*) and in the case of any New Chargor, set out in the relevant Deed of Accession and Charge, and
- (b) in the case of the Security Agent, that identified with its name at the end of this Debenture,

or any substitute address, fax number or department or officer as the Chargor may notify to the Security Agent (or the Security Agent may notify to the Parent if a change is made by the Security Agent) by not less than five Business Days' notice

33 SECURITY AGENT

The provisions of Clause 19 (*The Security Agent*) and Clause 26 (*Consents, Amendments and Override*) of the Intercreditor Agreement shall apply to the Security Agent's rights, obligations and duties under this Debenture as if set out in this Debenture in full

33 1 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective
 - (i) if by way of fax, when received in legible form, or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 32 2 (*Addresses*), if addressed to that department or officer

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of and actually received by the department

or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose)

- (c) Any communication or document made or delivered to the Parent in accordance with this Clause will be deemed to have been made or delivered to each of the Chargors

33 2 Electronic Mail

- (a) Any communication to be made between the Agent or the Security Agent and a Chargor under or in connection with this Debenture may be made by electronic mail or other electronic means, if the Agent, the Security Agent and the relevant Chargor
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication,
 - (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means, and
 - (iii) notify each other of any change to their address or any other such information supplied by them
- (b) Any electronic communication made between the Agent or the Security Agent or a Chargor will be effective only when actually received in readable form

33 3 Notification of Change

Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to Clause 32 2 (*Addresses*) or changing its own address or fax number, the Security Agent shall notify the other parties

34 GOVERNING LAW

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

35 ENFORCEMENT

35 1 Jurisdiction

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or any claim for set off) or the legal relationships established by this Debenture (a "**Dispute**"), only where such Dispute is the subject of proceedings commenced by a Chargor
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiaries, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of

England) If any Chargor raises a counter-claim in the context of proceedings commenced by one or more of the Beneficiaries, that Chargor shall bring such counter-claim before the court seized of the Beneficiary's claim and no other court

- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude any Beneficiary from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not
- (d) To the extent allowed by law, each Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum

THIS DEBENTURE has been executed by each Chargor as a deed and signed by the Security Agent and it has been delivered and shall take effect on the date stated at the beginning of this document

SCHEDULE 1

The Chargors

Name of Chargor	Registered Number	Address for Service and Fax Number	
Poppy Finco Limited	07479464	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Poppy Bidco Limited	07474413	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Cameron Topco Limited	07211380	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Cameron Bidco Limited	07134125	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Phase Eight (Fashion & Designs) Limited	01735454	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Phase Eight (UAE) Limited	08260882	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Phase Eight (Belgium) Limited	08710284	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett
Phase Eight (Singapore) Limited	08645675	Address	90 Peterborough Road, London, SW6 3HH
		Fax	+44 (0)20 7371 9232
		Attn	Ben Barnett

SCHEDULE 2

Registered Land to be mortgaged

None at the date of this Deed

Unregistered land subject to first registration upon the execution of this Debenture

None at the date of this Deed

The address for service of the Security Agent in the case of registered land is Barclays Bank PLC, 5 North Colonnade, Canary Wharf, London E14 4BB (Attention Juana Huwaidi)

SCHEDULE 3

Form of Deed of Accession and Charge for a New Chargor

THIS DEED OF ACCESSION AND CHARGE is made on

201*

BETWEEN

- (3) **[***INSERT THE NAME OF THE NEW CHARGOR***]** (registered in [England and Wales] under number [***]) (the **"New Chargor"**),
- (4) **Poppy Finco Limited** (registered in England and Wales under number 07479464) (the **"Parent"**), and
- (5) **Barclays Bank PLC** (the **"Security Agent"**)

WHEREAS

- (A) This Deed is supplemental to a Debenture (the **"Principal Deed"**) dated [***insert date***] between (1) the [***Identify original Chargors***] and (2) the Security Agent as agent and trustee for the Beneficiaries named in the Principal Deed (the **"Beneficiaries"**)

[***Note Set out details of any previous Deed of Accession and Charge ***]

- (B) The New Chargor has agreed, on the terms contained in the Principal Deed, to charge in favour of the Security Agent (acting as security agent and trustee for the beneficiaries), all of its property, undertaking and assets to secure the Secured Sums, and to accede to the Principal Deed

THIS DEED WITNESSES as follows

1 DEFINITIONS AND INTERPRETATION

- 1 1 **Incorporation:** Words and phrases defined in the Principal Deed and principles of interpretation provided for in the Principal Deed shall, unless the context otherwise requires or unless otherwise re-defined below, have the same meaning and shall apply (as the case may be) in this Deed

1 2 Additional Definitions. In this Deed

[***"Structural Intra-Group Loans" means []***]

[***"Specified Intellectual Property" means []***]

2 ACCESSION BY THE NEW CHARGOR TO THE PRINCIPAL DEED

2 1 Accession

The New Chargor agrees to be bound by the terms of the Principal Deed and to perform all its obligations (whether as Chargor or otherwise) under the Principal Deed with effect from the date of this Deed as if it had been an original party to the Principal Deed as a Chargor

2 2 Covenant to pay

The New Chargor (as primary obligor and not merely as surety) covenants with the Security Agent that it will, on the Security Agent's written demand, pay or discharge the Secured Sums at the times and in the manner provided in the relevant Finance Documents

2 3 Proviso

The covenants contained in this Clause and the security created by this Deed shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law

2 4 Parent's agreement to the accession

The Parent (on behalf of itself and the other members of the Group which are parties to the Principal Deed) hereby agrees to the New Chargor's accession

3 ASSIGNMENTS

[*** Incorporate in the execution copy of the deed of accession the relevant final text from Clause 3 1 (*Assignments*) of the Principal Deed This will include the assignment of Insurance Policies as a minimum ***]

4 FIXED SECURITY

[*** Incorporate in the execution copy of the deed of accession the final text from Clause 3 2 of the Principal Deed with consequential changes Note where the New Chargor has material real property, intercompany debts or IP it will be scheduled and a definition included of Specified Intellectual Property and Structural Intra-Group Loans ***]

5 CREATION OF FLOATING CHARGE

5 1 [*** Incorporate in the execution copy of the deed of accession the final text (when settled) from Clause 3 3 of the Principal Deed with consequential amendments ***]

5 2 The parties agree (without limitation to the general nature of the New Chargor's accession to the Principal Deed contained in Clause 2) that the crystallisation provisions contained in Clause 4 of the Principal Deed shall equally apply to the floating charge contained in this Deed as if set out in full in this Deed

6 NEGATIVE PLEDGE AND OTHER RESTRICTIONS

Without the prior written consent of the Security Agent, except as specifically permitted by the Facilities Agreement, the New Chargor shall not

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets, or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Security Assets, or part with possession or ownership of them, or purport or agree to do so

7 RIGHT OF APPROPRIATION

7 1 The parties acknowledge and intend that the charges over the New Chargor's Financial Collateral provided under or pursuant to this Deed will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations

7 2 The Security Agent may, on or at any time after the security constituted by this Deed becomes enforceable, by notice in writing to the New Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise

7 3 The value of any Financial Collateral appropriated under Clause 6 2 shall be

- (a) in the case of cash, its face value at the time of appropriation, and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised price source or such other process as the Security Agent may select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent,

as converted, where necessary, into [sterling] at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent

7 4 The Security Agent will account to the New Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and the New Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums

7 5 The New Chargor agrees the method of valuing Financial Collateral under Clause 6 3 is commercially reasonable

8 APPLICATION TO THE LAND REGISTRY

The New Chargor

(a) in relation to each register of title of any present and future Land of the New Chargor which is charged to the Security Agent under this Deed, consents to the Security Agent (or its solicitors) at any time submitting to the Land Registry

(i) a form AP1 (*application to change the register*) in respect of the security created by this Deed,

(ii) a form AN1 (*application to enter an agreed notice*) in respect of the security created by this Deed,

(iii) a form RX1 (*application to register a restriction*) in the following terms

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor"

for the time being of the charge dated [date] in favour of [Chargee] referred to on the charges register or their conveyancer", and

- (iv) a form CH2 (application to enter an obligation to make further advances), and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by Clause 3.2 (*Fixed security*) at its own expense, immediately following its execution of this Deed

9 POWER OF ATTORNEY

9.1 Appointment of attorney The New Chargor, by way of security and to more fully secure the performance of its obligations under this Deed, hereby irrevocably appoints the Security Agent (whether or not a Receiver or administrator has been appointed) and any Receiver separately, to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise to

- (a) do anything which the New Chargor is obliged to do (but after request by the Security Agent has not done) in accordance with this Deed, including to execute and deliver and otherwise perfect any agreement, assurance, deed, instrument or document,
- (b) give any instruction under the rules and practices of a Relevant System, and
- (c) enable the Security Agent or any such Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Deed or by statute in relation to this Deed or the Assets charged, or purported to be charged, by it

9.2 Ratification

The New Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this Clause

9.3 Sums recoverable

All sums expended by the Security Agent or any Receiver under this Clause shall be recoverable from the New Chargor under Clause 24 (*Costs, expenses and liabilities*) of the Principal Deed

10 NOTICES

All notices or demands to be given or made pursuant to this Deed shall be given or made in the manner set out in Clause 34 (*Notices*) of the Principal Deed. The New Chargor's address for service is set out in Schedule 2 (*Notice Details*)

11 COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single document

12 **GOVERNING LAW**

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

13 **ENFORCEMENT**

13.1 **Jurisdiction**

- (a) The courts of England shall have exclusive jurisdiction to settle any dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of any Finance Document or any Claim for set-off) or the legal relationships established by this Deed (a "**Dispute**"), only where such Dispute is the subject of proceedings commenced by the New Chargor
- (b) Where a Dispute is the subject of proceedings commenced by one or more Beneficiaries, the Beneficiaries are entitled to bring such proceedings in any court or courts of competent jurisdiction (including but not limited to the courts of England) If any New Chargor raises a counter-claim in the context of proceedings commenced by one or more of the Beneficiaries, that New Chargor shall bring such counter-claim before the court seized of the Beneficiaries' claim and no other court
- (c) The commencement of legal proceedings in one or more jurisdictions shall not, to the extent allowed by law, preclude the Beneficiaries from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not
- (d) To the extent allowed by law, the New Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum

13.2 **[***Service of process** Without prejudice to any other mode of service allowed under any relevant law, the New Chargor

- (a) irrevocably appoints **[***the Parent***]** as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed, and
- (b) agrees that failure by a process agent to notify it of the process will not invalidate the proceedings concerned *****]**

14 **FINANCE DOCUMENT**

This Deed is a Finance Document

THIS DEED OF ACCESSION AND CHARGE has been executed by the New Chargor and the Parent as a deed and signed by the Security Agent and it has been delivered and shall take effect on the date stated at the beginning of this document

SCHEDULE 1 TO DEED OF ACCESSION

Registered land to be mortgaged

Name of Chargor/Registered Proprietor	Description of Property	Title Number

Unregistered land subject to first registration upon the execution of this Deed

The address for service of the Security Agent in the case of registered land is Barclays Bank PLC, 5 North Colonnade, Canary Wharf, London E14 4BB (Attention Juana Huwaidi)

Note Incorporate here full details of all Land to be mortgaged under Clause 3.2(a) (*Fixed security*) and which is registered at the Land Registry (this may include leases with at least 7 years left to run and other unregistered land which becomes the subject of first registration at the Land Registry on execution of the Deed of Accession). Any title numbers must be set out here

SCHEDULE 2 TO DEED OF ACCESSION

Notice Details

[***Set out here the notice details for the New Chargor***]

EXECUTION

The New Chargor

Executed as a Deed by [***insert name
of New Chargor***] (pursuant to a
resolution of its Board of Directors)
acting by)

Director

Director/Secretary

The Parent

Executed as a Deed by [***insert name
of Parent***] (pursuant to a resolution
of its Board of Directors) acting by)

Director

Director/Secretary

THE SECURITY AGENT

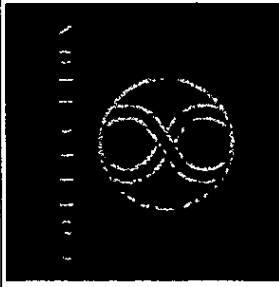
Signed by)
for and on behalf of)
Barclays Bank PLC)


Authorised Signatory

Address details

SCHEDULE 4

Specified Intellectual Property

Trade Mark	Country	Filing Date	Registration Date	Registration or Application No.	Classes	Expiry date	Proprietor
<p>PATSY SEDDON</p> <p><i>Patsy Seddon</i></p> <p>(series of two marks)</p>	UK	11 January 1996	26 September 2016	2050854	25	11 January 2016	Phase Eight (Fashion & Designs) Limited
<p>PHASE EIGHT</p> <p>Phase Eight</p> <p>(series of two marks)</p>	UK	11 January 1996	29 August 1997	2050856	25	11 January 2016	Phase Eight (Fashion & Designs) Limited
<p>PHASE EIGHT</p>	UK	29 March 2003	8 April 2005	2328055	14, 18, 25 and 35	29 March 2023	Phase Eight (Fashion & Designs) Limited
	UK	8 August 2013	8 November 2013	3017242	14, 18 and 25	8 August 2023	Phase Eight (Fashion & Designs) Limited

Trade Mark	Country	Filing Date	Registration Date	Registration or Application No.	Classes	Expiry date	Proprietor
COLLECTION 							
(series of two marks) PHASE EIGHT	UK	19 September 2013	N/A (application under examination)	3022737	9, 14, 18, 24, 25, 26 and 35	N/A	Phase Eight (Fashion & Designs) Limited
PATSY SEDDON	EU (CTM)	8 October 1997	14 April 1999	645150	25	8 October 2017	Phase Eight (Fashion & Designs) Limited
PHASE EIGHT	EU (CTM)	8 October 1997	7 June 1999	645283	25	8 October 2017	Phase Eight (Fashion & Designs) Limited
PHASE EIGHT	EU (CTM)	31 March 2003	17 March 2005	3116332	14, 18, 25 and 35	31 March 2023	Phase Eight (Fashion & Designs) Limited
PATSY SEDDON	EU (CTM)	19 September 2013	N/A (application under examination)	12153763	14, 18, 25 and 35	N/A	Phase Eight (Fashion & Designs) Limited
PHASE EIGHT	International registration designating U S A and Switzerland		U S mark registered on 20 January 2009	International Registration no 959978 US Registration	14, 18, 25 and 35	International registration expires on 7 March 2018	Phase Eight (Fashion & Designs) Limited

Trade Mark	Country	Filing Date	Registration Date	Registration or Application No.	Classes	Expiry date	Proprietor
				no 3564925			

DOMAIN NAME	REGISTRANT	STATUS
www phase-eight co uk	Phase Eight (Fashion & Designs) Limited	Registered Expiry date 4 November 2014

SCHEDULE 5

Forms of Notice of Assignment

Part 1

Form of Notice of Assignment of Hedging Agreements

To [*Hedge Counterparty*]

[*date*]

Dear Sirs,

NOTICE OF ASSIGNMENT

We refer to a Debenture (the "**Debenture**") dated [***] made between, inter alia, [***] (the "**Security Agent**") and ourselves. Terms defined in the Debenture are to have the same meanings in this letter.

We hereby give you notice that we have assigned all our rights, title and interest in and to the Hedging Agreements [* define *] to the Security Agent by Clause 3 1(b) (*Assignments*) of the Debenture.

We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous directions which we may have given you to the contrary)

- 1 unless otherwise directed by the Security Agent, to furnish or disclose to the Security Agent in addition to ourselves all notices, matters or things required under the Hedging Agreements to be furnished and disclosed to ourselves,
- 2 if a Declared Default has occurred and is continuing, to hold to the order of the Security Agent all sums from time to time due and payable by you to us under the Hedging Agreements,
- 3 if a Declared Default has occurred and is continuing, to pay or release all or any part of the sums from time to time due and payable by you to us under the Hedging Agreements in accordance with the written instructions given to you by the Security Agent from time to time, and
- 4 if a Declared Default has occurred and is continuing, to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to the Debenture, the sums payable to us from time to time under the Hedging Agreements or the debts represented thereby, which you receive from the Security Agent from time to time without reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

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

Please confirm your acknowledgement of this Notice by signing the acknowledgements set out at the foot of the enclosed duplicate hereof and by returning the same to Hogan Lovells International LLP at Atlantic House, London EC1A 2FG (Ref F3/SJB/MAT/X1779 00046) and to Barclays Bank PLC, 5 North Colonnade, Canary Wharf, London E14 4BB marked for the attention of Juana Huward

Signed

for and on behalf of
[*** Company ***]

[on copy]

ACKNOWLEDGEMENT

To Hogan Lovells International LLP
Atlantic House
London
EC1A 2FG

Ref F3/SJB/MAT/X1779 00046

To Barclays Bank PLC
5 North Colonnade
Canary Wharf
London E14 4BB

For the attention of Juana Huwald

We, [*** Hedge Counterparty ***] hereby acknowledge receipt of a notice of assignment from [the Company] of which the attached is a copy (the "**Notice of Assignment**")

We confirm that we have not received notice of any other assignment of the Hedging Agreements described in the Notice of Assignment or any interest therein

For and on behalf of

[*** Hedge Counterparty ***]

Dated

Part 2

Form of Notice of Assignment of Insurance Policies

To [*Insurer*]
 [*Insurance broker*]
 2011

Dear Sirs,

[IDENTIFY THE RELEVANT INSURANCE POLICY(IES) (THE "POLICIES")]

We refer to a Debenture (the "**Debenture**") dated 2011 made between, inter alios, Barclays Bank PLC (the "**Security Agent**") and ourselves

We hereby give you notice that we have charged to [***] (the "**Security Agent**") for the benefit of itself and certain other banks and financial institutions (the "**Beneficiaries**") all our rights, title and interest in the Policies (including the benefit of all claims arising and all money payable under them) as security for certain obligations owed by us to the Beneficiaries

We further notify you that

- (a) you may continue to deal with us in relation to the Policies until you receive written notice to the contrary from the Security Agent stating that a Declared Default has occurred and is continuing (a "**Default Notice**"),
- (b) you are authorised to disclose information in relation to the Policies to the Security Agent on request, and
- (c) the provisions of this notice may only be revoked with the written consent of the Security Agent

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that

- (d) you agree to act in accordance with the provisions of this notice,
- (e) you have not received notice that we have assigned our rights under the Policies to a third party or created any other charge or interest (whether by way of security or otherwise) in the Policies in favour of a third party,
- (f) following receipt of a Default Notice, you will hold to the order of the Security Agent all monies to which we are entitled under the Policies and pay or release all or any part of the monies to which we are entitled under the policies in accordance with the written instructions given to you by the Security Agent from time to time, and
- (g) following receipt of a Default Notice, you will comply with the terms of any written notice or instructions in any way relating to or purporting to relate to the Policies,

the sums payable thereunder or the debts represented thereby, which you receive from the Security Agent from time to time without reference to or further authority from ourselves and without any enquiry by you as to the justification for or validity of such notice or instruction

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them

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

Please confirm your acknowledgement of this Notice by signing the acknowledgements set out at the foot of the enclosed duplicate hereof and by returning the same to Hogan Lovells International LLP at Atlantic House, London EC1A 2FG (Ref F3/SJB/MAT/X1779 00046) and to Barclays Bank PLC, 1 Churchill Place, London E14 5HP marked for the attention of Dertek Baldwin

Signed

for and on behalf of

[*** Chargor ***]

[on copy]

ACKNOWLEDGEMENT

To Hogan Lovells International LLP
Atlantic House
London
EC1A 2FG

Ref F3/SJB/MAT/X1779 00046

To Barclays Bank PLC
5 North Colonnade
Canary Wharf
London E14 4BB

For the attention of Juana Huwaidi

We, [*** insurer / insurance broker ***] hereby acknowledge receipt of a notice of assignment from [*** Chargor ***] of which the attached is a copy (the "**Notice of Assignment**") and confirm the matters set out in paragraphs (a) to (d) of the Notice of Assignment

For and on behalf of

[*** Insurer / Insurance broker ***]

Dated

EXECUTION PAGE

THE CHARGORS

Executed as a Deed by **Poppy Finco Limited** acting by a director

)
)
)



Director



In the presence of

Name of witness *ALEX EAGLE*

Address



Occupation



Executed as a Deed by **Poppy Bidco Limited** acting by a director

)
)
)



Director



In the presence of

Name of witness *ALEX EAGLE*

Address



Occupation



Executed as a Deed by **Cameron**
Topco Limited acting by a director

)
)
)



Director

In the presence of



Name of witness **ALEX EAGLE**

Address

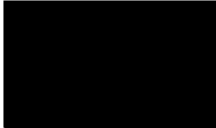


Occupation



Executed as a Deed by **Cameron**
Bidco Limited acting by a director

)
)



Director

In the presence of



Name of witness **ALEX EAGLE**

Address



Occupation



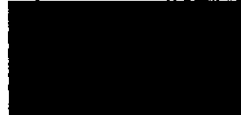
Executed as a Deed by **Phase Eight**
(Fashion & Designs) Limited acting by
a director

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)
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Director

In the presence of



Name of witness *ALEX GAGLE*

Address

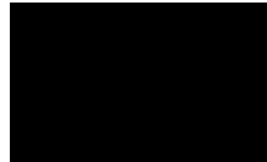


Occupation



Executed as a Deed by **Phase Eight**
(UAE) Limited acting by a director

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)



Director

In the presence of



Name of witness *ALEX GAGLE*

Address



Occupation



Executed as a Deed by **Phase Eight
(Belgium) Limited** acting by a director

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Director



In the presence of

Name of witness *ALEX EAGLE*

Address

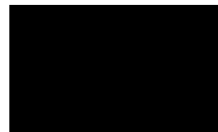


Occupation



Executed as a Deed by **Phase Eight
(Singapore) Limited** acting by a
director

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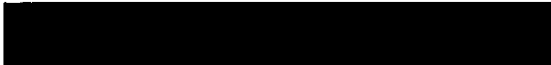
Director



In the presence of

Name of witness *ALEX EAGLE*

Address



Occupation



THE SECURITY AGENT

Signed by
for and on behalf of
Barclays Bank PLC

)
)
)



Authorised Signatory

Address details 5 North Colonnade
Canary Wharf
London E14 4BB

Fax +44 (0)20 7773 4893
Attention Juana Huwaidi