

MR01

Particulars of a charge

23/137856

laserform



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

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR0

For further information, please
refer to our guidance at:
www.gov.uk/companieshouse

This form **must be delivered to the Registrar for registration with
21 days** beginning with the day after the date of creation of the charge.
If 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.
It will be scanned and placed on the public record. **Do not send the original.**



THURSDAY

1 Company details

Company number 1 0 6 3 6 9 3 0

Company name in full AUDIO UK 3 LIMITED

For official use

→ **Filling 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 3 0 0 3 2 0 1 7

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 THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND (and
its successors in title and permitted transferees)

Name

Name

Name

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

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

MR01

Particulars of a charge

4

Brief description

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

Brief description

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

Please limit the description to the available space.

5

Other charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement ^①

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

☐

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

9

Signature

Please sign the form here.

Signature

Signature

☒ Linklaters LLP

Linklaters LLP

☒

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

**Presenter information**

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

Contact name Laura Bonamis

Company name Linklaters LLP

Address Linklaters LLP

One Silk Street

Post town London

Country/Region United Kingdom

Postcode E C 2 Y 8 H Q

Country United Kingdom

DX 10 LONDON/CITY

Telephone 02074563863

**Certificate**

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

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**How to pay**

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

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

**Where to send**

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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

**Further information**

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10636930

Charge code: 1063 6930 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th March 2017 and created by AUDIO UK 3 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th March 2017.

✓C

Given at Companies House, Cardiff on 5th April 2017



Companies House



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

FIXED AND FLOATING SECURITY DOCUMENT

dated 30 March 2017

created by

A6 AUDIO BIDCO LIMITED

(Registered No. 10573578)

and

AUDIO UK 3 LIMITED

(Registered No. 10636930)

as the Original Chargors

in favour of

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

acting as Security Agent

Linklaters

Ref: L-256935

Linklaters LLP

Certified that, save for material redacted pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.
Linklaters LLP.

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THIS DEED is dated 30 March 2017 and made between:

- (1) THE COMPANIES listed in Schedule 1 (*The Chargors*) as the original chargors (the "**Original Chargors**"); and
- (2) THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND (the "**Security Agent**", as security agent for the benefit of the Secured Parties).

Background

- (A) Each Chargor is entering into this Deed in connection with the Secured Debt Documents.
- (B) The board of directors of each Chargor is satisfied that entering into this Deed would be most likely to promote the success of that Chargor for the benefit of its members as a whole and to the further benefit and advantage of that Chargor.
- (C) The Security Agent and each Chargor intend this document to take effect as a deed (even though the Security Agent only executes it under hand).
- (D) The Security Agent holds the benefit of this Deed for the Secured Parties on the terms of the Secured Debt Documents.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed, unless a contrary indication appears, terms used in the Intercreditor Agreement (including by way of reference to the terms defined in or whose interpretation or construction is provided for in any other Secured Debt Document) have the same meaning and construction and:

"Acquisition Agreement" means the share purchase agreement between, among others, the Vendors as the sellers and the Company as the purchaser in relation to the acquisition of the Target Shares dated 2 February 2017.

"Additional Chargor" means a company which grants Security over its assets in favour of the Security Agent by executing a Security Accession Deed.

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act.

"Assigned Acquisition Documents" means the Acquisition Agreement, the Management Warranty Deed, the Disclosure Letter and any other document designated as an "Acquisition Document" by the Agent and the Parent in writing.

"Assigned Agreements" means the Assigned Acquisition Documents, the Insurances, the Intra-Group Loan Agreements and the Hedging Agreements.

"Bank Accounts" means, in relation to a Chargor, all its rights, title and interest from time to time in and to the accounts set out in Schedule 7 (*Bank Accounts*) and all current, deposit or other accounts maintained by such Chargor in England and Wales with any bank or financial institution, all balances from time to time standing to the credit of or accrued or accruing on those accounts and all Related Rights.

"Book Debts" of a Chargor means all book and other debts of any nature, and all other rights to receive money (excluding Bank Accounts, any trade receivables which cannot be secured under the terms of the relevant contract and any trade receivables that are part of a "qualified receivables

financing"), now or in the future due, owing or payable to it and the benefit of all related negotiable instruments, rights, Security, guarantees and indemnities of any kind.

"Charged Assets" means the assets from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

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

"Chargor" means an Original Chargor or an Additional Chargor.

"Company" means A6 Audio Bidco Limited, a company registered under the laws of England and Wales with registration number 10573578.

"CREST" means the relevant system (within the meaning of the Uncertificated Securities Regulations) operated by Euroclear UK and Ireland Limited.

"CREST Rights" means, in relation to a Chargor, all its right, title and interest from time to time in, against and to:

- (a) any system participant or sponsoring system participant in respect of CREST;
- (b) any account forming part of CREST; and
- (c) any payment obligation of any settlement bank in respect of CREST,

in each case arising in connection with any Investment which is recorded in the relevant operator register of members (within the meaning of the Uncertificated Securities Regulations) as being held in uncertificated form and is transferable through CREST, and all Related Rights, and provided that the terms "system participant", "sponsoring system participant" and "settlement bank" shall each have the meaning given to them in the Uncertificated Securities Regulations.

"Currency of Account" means the currency in which the relevant indebtedness is denominated or, if different, is payable.

"Delegate" means a delegate, sub-delegate, attorney or co-trustee appointed under Clause 20.2 (*Delegation*) by the Security Agent or a Receiver in accordance with this Deed.

"Disclosure Letter" means the disclosure letter entered into between the Company and the Vendors dated 2 February 2017.

"Dividends" means, in relation to any Investment, all present and future:

- (a) dividends, interest and distributions of any kind and any other sum received or receivable in respect of that Investment;
- (b) rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of that Investment;
- (c) allotments, offers and rights accruing or offered in respect of that Investment; and
- (d) other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, that Investment.

"Enforcement Event" has the meaning given to the term "Acceleration Event" in the Intercreditor Agreement.

"Fixtures" means fixtures, fittings (including trade fixtures and fittings) and fixed plant, machinery and apparatus.

"Guarantor" means a person which has provided a guarantee in respect of the Secured Obligations pursuant to any Secured Debt Document.

"Insolvency Act" means the Insolvency Act 1986.

"Insurances" means, in relation to a Chargor, all its right, title and interest from time to time in and to all contracts and policies of insurance of any kind (other than any policy of insurance in respect of third party liability, public liability, business interruption, any policy of insurance maintained for the benefit of employees, directors or officers or in respect of which the principal beneficiary is someone other than a member of the Group) taken out by or on behalf of it and all Related Rights.

"Intellectual Property" of a Chargor means all trade marks, service marks, trade names, domain names, logos, get-up, patents, inventions, registered and unregistered design rights, copyrights, topography rights, database rights, rights in confidential information and know-how relating to intellectual property, and any associated or similar rights anywhere in the world, which it now or in the future owns or (to the extent of its interest) in which it now or in the future has an interest (in each case whether registered or unregistered and including any related licences and sub-licences of the same granted by it or to it, applications and rights to apply for the same) and all Related Rights excluding any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto.

"Intercreditor Agreement" means the agreement dated on about the date of this Deed between, among others, Crédit Agricole Corporate and Investment Bank, HSBC Bank plc and the Governor and Company of the Bank of Ireland as the First Lien Arrangers, the Company, the Second Lien Lenders named in that agreement and The Governor and Company of the Bank of Ireland as the First Lien Agent and MezzVest Luxembourg III S.à r.l., MezzVest Co-Invest Luxembourg III S.à r.l., MV Private Debt CE SARL and MV Private Debt GGCM SARL as Second Lien Arrangers, as amended and restated or otherwise modified or supplemented from time to time

"Intra-Group Loan Agreements" means any agreements (whether documented or not) or documents relating to intercompany receivables of a Chargor and includes the intra-group loan agreements listed in Schedule 5 (*Intra-Group Loan Agreements*).

"Investments" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) shares, stocks, debentures, units, bonds, notes, commercial paper, certificates of deposit, depository interests, securities and other investments, but excluding shares or other interests in joint ventures and shares or other interests in any person which is not a Guarantor;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire securities and investments, but excluding warrants, options or other rights to subscribe in joint ventures and in any person which is not a Guarantor;
- (c) any other securities or investments deriving from Investments or any rights attaching or relating to securities or investments,

in each case excluding (i) any of the foregoing assets to the extent any such asset is subject to the Security granted in favour of the Security Agent in respect of the Liabilities otherwise than pursuant to this Deed and (ii) Shares and including whether in certificated or uncertificated form, held through CREST or any other electronic share clearing, transfer or settlement system, and any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

"Liabilities" has the meaning given to the term "Secured Obligations" in the Intercreditor Agreement.

"LPA" means the Law of Property Act 1925.

"Management Warranty Deed" means the warranty deed dated on or about the date of this Deed between James Gordon, Helen Culleton, James Barton and the Company.

"Parent" means Audio UK 3 Limited, a company registered under the laws of England and Wales with registration number 10636930.

"Party" means a party to this Deed.

"PSC Register" means "PSC Register" within the meaning of section 790C(10) of the Companies Act 2006.

"Quasi-Security" means a transaction pursuant to which a Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor;
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

"Real Property" means any freehold and leasehold property in England and Wales (in each case including any estate or interest therein, all rights from time to time attached or relating thereto and all Fixtures from time to time therein or thereon, and all Related Rights).

"Receiver" means a receiver and manager or other receiver appointed in respect of the Charged Assets and shall, if allowed by law, include an administrative receiver.

"Related Rights" means, in relation to a Charged Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Charged Asset;
- (b) any moneys or proceeds paid or payable deriving from that Charged Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Charged Asset;
- (d) any awards or judgments in favour of a Chargor in relation to that Charged Asset; and

(e) any other assets deriving from, or relating to, that Charged Asset.

"Secured Debt Document" means each of the Intercreditor Agreement, the Hedging Agreements, the First Lien Finance Documents and the Second Lien Finance Documents.

"Security Accession Deed" means a deed executed substantially in the form set out in Schedule 10 (*Form of Security Accession Deed*), or such other form as the Parent and the Security Agent may reasonably agree.

"Shares" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) the shares described in Schedule 4 (*Shares*) and any other shares issued in the future by any person identified in Schedule 4 (*Shares*) as issuer of any such shares;
- (b) the shares described in Annexure 2 (*Shares*) of any Security Accession Deed to which it is a party and any other shares issued in the future by any person identified in Annexure 2 (*Shares*) of that Security Accession Deed as issuer of any such shares, but excluding shares in joint ventures, minority interests and shares or interests in any person which is not a Guarantor;
- (c) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares, but excluding warrants, options or other rights to subscribe in joint ventures, minority interests and in any person which is not a Guarantor;
- (d) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights but excluding any of the foregoing assets to the extent any such asset is subject to Security granted in favour of the Security Agent in respect of the Liabilities otherwise than pursuant to this Deed.

"Target" means Audiotonix Limited, a limited liability company incorporated under the laws of England & Wales with registration number 09085601.

"Target Shares" means all the shares in the capital of the Target.

"Uncertificated Securities Regulations" means the Uncertificated Securities Regulation 2001.

"Vendors" has the meaning given to it in the Acquisition Agreement.

1.2 Third Party Rights

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

1.3 Intercreditor Agreement

This Deed and each Security Accession Deed shall be subject to the terms of the Intercreditor Agreement. If and to the extent any provision of this Deed is inconsistent with the provisions of the Intercreditor Agreement, (to the extent permitted by law) the latter shall prevail. Nothing in this Deed shall (or shall be construed to) prohibit, restrict or obstruct any transaction, matter or other step if not prohibited by the terms of the Secured Debt Documents.

1.4 **Disposition**

The terms of the other Secured Debt Documents and of any other agreement or instrument between the Parties are incorporated into each Secured Debt Document to the extent required for any disposition or purported disposition of all or any part of any Real Property or any other relevant Charged Asset contained in any Secured Debt Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 **Construction**

- (a) Any reference in this Deed to a "**Secured Debt Document**" or any other agreement or instrument is a reference to that Secured Debt Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Secured Debt Document or other agreement or instrument.
- (b) The other provisions in clause 1.2 (*Construction*) of the Intercreditor Agreement apply to this Deed, except that references to the Intercreditor Agreement shall be construed as references to this Deed.
- (c) In this Deed any reference to this "Deed" includes, in respect of any Additional Chargor, any Security Accession Deed to which it is a party.

2. **UNDERTAKING TO PAY**

2.1 **Payment of Liabilities**

Each Chargor shall pay each of the Liabilities when due in accordance with the terms of the relevant Secured Debt Document or, if they do not specify a time for payment, immediately on demand by the Security Agent.

2.2 **Proportionate payment**

Each sum appropriated by the Security Agent in accordance with the Secured Debt Documents in or towards payment of a particular part of the Liabilities shall to the extent of that appropriation discharge each Chargor's obligations in respect of that part of the Liabilities both to any Secured Party to which the same is owed, and to the Security Agent.

3. **FIXED CHARGES**

Subject to Clause 6 (*Excluded Assets*), each Chargor, with full title guarantee and as security for the payment of all Liabilities (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Parties):

- (a) by way of first fixed charge, all its present and future:
 - (i) Real Property;
 - (ii) Book Debts;
 - (iii) Investments;
 - (iv) right, title and interest in and to its uncalled capital and goodwill;
 - (v) Intellectual Property (including, in respect of an Original Chargor, that described in Schedule 6 (*Intellectual Property*), and in respect of an Additional Chargor, that

described in Annexure 4 (*Intellectual Property*) of any Security Accession Deed to which it is a party);

- (vi) plant and machinery (except that validly and effectively charged under subparagraph (i) above);
- (vii) to the extent not validly and effectively assigned under Clause 5.1 (*Assignment*), Insurances and all related proceeds, claims of any kind, returns of premium and other benefits relating thereto;
- (viii) to the extent not validly and effectively assigned under Clause 5.1 (*Assignment*), all its rights and interests in (and claims under) the Assigned Agreements to which it is a party; and
- (ix) all its rights and interest in (and claims under) the Bank Accounts;

(b) by way of first mortgage, all its present and future Shares.

4. FLOATING CHARGE

4.1 Creation

Each Chargor, with full title guarantee and as security for the payment of all Liabilities (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Parties) by way of floating charge its undertaking and all its assets, both present and future (including assets expressed to be charged by Clause 3 (*Fixed charges*) or assigned by Clause 5 (*Assignment*)).

4.2 Qualifying Floating Charge

- (a) The floating Charge created by each Chargor pursuant to Clause 4.1 above (*Creation*) is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of Schedule B1 to the Insolvency Act.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to this Deed and the Security Agent may appoint an Administrator of any Chargor pursuant to that paragraph.

4.3 Ranking

The floating Charge created by each Chargor ranks:

- (a) behind all the mortgages, fixed Charges and assignments created by that Chargor; but
- (b) in priority to any other Security over the Charged Assets of that Chargor except for Security ranking in priority in accordance with paragraph (g) of Schedule 2 (*Rights of Receivers*).

4.4 Conversion by notice

The Security Agent may convert the floating Charge over all or any of the Charged Assets into a fixed Charge by notice to the relevant Chargor specifying the relevant Charged Assets (either generally or specifically):

- (a) if it has reasonable grounds for considering those assets to be in jeopardy (whether due to a risk of being seized or sold pursuant to any distress, attachment, execution, sequestration or other analogous legal process);
- (b) on the occurrence of an Enforcement Event; and/or

- (c) the Security Agent reasonably considers that it is desirable in order to protect the priority of the security.

4.5 Automatic conversion

If:

- (a) any Chargor takes any step to create any Security or Quasi-Security in breach of Clause 7.1 (*Negative pledge*) over any of the Charged Assets subject to a floating charge created under this Deed; or
- (b) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of those Charged Assets,

the floating charge over the relevant Charged Assets shall automatically and immediately be converted into a fixed charge.

4.6 Company voluntary arrangement moratorium

Obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Schedule A1 of the Insolvency Act (including any preliminary decision or investigation) shall not (a) cause the floating charge over all or any of the Charged Assets to crystallise until the date upon which it is permitted to crystallise in accordance with paragraph 13 of Schedule A1 of the Insolvency Act (b) impose any restriction which would not otherwise apply on the disposal of property by any Security Chargor, or (c) constitute a ground for the appointment of a Receiver.

5. ASSIGNMENT

- 5.1 Each Chargor, with full title guarantee and as security for the payment of the Liabilities assigns absolutely to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Liabilities, the Security Agent will at the request and cost of the Chargor re-assign the Assigned Agreements to the relevant Chargor (or as it shall direct).
- 5.2 Until the occurrence of an Enforcement Event which is continuing, but subject to Clause 12 (*Assigned Agreements*), the relevant Chargor may continue to deal with the counterparties to the relevant Assigned Agreements and, for the avoidance of doubt, shall be entitled to receive the proceeds of any claim under the Assigned Agreements.

6. EXCLUDED ASSETS

- 6.1 Subject to Clause 6.2, there shall be excluded from the security created by this Deed, but in each case only to the extent that such prohibition or condition restricts the type of security interest purported to be created by the relevant Clause of this Deed:
 - (a) any asset or undertaking which a Chargor is prohibited from creating Security on or over by reason of any contract, license, lease, instrument or other arrangement which has been entered into with a third party on arms' length terms in relation to that asset or undertaking and which contract, license, lease, instrument or other arrangement is otherwise permitted or not prohibited by the terms of the Secured Debt Documents (including any asset or undertaking which the Chargor is precluded from creating Security over without the prior consent of a third party), in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party and

provided that the prohibition in the underlying contract, license, lease, instrument or other arrangement was not included at the request of, or otherwise procured by, a member of the Group following the date of this Deed;

- (b) any asset or undertaking which a Chargor is not prohibited from creating Security on or over by the relevant contract, license, lease, instrument or other arrangement but which would, if subject to any Security, give a third party the right under any contract, license, lease, instrument or other arrangement which has been entered into with a third party on arms' length terms in relation to that asset or undertaking and which contract, license, lease, instrument or other arrangement is otherwise permitted or not prohibited by the terms of the Secured Debt Documents to amend any rights, benefits and/or obligations of a Chargor in respect of that asset or undertaking or require a Chargor to take any action which, in each case, would be materially adverse to the interests of a Chargor, in each case to the extent of that right and for so long as such right is in existence or until a waiver of the relevant term has been received from the third party; and
- (c) any asset or undertaking situated outside England and Wales to the extent that any such Security would be unlawful under the laws of the jurisdiction in which such asset or undertaking is situated (or would present a material risk of liability for any director or officer of a Chargor or give rise to a material risk of breach of fiduciary or statutory duty by any such director or officer) provided that the relevant Chargor has used its commercially reasonable efforts to overcome such obstacles, in each case to the extent of that unlawfulness or to the extent required to avoid the relevant liability or breach of duty and for so long as such unlawfulness, risk of liability or risk of breach of duty is in existence.

For the purposes of this Clause 6.1, the term "third party" in relation to a Chargor means any person which is not a member of the Group or an Affiliate of a member of the Group.

- 6.2 For all assets and undertakings referred to in paragraphs (a) and (b) of Clause 6.1, to the extent that such assets are material, the relevant Chargor undertakes (at its own cost) to apply for a consent or waiver of the relevant prohibition or condition which affects the charging of such asset as soon as reasonably practicable after the date of this Deed (or, as applicable, the creation of the relevant prohibition or condition to the extent arising after the date of this Deed unless the Chargor has already used its commercially reasonable endeavours at the time of negotiation of the relevant contract, license, lease, instrument or other arrangement to avoid the inclusion of the relevant prohibition or condition or otherwise to limit its scope) and to use its reasonable endeavours to obtain such waiver or consent within 20 Business Days of service in respect of any notice delivered pursuant to this paragraph (and the Chargor's obligation under this paragraph will cease on the expiry of the 20 Business Days period referred to in this paragraph).
- 6.3 Immediately upon satisfaction of the relevant condition or upon receipt of the relevant waiver or consent, or upon the relevant prohibition otherwise ceasing to apply, the formerly excluded assets or undertakings shall stand charged or assigned to the Security Agent under the relevant Clause of this Deed (as applicable). If reasonably required by the Security Agent in accordance with the Agreed Security Principles, at any time following satisfaction of that condition or receipt of that waiver or consent, the relevant Chargor will forthwith (at its own cost) execute a valid fixed charge

or legal assignment over the relevant assets on substantially the same terms as set out in this Deed.

- 6.4 Where an asset is excluded from the Security created by this Deed as a result of Clause 6.1, that Security shall (to the extent it would not breach the provisions of Clause 6.1 above) operate as an assignment or charge of all proceeds and/or receivables which the relevant Chargor derives from or is entitled to in respect of the relevant asset(s) that have been so excluded from such Security.
- 6.5 Notwithstanding anything to the contrary, nothing in this Clause 6 shall require a Chargor to seek the consent of:
- (a) any landlord of any of its Real Property; or
 - (b) any third party to a contract, arrangement or license of or licensing agreement constituting Intellectual Property.

7. RESTRICTIONS AND FURTHER ASSURANCE

7.1 Negative pledge

No Chargor shall create or permit to subsist any Security or Quasi-Security over any Charged Asset, except as permitted by the Secured Debt Documents.

7.2 Disposal

No Chargor shall (nor shall any Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Asset except as permitted by the Secured Debt Documents.

7.3 Further assurance

- (a) Subject to the Agreed Security Principles and the terms of this Deed or any Security Accession Deed, each Chargor shall promptly do whatever the Security Agent or any Receiver or Delegate reasonably requires:

- (i) to perfect or protect the Charges or the priority of the Charges; or
- (ii) (following the occurrence of an Enforcement Event which is continuing) to facilitate the realisation of the Charged Assets or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Assets (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

- (b) The Security Agent shall provide, and shall ensure that any Receiver or Delegate provides, any reasonable assistance required by a Chargor in order to fulfil its obligations under paragraph (a) above including the execution of documents to be filed with any relevant registry, office or authority.
- (c) Subject to the Agreed Security Principles, each Chargor shall take all such action as is available to it (including making and assisting with all filings, applications and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Deed.

8. REAL PROPERTY

8.1 Documents

- (a) Subject to Clause 8.2 (*Real Property*), for the avoidance of doubt and notwithstanding any further assurance provisions contained in this Deed or the Secured Debt Documents, the Security Agent agrees that it will not, and will not require any Chargor to, make any application to the Land Registry for any restriction to be entered on the Proprietorship Register of any Real Property as is now or hereafter registered at the Land Registry under the Land Registration Act 2002.
- (b) Subject to paragraph (c) below, each Chargor shall hold to the order of the Security Agent (until the Security created or purported to be created over that Real Property is released) all title deeds and documents constituting or evidencing title to that Chargor's Real Property.
- (c) Following the occurrence of an Enforcement Event and following a request by the Security Agent, each Chargor shall deposit with the Security Agent, and the Security Agent shall be entitled to hold (until the Security created or purported to be created over that Real Property is released), the documents referred to in paragraph (a) above.

8.2 Real Property

Following the occurrence of an Enforcement Event and following a request by the Security Agent, in the case of a Chargor's Real Property, each Chargor shall:

- (a) promptly apply to H.M. Land Registry to register all Charges;
- (b) promptly submit to H.M. Land Registry the duly completed Form RX1 requesting a restriction in a H.M. Land Registry compliant form specified by the Security Agent to be entered on the register of the title to that Real Property in respect of all Charges;
- (c) promptly pay all appropriate registration fees; and
- (d) promptly deal with any requisitions by H.M. Land Registry relating to that Real Property and keep the Security Agent informed as to the progress of any such application for registration, the nature of any such requisitions and its response,

or, if the Security Agent gives notice to that Chargor that the Security Agent will submit the relevant forms to H.M. Land Registry, that Chargor shall promptly provide the Security Agent with all duly completed forms reasonably requested by the Security Agent and all applicable registration fees.

8.3 Title Information Document

On completion of the registration of any Charge pursuant to Clause 8.2 above, the relevant Chargor shall promptly supply to the Security Agent a certified copy of the relevant title information document issued by H.M. Land Registry or, as the case may be, certificate of registration of land charge issued by the Land Charges Registry.

8.4 Compliance with obligations

Each Chargor shall comply in all material respects with any covenants, stipulations, conditions, licences, consents and any other statutory, regulatory or contractual obligations relating to its Real Property or its use, including those requiring payment of sums in respect of its Real Property.

8.5 Notices

Following the occurrence of an Enforcement Event and following a request by the Security Agent, each Chargor shall produce to the Security Agent within 7 days of receipt by it a copy of every

material communication made in connection with any of its Real Property and comply with the reasonable instructions of the Security Agent in relation to any such communication.

9. BOOK DEBTS

9.1 Collection

Subject to the terms of the Secured Debt Documents, each Chargor shall be permitted to collect, use and dispose of all or any part of its Book Debts at its discretion but following the occurrence of an Enforcement Event each Chargor shall promptly collect all Book Debts and hold the proceeds of collection on trust for the Secured Parties.

9.2 Payment into designated Bank Account(s)

Following the occurrence of an Enforcement Event, each Chargor shall promptly pay all moneys received or receivable by it from any source (including all proceeds of collection of Book Debts) into a Bank Account (or, if one or more Bank Accounts have been designated for this purpose by the Security Agent, the relevant Bank Account(s)). The Security Agent may designate different Bank Accounts for different moneys.

9.3 Restrictions on dealing with Receivables

Save as permitted or not prohibited under the terms of the Secured Debt Documents, at any time following the occurrence of an Enforcement Event, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer, discount or otherwise dispose of all or any part of its Book Debts.

9.4 Proceeds

Until the occurrence of an Enforcement Event which is continuing, the proceeds of the realisation of the Book Debts shall (subject to any restrictions on the application of such proceeds contained in this Deed and the Secured Debt Documents), upon such proceeds being credited to a Bank Account, be released from the fixed charge created pursuant to Clause 3 (*Fixed charges*) or Clause 4.4 (*Conversion by notice*) and the Chargor shall be entitled to withdraw such proceeds from such Bank Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 4.1 (*Creation*) and the terms of this Deed until such proceeds are disposed of as permitted under the Secured Debt Documents.

9.5 Documents

- (a) Following the occurrence of an Enforcement Event which is continuing, each Chargor shall promptly execute and/or deliver to the Security Agent such documents relating to such of its Book Debts as the Security Agent requires (acting reasonably).
- (b) Until the occurrence of an Enforcement Event which is continuing, the Security Agent may not require the disclosure of any information from any party regarding any contractual arrangements underlying or constituting any of a Chargor's Book Debts nor require any Chargor to serve notice of the security created by this Deed on any contractual counterparty.

10. BANK ACCOUNTS

10.1 Operations before an Enforcement Event

The Chargor shall prior to the occurrence of an Enforcement Event be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account, subject to the terms of the Secured Debt Documents.

10.2 Operations after an Enforcement Event

On the occurrence of an Enforcement Event which is continuing, the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Bank Account except with the prior consent of the Security Agent.

10.3 Notice of Charge

- (a) Each Chargor shall within ten Business Days from the date of this Deed, or the date of any Security Accession Deed to which it is a party (as applicable), give notice of the security created over its material Bank Accounts to the banks or financial institutions with whom those Bank Accounts are held, by sending an appropriate notice in the form set out in Part II of Schedule 7 (*Bank Accounts*), with such amendments as the Security Agent may reasonably agree and shall use its reasonable endeavours (not involving the payment of money or incurrence of any external expenses) for a period of 20 Business Days from the date of dispatch to ensure that each recipient of any notice promptly signs and returns the form of acknowledgement requested under the notice. If the Chargor has used its reasonable endeavours but has not been able to obtain such acknowledgement, its obligation to obtain acknowledgement shall cease at the end of that 20 Business Day period.
- (b) Unless requested by the Security Agent where an Enforcement Event has occurred, no Chargor shall be required to serve any notice under paragraph (a) above in respect of any bank account if service of that notice would prevent the Chargor from using that bank account in the course of its business.
- (c) The Security Agent shall not be entitled to give any notice referred to in Part II of Schedule 7 (*Bank Accounts*) to withdraw its consent to the making of withdrawals by the Chargors in respect of the Bank Accounts, unless and until an Enforcement Event has occurred.

10.4 Prior security interests of account banks

The Charges created by this Deed over Bank Accounts are subject to any pre-existing security interest in favour of the account bank created at law or in the standard terms and conditions of the account bank.

10.5 Right to close Bank Accounts

Notwithstanding anything to the contrary contained in this Deed and subject to the terms of the Secured Debt Documents, until the occurrence of an Enforcement Event or any of the circumstances described in Clause 4.4 (*Conversion by notice*) have arisen in respect of the relevant accounts, each Chargor shall be entitled to close any of its Bank Accounts which are no longer required by the Group provided that where there is an amount standing to the credit of the relevant Bank Account, this credit is transferred to another Bank Account encumbered in favour of the Security Agent.

10.6 Documents

- (a) Following the occurrence of an Enforcement Event, each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, documents relating to that Chargor's Bank Account as the Security Agent requires.
- (b) Until the occurrence of an Enforcement Event, the Security Agent may not require the disclosure of any information from any party regarding any contractual arrangements underlying or constituting any of a Chargor's Bank Accounts nor require any Chargor to serve notice of the security created by this Deed on any contractual counterparty.

11. INVESTMENTS

11.1 Documents

For so long as an Enforcement Event is continuing, each Chargor shall promptly on the request of the Security Agent (and in any event within 10 Business Days of request), deliver (or procure delivery) to the Security Agent, and the Security Agent shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments (if any) to which that Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Security Agent may reasonably request (in such form and executed as the Security Agent may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

11.2 Voting before enforcement

Subject to Clause 11.3 (*Voting after enforcement*), each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment as it sees fit provided that the exercise of or failure to exercise these rights would not cause an Event of Default under the Secured Debt Documents or have an adverse effect on the validity or enforceability of the Security created by this Deed.

11.3 Voting after enforcement

At any time while an Enforcement Event is continuing:

- (a) the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Investment in such manner as it or he sees fit; and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or the Receiver such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights.

11.4 Dividends before enforcement

Prior to the occurrence of an Enforcement Event, all Dividends and other distributions paid or payable in respect of any Investment owned by each Chargor (whether held in certificated or uncertificated form) may be paid directly to the relevant Chargor free from the security created under paragraph (b)(iii) of Clause 3 (*Fixed Charges*).

11.5 Dividends after enforcement

At any time after an Enforcement Event has occurred each Chargor shall hold any Dividend received by it on trust for the Secured Parties and pay the same immediately to the Security Agent

or as it may direct. The Security Agent shall be entitled to apply the same as permitted in accordance with the terms of the Secured Debt Documents.

11.6 Power of attorney

If any Investment of a Chargor is not held in that Chargor's name, that Chargor shall promptly after a failure by a Chargor or Obligor to comply with any further assurance or perfection requirement (and any grace periods applicable thereto have expired) or the occurrence of an Enforcement Event, execute and deliver to the Security Agent an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Investment is held. That power of attorney shall appoint the Security Agent, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Agent reasonably requires.

11.7 Communications

Following the occurrence of an Enforcement Event, each Chargor shall promptly execute and/or deliver to the Security Agent a copy of each circular, notice, report, set of accounts or other document received by it or its nominee in connection with any Investment, as the Security Agent requires.

12. SHARES

12.1 Notification

Each Chargor shall as soon as reasonably practicable notify the Security Agent of any intention of which it becomes aware for any Share to be held in uncertificated form and to be transferable through CREST.

12.2 Documents

(a) Each Chargor shall (other than with respect to any Target Shares) within five Business Days of the date of this Deed or, as the case may be, the date of any Security Accession Deed and, where Shares are acquired by it after the date of this Deed or the date of any Security Accession Deed:

- (i) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Shares; and
- (ii) deliver to the Security Agent, or as it directs, and the Security Agent shall be entitled to hold, transfers of the Shares, each executed in blank, and other documents relating to the Shares reasonably required by the Security Agent;

(b) The Company shall promptly:

- (i) on receipt of the certificates or other documents of title to the Target Shares and duly executed stock transfer forms relating to such Target Shares acquired pursuant to the Acquisition Agreement, instruct Latham & Watkins LLP and put Latham & Watkins LLP in any necessary funds (or otherwise pay such funds directly to HM Revenue and Customs) to submit such stock transfer forms to HM Revenue and Customs for stamping as soon as reasonably practicable and in any event within 30 days of receipt;
- (ii) following the stock transfer forms relating to the Target Shares acquired pursuant to the Acquisition Agreement being duly stamped and returned by HM Revenue and Customs to the Company or to Latham & Watkins LLP, instruct the Target's directors and company secretary (if any) to register the transfer of the Target Shares pursuant to the Acquisition

in Target's company books and issue new share certificates evidencing the ownership of the Target Shares by the Company as soon as reasonably practicable and in any event within 5 Business Days of receipt; and

- (iii) following the issue of the new share certificates pursuant to paragraph (ii) and in any event within 5 Business Days, deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to the Target Shares and stock transfer forms (executed in blank by it or on its behalf) together with a certified copy of the Register of Members of the Target.

12.3 Voting before enforcement

Subject to Clause 12.5 (*Dividends before enforcement*), each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that the exercise of or failure to exercise these rights would not cause an Event of Default under the Secured Debt Documents or have an adverse effect on the validity and enforceability of the Security created by this Deed.

12.4 Voting after enforcement

At any time following the occurrence of an Enforcement Event in circumstances where the Security Agent has given notice to the relevant Chargor that it intends to exercise its rights under this Clause 12.4:

- (a) the Security Agent or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share; and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Agent or the Receiver in respect of the exercise of those rights and shall promptly executed and/or deliver to the Security Agent or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

12.5 Dividends before enforcement

At any time prior to the occurrence of an Enforcement Event each Chargor shall be entitled to retain any dividend or distribution deriving from the Shares.

12.6 Dividends after enforcement

At any time following the occurrence of an Enforcement Event each Chargor shall hold any dividend or distribution deriving from the Shares received by it on trust for the Secured Parties and transfer or pay the same immediately to the Security Agent or as it may direct.

12.7 Amendments

No Chargor shall amend, vary, novate, supplement, supersede, waive or terminate any term of the constitutional documents of any member of the Group over whose Shares security is purported to be given under the terms of this Deed except:

- (a) to the extent that such amendment, variation, novation, supplement, superseding, waiver or termination is permitted by the Secured Debt Documents; or
- (b) in a way which could not be reasonably expected to have a Material Adverse Effect.

13. ASSIGNED AGREEMENTS

- 13.1 At any time following the occurrence of an Enforcement Event, each Chargor shall promptly upon request by the Security Agent deliver to it, and the Security Agent shall be entitled to hold, executed copies of each Assigned Agreement to which it is a party and shall promptly deliver such other documents relating to the Assigned Agreements as the Security Agent requires.
- 13.2 Each Chargor will:
- (a) prior to the occurrence of an Enforcement Event, be free to deal with the Assigned Agreements, subject to the terms of the Secured Debt Documents; and
 - (b) subject to Clause 13.5 below, within ten Business Days after the execution of this Deed, or the date of any Security Accession Deed to which it is a party (as applicable), give notice to the other parties to the Assigned Agreements that it has assigned its rights under the Assigned Agreements to the Security Agent under this Deed, provided that a Chargor shall only be required to give notice to a party to an Intra-Group Loan Agreement if such Chargor has entered into Intra-Group Loan Agreements in an aggregate amount of GBP 2,000,000 or more. Such notice will be given in substantially the form set out in Schedule 7 (*Forms of notice to counterparties (other than insurers) of Assigned Agreements*) except in the case of the Insurances where the notice will be substantially in the form set out in Schedule 8 (*Form of notice to insurers*).
- 13.3 Subject to Clause 13.5 below, each relevant Chargor will use all reasonable endeavours (not involving the payment of money or incurrence of any external expenses) to procure that each party served with any such notice countersigns and returns the notice to the Security Agent within 20 Business Days of service, provided that no notice shall be required to be served by a Chargor, prior to the occurrence of an Enforcement Event, on a party to the Intra-Group Loan Agreements if the service of such notice would prevent that Chargor from dealing with the receivables payable to it under that Intra-Group Loan Agreement in the course of its business. If the Chargor has used its reasonable endeavours but has not been able to obtain such acknowledgement, its obligation to obtain acknowledgement shall cease at the end of that 20 Business Day period.
- 13.4 Each Chargor shall remain liable to perform all its obligations under the Assigned Agreements. Neither the Security Agent nor any Receiver or Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Assigned Agreement. In particular, the Security Agent shall not be obliged to take any steps necessary to preserve any of the Assigned Agreements or to enforce any term of the Assigned Agreements against any person, or to make any enquires as to the nature or sufficiency of any payment received by it pursuant to this Deed.
- 13.5 The execution of this Deed or any Security Accession Deed (as applicable) by each Chargor shall constitute (a) notice by such Chargor of the assignment of any Intra-Group Loan Agreements to which another Chargor is a party as borrower and (b) acknowledgement by such other Chargor of the assignment of any Intra-Group Loan Agreements to which it is a party as borrower.

14. INTELLECTUAL PROPERTY

14.1 Documents

Following the occurrence of an Enforcement Event, each Chargor shall promptly execute and/or deliver to the Security Agent such documents relating to its Intellectual Property as the Security Agent requires.

14.2 Operations before an Enforcement Event

Notwithstanding the fixed charge created by Clause 3 (*Fixed charges*), the Chargor shall prior to the occurrence of an Enforcement Event be entitled to deal with its Intellectual Property in the course of its business (including, without limitation, allowing its Intellectual Property to lapse if no longer material to its business and licensing any such Intellectual Property), subject to the terms of the Secured Debt Documents.

14.3 Operations after an Enforcement Event

Upon the occurrence of an Enforcement Event:

- (a) the Chargor shall not be entitled to deal with its Intellectual Property in the course of its business (including, without limitation, allowing its Intellectual Property to lapse if no longer material to its business), except with the prior consent of the Security Agent; and
- (b) upon the request of the Security Agent, each Chargor shall issue a notice to each person from whom Intellectual Property is licensed, leased or from whom the relevant Chargor otherwise derives its interest in Intellectual Property as requested by the Security Agent (such notice to be in form and substance satisfactory to the Security Agent) notifying that third party of the Security created or purported to be created under this Deed over Intellectual Property of the relevant Chargor, and shall use its reasonable endeavours (not involving the payment of money or incurrence of any external expenses) for a period of 20 Business Days from the date of sending that notice to ensure that each recipient of any notice promptly signs and returns the form of acknowledgement requested under that notice. If the Chargor has used its reasonable endeavours but has not been able to obtain such acknowledgement, its obligation to obtain acknowledgement shall cease at the end of that 20 Business Day period.

14.4 Registration of Intellectual Property

Subject to the Agreed Security Principles, each Chargor shall promptly execute all such documents and do all acts that the Security Agent reasonably requires to record the interest of the Security Agent in any registers relating to any registered material Intellectual Property.

15. INSURANCE

15.1 Documents

For so long as an Enforcement Event is continuing, each Chargor shall promptly execute and/or deliver to the Security Agent a copy of such insurance policies effected by it and the related premium receipts, and of such other documents relating to the Insurances, as the Security Agent reasonably requires.

15.2 Lender may insure

If any Chargor fails on demand following the occurrence of an Enforcement Event to produce copies of insurance policies, premium receipts and such other evidence as the Security Agent

requires, the Security Agent may (at that Chargor's expense) arrange such insurances of the assets of that Chargor or any of them as it thinks fit.

16. PLANT AND MACHINERY

Each Chargor shall be free to deal with any plant and machinery in the ordinary course of its business until the occurrence of an Enforcement Event. No notice of the security created by this deed over any plant and machinery shall be prepared or given to any third party (whether by attachment to such plant and machinery or otherwise) unless an Enforcement Event has occurred.

17. PSC REGISTER

(a) Each Chargor shall (and the Company shall ensure that each other member of the Group will) promptly:

(i) notify the Security Agent of its intention to issue, or its receipt of any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any shares which are Charged Assets; and

(ii) provide to the Security Agent a copy of any such warning notice or restrictions notice, in each case before it issues, or after it receives, any such notice.

(b) For the purposes of withdrawing any restrictions notice or for any application (or similar) to the court under Schedule 1B of the Companies Act 2006, the relevant Chargor shall (and the Chargor shall ensure that each other member of the Group will) provide such assistance as the Security Agent may reasonably request in respect of any shares which are Charged Assets and provide the Security Agent with all information, documents and evidence that it may reasonably request in connection with the same.

18. REPRESENTATIONS AND WARRANTIES

Each Chargor represents and warrants to the Security Agent that the assets listed in Schedules 3 (*Real Property*) to 6 (*Bank Accounts*) in respect of that Chargor are all of the material assets of the relevant class of assets in which it has an interest to the extent purported to be subject to Security pursuant to this Deed.

19. ENFORCEMENT

19.1 When enforceable

As between the Chargors and the Security Agent the Charges shall be enforceable, and the powers conferred by Section 101 of the LPA as varied and extended by this Deed shall be exercisable, while an Enforcement Event is continuing.

19.2 Enforcement action

At any time after the Charges have become enforceable, the Security Agent may in its absolute discretion enforce all or any part of the Charges in any manner it sees fit or as directed in accordance with the Intercreditor Agreement.

19.3 Power of sale

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise (and the Liabilities shall be deemed due and payable for that purpose) in respect of the Original Chargors,

on the date of this Deed and in respect of any Additional Chargor, on the date of the relevant Security Accession Deed to which it is a party.

19.4 Section 103

Section 103 of the LPA shall not apply to this Deed.

19.5 Power of Leasing

The statutory powers of leasing may be exercised by the Security Agent at any time on or after the occurrence of an Enforcement Event and the Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the LPA.

20. APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS

20.1 Appointment of Receivers

If:

- (a) requested by any Chargor; or
- (b) any corporate action, legal proceedings or other procedure or step is taken in relation to the administration of any Chargor; or
- (c) any other Enforcement Event is continuing (whether or not the Security Agent has taken possession of the Charged Assets),

without any notice or further notice, the Security Agent may, by deed, or otherwise in writing signed by any officer or manager of the Security Agent or any person authorised for this purpose by the Security Agent, appoint one or more persons to be a Receiver of all or any part of the Charged Assets. The Security Agent may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.

20.2 Scope of appointment

Any Receiver may be appointed Receiver of all of the Charged Assets or Receiver of a part of the Charged Assets specified in the appointment. In the latter case, the rights conferred on a Receiver as set out in Schedule 2 (*Rights of Receivers*) shall have effect as though every reference in that Schedule to any Charged Assets were a reference to the part of those assets so specified or any part of those assets.

20.3 Rights of Receivers

Any Receiver appointed pursuant to this Clause 19 shall have the rights, powers, privileges and immunities conferred by law, including the Insolvency Act on administrative or other receivers duly appointed under the Insolvency Act, and shall also have the rights set out in Schedule 2 (*Rights of Receivers*).

20.4 Appointment of Administrators

Paragraph 14 of Schedule B1 to the Insolvency Act applies to this Deed and the Security Agent may appoint an Administrator of any Chargor pursuant to that paragraph.

20.5 Agent of Chargor

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

20.6 Remuneration of Receivers

The Security Agent may reasonably determine the remuneration of any Receiver and direct payment of that remuneration out of moneys he receives as Receiver. The maximum rate of remuneration specified in the section 109(6) of the LPA shall not apply. The relevant Chargor alone shall be liable for the remuneration and all other reasonable costs, losses, liabilities and expenses of the Receiver.

21. SECURITY AGENT'S RIGHTS

21.1 Same rights as Receiver

Any rights conferred by any Secured Debt Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an Administrator after the Charges become enforceable in accordance with Clause 18.1 (*When enforceable*), whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Assets.

21.2 Delegation

The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Secured Debt Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent thinks fit.

21.3 Financial collateral arrangement

(a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Agent shall have the right at any time after the Charges have become enforceable, to appropriate any Charged Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit in or towards satisfaction of the Liabilities in accordance with the Financial Collateral Regulations.

(b) If the Security Agent is required to value any Financial Collateral for the purpose of paragraph (a) above, the value shall be:

- (i) in the case of cash, its face value at the time of appropriation; and
- (ii) 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 source or such other process as the Security Agent may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Agent,

as converted, where necessary, into the currency in which the Liabilities are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Security Agent. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

22. ORDER OF DISTRIBUTIONS

22.1 Application of proceeds

All amounts received or recovered by the Security Agent or any Receiver or Delegate in exercise of their rights under this Deed or in connection with the realisation or enforcement of all or any part of the Charges shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit (shall, subject to the rights of any creditors having priority and to the extent permitted by applicable law), be applied in the order provided in Clause 21.2 (*Order of distributions*).

22.2 Order of distributions

The order referred to in Clause 17 (*Application of Proceeds*) of the Intercreditor Agreement.

23. LIABILITY OF SECURITY AGENT, RECEIVERS AND DELEGATES

23.1 Possession

If the Security Agent, any Receiver or any Delegate takes possession of the Charged Assets, it or he may at any time relinquish possession. Without prejudice to Clause 20.2 (*Security Agent's liability*), neither the Security Agent, any Receiver nor any Delegate shall be liable as a mortgagee in possession by reason of viewing or repairing any of the present or future assets of any Chargor.

23.2 Security Agent's liability

Neither the Security Agent nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to any Chargor, any Secured Party or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with the Secured Debt Documents except to the extent caused by its or his own gross negligence or wilful misconduct.

24. POWER OF ATTORNEY

24.1 Appointment

Each Chargor by way of security irrevocably appoints the Security Agent, every Receiver and every Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which that Chargor is obliged to do (but has not done) under any further assurance or perfection clause under this Deed (or any Security Accession Deed to which it is a party) within 5 Business Days of being notified of that failure and being requested to comply (including to execute charges over, transfers, conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Charged Assets); and
- (b) following the occurrence of an Enforcement Event, to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Assets or under any Secured Debt Document, the LPA or the Insolvency Act or any other law.

24.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 23.1 (*Appointment*).

25. PROTECTION OF THIRD PARTIES

25.1 No duty to enquire

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

- (a) whether the powers conferred on the Security Agent, any Receiver or its agents have arisen;
- (b) whether the powers conferred on the Security Agent, any Receiver or its agents have become exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether the Security Agent, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Secured Debt Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the Security Agent, any Receiver or its agents.

25.2 Protection to purchasers

All the protection to purchasers contained in Sections 104 and 107 of the LPA, Section 42(3) of the Insolvency Act or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Party, any Receiver or any Delegate.

26. SAVING PROVISIONS

26.1 Continuing Security

Subject to Clause 26 (*Discharge of Security*), the Charges are continuing Security and will extend to the ultimate balance of the Liabilities, regardless of any intermediate payment or discharge in whole or in part.

26.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Chargor or Obligor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor and Obligor and the Charges shall continue or be reinstated as if the discharge, release or arrangement had not occurred.

26.3 Waiver of defences

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

- (a) any time, waiver or consent granted to, or composition with, any Chargor, Obligor or other person;
- (b) the release of any other Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor, Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Secured Debt Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Secured Debt Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Debt Document or any other document or security;
- (g) any insolvency or similar proceedings.

26.4 Chargor intent

Without prejudice to the generality of Clause 25.3 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Charges shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Debt Documents and/or any facility or amount made available under any of the Secured Debt Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

26.5 Immediate recourse

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

26.6 Appropriations

Until all the Liabilities have been irrevocably paid in full and all facilities which might give rise to Liabilities have terminated, each Secured Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

26.7 Deferral of Chargors' rights

Until all the Liabilities have been irrevocably paid in full and all facilities which might give rise to Liabilities have terminated and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Secured Debt Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other Chargor or guarantor of any Obligor's obligations under the Secured Debt Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Secured Debt Documents or of any other guarantee or security taken pursuant to, or in connection with, the Secured Debt Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor had given a guarantee, undertaking or indemnity;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Secured Debt Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 21 (*Order of distributions*).

26.8 Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or security now or subsequently held by any Secured Party.

26.9 Tacking

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

27. DISCHARGE OF SECURITY

27.1 Final redemption

Subject to Clause 26.2 (*Retention of Security*), and without prejudice to the circumstances in which all or part of the Charged Assets may be released as contemplated by the Secured Debt Documents, if the Security Agent is satisfied that all the amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Secured Debt Documents have been irrevocably paid in full and that all facilities which might give rise to Liabilities have terminated, the Security Agent shall at the request and cost of the Chargors release, reassign or discharge (as appropriate) the Charged Assets from the Charges, without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

27.2 Retention of security

If the Security Agent considers that any amount paid or credited to any Secured Party under any Secured Debt Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Liabilities have been irrevocably paid.

27.3 Consolidation

Section 93 of the LPA shall not apply to the Charges.

28. ENFORCEMENT EXPENSES

Clause 22 (*Costs and expenses*) of the Intercreditor Agreement shall apply to any amount payable under this Deed (or any Security Accession Deed) to the Security Agent, any Receiver or any Delegate.

29. PAYMENTS

29.1 Demands

Any demand for payment made by any Secured Party shall be valid and effective even if it contains no statement of the relevant Liabilities or an inaccurate or incomplete statement of them.

29.2 Payments

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

29.3 Continuation of accounts

At any time after:

- (a) a Secured Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Assets of any Chargor; or
- (b) the presentation of a petition or the passing of a resolution in relation to the winding-up of any Chargor,

any Secured Party may open a new account in the name of that Chargor with that Secured Party (whether or not it permits any existing account to continue). If that Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when notice was received or deemed to be received and as from that time all payments made by or on behalf of that Chargor

to that Finance Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Liabilities as at the time the relevant notice was received or deemed to have been received.

29.4 Joint and several liability

The liability of each Chargor under this Deed shall be joint and several. Each agreement and undertaking of any Chargor shall be construed accordingly.

29.5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Secured Debt Documents but any such amount may or will become due, the Security Agent or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

30. RIGHTS, WAIVERS AND DETERMINATIONS

30.1 Ambiguity

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to any Secured Debt Document, the terms of that Secured Debt Document shall prevail.

30.2 Exercise of rights

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, Receiver or Delegate, any right or remedy under any Secured Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Secured Debt Documents. No waiver or election to affirm any of the Secured Debt Documents on the part of any Secured Party, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Secured Debt Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

30.3 Amendments and waivers

Any term of this Deed may be amended or waived only with the consent of the Security Agent and each Chargor.

30.4 Determinations

Any certification or determination by any Secured Party or any Receiver or Delegate of a rate or amount under any Secured Debt Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

31. PARTIAL INVALIDITY

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

32. SEPARATE AND INDEPENDENT OBLIGATIONS

- (a) Subject to paragraph (b) below, the Security created by each Chargor by or in connection with any Secured Debt Document is separate from and independent of the Security created or intended to be created by any other Chargor by or in connection with any Secured Debt Document.
- (b) Any reference in this Deed to a "Chargor" in relation to any Charged Asset is, if that Chargor holds any right, title or interest in that Charged Asset jointly with any other Chargor, a reference to those Chargors jointly.

33. COUNTERPARTS

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

34. ENFORCEMENT

Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 33 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

35. GOVERNING LAW

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

This Deed has been delivered on the date stated at the beginning of this Deed.

SCHEDULE 1

THE CHARGORS

Name of Chargor	Registration number (or equivalent, if any)
A6 Audio Bidco Limited	10573578
Audio UK 3 Limited	10636930

SCHEDULE 2
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 19 (*Appointment and rights of Receivers and Administrators*) shall have the right, either in its own name or in the name of the relevant Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Charged Assets, and to require payment to it or to any Secured Party of any Book Debts or credit balance on any Bank Account;

(b) **Bank Accounts**

to apply, transfer or set-off any or all of the credit balances from time to time on any Bank Account in or towards payment or other satisfaction of all or part of the Liabilities;

(c) **Carry on business**

to manage and carry on any business of that Chargor;

(d) **Contracts**

to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which that Chargor is a party;

(e) **Deal with Charged Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Charged Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person (including a new company formed pursuant to paragraph (f) (*Hive down*)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(f) **Hive down**

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

(g) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Charged Assets (either in priority to the Charges or otherwise);

(h) **Lend money**

to lend money or advance credit to any person;

(i) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them;

(j) Dealings with tenants

to grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons (including a new company formed pursuant to paragraph (f) (*Hive down*)) from whom any rents and profits may be receivable (including those relating to the grant of any licences, the review of rent in accordance with the terms of, and the variation of, the provisions of any leases, tenancies, licences or rights of user affecting the Charged Assets);

(k) Rights of ownership

to manage and use all or any part of the Charged Assets and to exercise and do (or permit that Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Charged Assets;

(l) Insurance, repairs, improvements etc.

to insure all or any part of the Charged Assets, to carry out decorations, repairs, alterations, improvements and additions to the Charged Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Charged Assets;

(m) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of that Chargor or relating to the Charged Assets;

(n) Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to all or any part of the Charged Assets or any business of that Chargor;

(o) Redemption of Security

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

(p) Employees etc.

to appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by that Chargor;

(q) Delegation

to delegate in any manner to any person any rights exercisable by the Receiver under any Secured Debt Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

(r) Insolvency Act

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(s) Receipts

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Charged Assets; and

(t) Other powers

to do anything else he may think fit for the realisation of all or any part of the Charged Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Secured Debt Document to which the relevant Chargor is party, the LPA or the Insolvency Act.

SCHEDULE 4

SHARES

Shares

Chargor

Audio UK 3 Limited

Charged asset

100% of the ordinary issued share capital of A6 Audio Bidco Limited (Company Number 10573578)

SCHEDULE 5
INTRA-GROUP LOAN AGREEMENTS

1. *Intra-group loan agreement between A6 Audio Bidco Limited as lender and Console Bidco Limited as the borrower dated on or around the date of this Deed.*
2. *Intra-group loan agreement between A6 Audio Bidco Limited as lender and Console Midco Limited as the borrower dated on or around the date of this Deed.*

SCHEDULE 7
BANK ACCOUNTS
PART I
DETAILS OF BANK ACCOUNTS

Chargor

A6 Audio Bidco Limited

Bank Account Details

Account name: A6 Audio Bidco Limited

Account number: 80165182

Sort code: 401160

IBAN: GB21HBUK40116080165182

Currency: GBP

Account name: A6 Audio Bidco Limited

Account number: 77455220

Sort code: 400515

IBAN: GB56MIDL40051577455220

Currency: USD

PART II
FORM OF NOTICE TO BANKS OPERATING BANK ACCOUNTS

To: **[insert name and address of Account Bank]** (the "Account Bank")

Dated: **[]**

Dear Sirs

Re: [•] - Security over Bank Accounts

We notify you that **[insert name of Chargor]** (the "Chargor") and certain other companies identified in the schedule to this notice (together the "Customers") charged to **[]** (the "Security Agent") for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by the Customers (the "Charged Accounts") and to all interest (if any) accruing on the Charged Accounts.

We irrevocably authorise and instruct you:

1. to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect;
2. to continue to deal with the Chargor in relation to the Charged Accounts until you receive written notice to the contrary from the Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Charged Accounts and therefore from that time you should deal only with the Security Agent; and
3. to disclose to the Security Agent any information relating to the Customers and the Charged Accounts which the Security Agent may from time to time request you to provide.

We also advise you that the provisions of this Notice may only be revoked or varied with the prior written consent of the Security Agent.

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

- (a) you agree to act in accordance with the provisions of this notice;
- (b) you have not received notice that any Customer has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party; and
- (c) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Charged Accounts.

By counter-signing this notice the Security Agent confirms that the Customers may make withdrawals from the Charged Accounts until such time as the Security Agent shall notify you (with a copy to the charging company) in writing that their permission is withdrawn. That permission may be withdrawn or modified by the Security Agent in its absolute discretion at any time.

The provisions of this notice are governed by English law.

SCHEDULE 8

FORMS OF NOTICE TO COUNTERPARTIES (OTHER THAN INSURERS) OF ASSIGNED AGREEMENTS

To: **[insert name and address of counterparty]**

Dated: **[]**

Dear Sirs

Re: [here identify the relevant Assigned Agreement] (the "Agreement")

We notify you that **[insert name of Chargor]** (the "Chargor") has assigned to **[]** (the "Security Agent") for the benefit of itself and certain other banks and financial institutions (the "Secured Parties") all its right, title and interest in the Agreement as security for certain obligations owed by the Chargor to the Secured Parties.

We further notify you that:

1. you may continue to deal with the Chargor in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent;
2. you are authorised to disclose information in relation to the Agreement to the Security Agent on request;
3. after receipt of written notice in accordance with paragraph 1 above, you must pay all monies to which the Chargor is entitled under the Agreement direct to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing; and
4. 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 the Chargor) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Chargor has assigned its rights under the agreement to a third party or created any other interest (whether by way of security or otherwise) in the agreement in favour of a third party; and
- (c) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor any right of set-off, counter-claim or other right relating to the Agreement.

The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

[On acknowledgement copy]

To: [•]

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (c) above.

.....

for and on behalf of

[insert name of Counterparty]

Dated: [_____]

SCHEDULE 9
FORM OF NOTICE TO INSURERS

To: **[insert name and address of insurance company]**

Dated: **[]**

Dear Sirs

Re: [here identify the relevant insurance policy(ies)] (the "Policies")

We notify you that **[insert name of Chargor]** (the "Chargor") has assigned to **[]** (the "Security Agent") for the benefit of itself and certain other banks and financial institutions (the "Secured Parties") all its right, title and interest in the Policies as security for certain obligations owed by the Chargor to the Secured Parties.

We further notify you that:

1. you may continue to deal with the Chargor in relation to the Policies until you receive written notice to the contrary from the Security Agent. Thereafter the Chargor will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Security Agent;
2. you are authorised to disclose information in relation to the Policies to the Security Agent on request; and
3. 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 the Chargor) by way of confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;
- (b) after receipt of written notice in accordance with paragraph 1 above, you will pay all monies to which the Chargor is entitled under the Policies direct to the Security Agent (and not to the Chargor) unless the Security Agent otherwise agrees in writing;
- (c) you have not received notice that the Chargor has assigned its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party; and
- (d) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policies.

The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

[insert name of Chargor]

[On acknowledgement copy]

To: [•]

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (d) above.

.....

for and on behalf of

[insert name of insurance company]

Dated: []

SCHEDULE 10

FORM OF SECURITY ACCESSION DEED

THIS SECURITY ACCESSION DEED is dated [●] and made between:

- (1) [] (the "**Parent**");
- (2) [], a company incorporated in [] with registered number [] (the "**Additional Chargor**"); and
- (3) [] as security agent for the Secured Parties (the "**Security Agent**").

Background

- (A) This Security Accession Deed is supplemental to a fixed and floating charge dated [●] between, amongst others, the Original Chargors and the Security Agent, as previously supplemented by earlier Security Accession Deeds (if any) and as scheduled in Annexure 6 (the "**Fixed and Floating Charge**"). This Security Accession Deed shall take effect as a Security Accession Deed for the purpose of the Fixed and Floating Charge.
- (B) The board of directors of the Additional Chargor are satisfied that entering into this Security Accession Deed would be most likely to promote the success of the Additional Chargor for the benefit of its members as a whole and to the further benefit and advantage of the Additional Chargor.
- (C) The Security Agent and the Additional Chargor intend this document to take effect as a deed (even though the Security Agent only executes it under hand).
- (D) The Security Agent holds the benefit of this Security Accession Deed for the Secured Parties on the terms of the Finance Documents.

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Fixed and Floating Charge have the same meaning in this Security Accession Deed unless given a different meaning in this Security Accession Deed.

1.2 Construction

- (a) The provisions in clauses 1.1 (*Definitions*) to 1.4 (*Disposition*) of the Fixed and Floating Charge apply to this Security Accession Deed, except that references to the Fixed and Floating Charge shall be construed as references to this Security Accession Deed.
- (b) The Fixed and Floating Charge shall remain in full force and effect as supplemented by this Security Accession Deed.
- (c) The Fixed and Floating Charge and this Security Accession Deed shall be read together as one instrument on the basis that references in the Fixed and Floating Charge to "**this Deed**" will be deemed to be references to the Fixed and Floating Charge as supplemented by this Security Accession Deed.

2. ACCESSION OF ADDITIONAL CHARGOR

The Additional Chargor agrees to become an Additional Chargor and to be bound by the terms of the Fixed and Floating Charge as an Additional Chargor.

3. FIXED CHARGE

Subject to Clause 6 (*Excluded Assets*) of the Fixed and Floating Charge, the Additional Chargor, with full title guarantee and as continuing security for the payment of all Liabilities (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Parties):

- (a) by way of first fixed charge, all its present and future:
 - (i) Real Property;
 - (ii) Book Debts;
 - (iii) Investments;
 - (iv) right, title and interest in and to its uncalled capital and goodwill;
 - (v) Intellectual Property (including, in respect of that Additional Chargor, that described in Annexure 4 (*Intellectual Property*));
 - (vi) plant and machinery (except that validly and effectively charged under subparagraph (i) above);
 - (vii) to the extent not validly and effectively assigned, Insurances and all related proceeds, claims of any kind, returns of premium and other benefits relating thereto; and
 - (viii) to the extent not validly and effectively assigned, all its rights and interests in (and claims under) the Assigned Agreements to which it is a party; and
 - (ix) all its rights and interest in (and claims under) the Bank Accounts.
- (b) by way of first mortgage, all its present and future Shares.

4. FLOATING CHARGE

4.1 Creation

The Additional Chargor, with full title guarantee and as security for the payment of all Liabilities (whether of that or any other Chargor), charges in favour of the Security Agent (as trustee for the Secured Parties) by way of floating charge its undertaking and all its assets, both present and future (including assets expressed to be charged by Clause 3.1 (*Fixed assets*) or assigned by Clause 5 (*Assignment*)).

4.2 Qualifying Floating Charge

- (a) The floating Charge created by the Additional Chargor pursuant to Clause 3.1 above is a "qualifying floating charge" for the purposes of paragraph 14.2(a) of Schedule B1 to the Insolvency Act.
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to this Deed and the Security Agent may appoint an Administrator of the Additional Chargor pursuant to that paragraph.

4.3 Ranking

The floating charge created by the Additional Chargor under Clause 4 (*Floating charge*) ranks:

- (a) behind all the mortgages, fixed charges and assignments created by that Additional Chargor; but

- (b) in priority to any other Security over the Security Assets of that Additional Chargor except for Security ranking in priority in accordance with paragraph (g) of Schedule 2 (*Rights of Receivers*) of the Fixed and Floating Charge.

4.4 Conversion by notice

The Security Agent may convert the floating Charge over all or any of the Charged Assets into a fixed Charge by notice to the Parent specifying the relevant Charged Assets (either generally or specifically):

- (c) if it has reasonable grounds for considering those assets to be in jeopardy (whether due to a risk of being seized or sold pursuant to any distress, attachment, execution, sequestration or other analogous legal process);
- (d) on the occurrence of an Enforcement Event; and/or
- (e) the Security Agent reasonably considers that it is desirable into protect the prior of the security.

4.5 Automatic conversion

If:

- (f) the Additional Chargor takes any step to create any Security or Quasi-Security in breach of Clause 6.1 (*Negative pledge*) over any of the Charged Assets subject to a floating charge created under this Deed; or
- (g) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of those Charged Assets,

the floating charge over the relevant Charged Assets shall automatically and immediately be converted into a fixed charge.

4.6 Company voluntary arrangement moratorium

Obtaining a moratorium or doing anything with a view to obtaining a moratorium pursuant to Schedule A1 of the Insolvency Act (including any preliminary decision or investigation) shall not by itself (a) cause the floating charge over all or any of the Charged Assets to crystallise until the date upon which it is permitted to crystallise in accordance with paragraph 13 of Schedule A1 of the Insolvency Act, (b) impose any restriction which would not otherwise apply on the disposal of property by any Security Chargor, or (c) constitute a ground for the appointment of a Receiver.

5. ASSIGNMENT

- 5.1 The Additional Chargor, with full title guarantee and as security for the payment of the Liabilities assigns absolutely to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Liabilities, the Security Agent will at the request and cost of the Additional Chargor re-assign the Assigned Agreements to the Additional Chargor (or as it shall direct).
- 5.2 Until the occurrence of an Enforcement Event which is continuing, but subject to Clause 12 (*Assigned Agreements*) of the Fixed and Floating Charge, the Additional Chargor may continue to

deal with the counterparties to the relevant Assigned Agreements and, for the avoidance of doubt, shall be entitled to receive the proceeds of any claim under the Assigned Agreements.

6. UNDERTAKINGS

6.1 Undertaking to pay

The Additional Chargor shall pay each of the Liabilities when due in accordance with terms of the relevant Secured Debt Documents or, if they do not specify a time for payment, immediately on demand by the Security Agent.

6.2 Proportionate payment

Each sum appropriate by the Security Agent in accordance with the Secured Debt Documents in or towards payment of a particular part of the Liabilities shall to the extent of that appropriation discharge the Additional Chargor's obligations in respect of that part of the Liabilities both to any Secured Party to which the same is owed, and to the Security Agent.

6.3 Negative pledge

The Additional Chargor shall not create or permit to subsist any Security or Quasi Security over any Security Asset, except as permitted by the Secured Debt Documents.

6.4 Disposals

The Additional Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Security Asset, except as permitted by the Secured Debt Documents.

7. CONSENT OF ORIGINAL CHARGORS

The Original Chargors agree to the terms of this deed and agree that its execution will in no way prejudice or affect the security granted by each of them under (and covenants given by each of them in) the Fixed and Floating Charge.

8. REPRESENTATIONS

The Additional Chargor represents and warrants to the Security Agent that the assets listed in Annexure 1 (*Real Property*) to Annexure 4 (*Intellectual Property*) in respect of that Additional Chargor are all the relevant material assets in which it has an interest.

9. NOTICES

- (c) The Additional Chargor confirms that its address details for notices in relation to the Fixed and Floating Charge are as follows:

Address: [●]

Facsimile: [●]

Attention: [●]

- (d) This deed constitutes notice in writing to each Chargor of any charge or assignment of debt owed to that Chargor by any other member of the Group and contained in any other Secured Debt Document.

10. DESIGNATION

In accordance with the Fixed and Floating Charge, each of the Security Agent and the Parent designate this Security Accession Deed as a Secured Debt Document.

11. COUNTERPARTS

This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this deed. Delivery of a counterpart of this deed by e-mail attachment or telecopy shall be an effective mode of delivery.

12. GOVERNING LAW


This deed (and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed or its formation) and obligations of the Parties hereto and any matter, claim or dispute arising out of or in connection with this deed (including any non-contractual claims arising out of or in association with it) shall be governed by and construed in accordance with English law.

IN WITNESS whereof this deed has been duly executed on the date first above written.

THE CHARGORS

EXECUTED AS A DEED

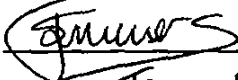
By A6 AUDIO BIDCO LIMITED:


Michael Beetz

Signature of Director

Name of Director

in the presence of


Tara Summers
256A High Street
BR6 0L2
Orpington
Executive assistant

Signature of witness

Name of witness

Address of witness


Occupation of witness

Address: Square Suite, 6th Floor, 3 St James's Square, London SW1Y 4JU

Fax: +44 2034438451

EXECUTED AS A DEED

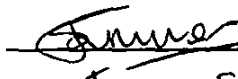
By AUDIO UK3 LIMITED:


Michael Beetz

Signature of Director

Name of Director

in the presence of


Tara Summers
256A High Street
BR6 0L2
Orpington
Executive assistant

Signature of witness

Name of witness

Address of witness

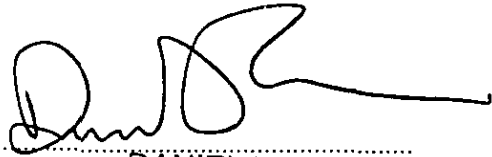
Occupation of witness

Address: Square Suite, 6th Floor, 3 St James's Square, London SW1Y 4JU

Fax: +44 2034438451

THE SECURITY AGENT

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND



DANIEL RYLANDER


By:.....AUTHORISED SIGNATORY

Address:

Attention:

Tel:

Email:



RUTH GARDNER
AUTHORISED SIGNATORY