



**Registration of a Charge**

Company name: **BROMFORD MIDCO LIMITED**

Company number: **11262280**



XA2F82TE

Received for Electronic Filing: **14/04/2021**

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**Details of Charge**

Date of creation: **29/03/2021**

Charge code: **1126 2280 0005**

Persons entitled: **STELLUS CAPITAL INVESTMENT CORPORATION**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**HOWARD KENNEDY LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 11262280

Charge code: 1126 2280 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th March 2021 and created by BROMFORD MIDCO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th April 2021 .

Given at Companies House, Cardiff on 15th April 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**DATED** 29 March **2021**

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- (1) THE COMPANIES listed in Schedule 1  
as Chargors
  
- (2) STELLUS CAPITAL INVESTMENT CORPORATION  
as Administrative Agent

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**DEBENTURE  
(OBLIGATIONS)**

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**HOWARD KENNEDY**

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**DATED**

**29 March**

**2021**

**PARTIES**

- (1) **THE COMPANIES** listed in Schedule 1 (each a "**Chargor**" and together the "**Chargors**"); in favour of
- (2) **STELLUS CAPITAL INVESTMENT CORPORATION** as administrative and collateral agent and security trustee for the Secured Parties on the terms and conditions set out in the Credit Agreement (the "**Administrative Agent**" which expression shall include any person for the time being appointed as Administrative Agent or trustee or as an additional Administrative Agent or trustee for the purpose of, and in accordance with, the Credit Agreement).

**INTRODUCTION:**

- (A) Pursuant to that certain Second Lien Credit Agreement dated as of 5 November 2019 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), among Bromford Industries Limited, a private limited company organized under the laws of England and Wales with registered number 00474681 (the "**UK Borrower**"), AeroCision, LLC, a Delaware limited liability company (the "**US AeroCision Borrower**"), AeroCision Parent, LLC, a Delaware limited liability company (the "**Initial US Holdco Borrower**") and, upon the consummation of the Closing Date Acquisition, NuMet Machining Techniques, LLC, a Delaware limited liability company (the "**US Target Borrower**" and upon consummation of the Closing Date Acquisition together with the US AeroCision Borrower, each a "**US Borrower**" and collectively, the "**US Borrowers**"), Bromford Intermediate Holdings, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "**Parent**"), Bromford Midco Limited, a private limited company organized under the laws of England and Wales with registered number 11262280 (the "**UK Parent**"), Bromford Group Limited, a private limited company organized under the laws of England and Wales with registered number 06867493 ("**UK Holdings**"), the other Loan Parties (as defined therein) party thereto, each lender from time to time party thereto (collectively, the "**Lenders**"), and Stellus Capital Investment Corporation as Administrative Agent and L/C Issuer, the Lenders have agreed to provide to the US Borrowers and the UK Borrower a term loan facility.
- (B) It is a condition precedent to the effectiveness of the Third Amendment and Waiver to the Second Lien Credit Agreement dated as of the date of this Debenture by and among the UK Borrower, the US Borrowers, the Parent, the UK Parent, UK Holdings, the other Loan Parties party thereto, the Lenders and the Administrative Agent that the Chargors shall have executed and delivered this Debenture to the Administrative Agent.
- (C) This document is the deed of each Chargor, even if it has not been duly executed by the Administrative Agent or has been executed by the Administrative Agent but not as a deed.

**OPERATIVE PROVISIONS:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Debenture:

**"Account"** means any deposit account, securities account or other account opened or maintained by a Chargor with the Administrative Agent or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights (including the Accounts as set out at Schedule 4).

**"Account Debtor"** means any Person obligated on any Monetary Claims.

**"Administrator"** means any administrator appointed under this Debenture to manage the affairs, business and assets of a Chargor.

**"Charged Property"** means all the assets and undertaking of the Chargors which from time to time are the subject of the security created or expressed to be created in favour of the Administrative Agent by or pursuant to this Debenture.

**"Chattel Paper"** means a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this definition, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes Chattel Paper.

**"Collateral Rights"** means all rights, powers and remedies of the Administrative Agent provided by or pursuant to this Debenture or by law.

**"Copyright"** means any copyright in any original work of authorship fixed in any tangible medium of expression (including, without limitation, any thereof referred to in Schedule 5), including, without limitation, all databases, source codes, object codes and manuals, whether published or unpublished, whether now or hereafter existing, and all applications, registrations, renewals, and extensions relating thereto filed in any governmental office or agency in any country or political subdivision thereof.

**"Copyright License"** means any agreement, written or oral, naming a Chargor as licensor or licensee, granting any right in or to any Copyright or copyright registration in any office or agency of any country or any political subdivision thereof, including, without limitation, any thereof referred to in Schedule 5 hereto.

**"Credit Agreement"** has the meaning given to it in Recital (A).

**"Excluded Accounts"** means (a) deposit accounts specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of a Loan Party's management and employees and (b) other accounts with an aggregate balance not to exceed \$300,000 at any time.

**"Excluded Perfection Action"** means, collectively, (a) control agreements or other control or similar arrangements with respect to Excluded Accounts or other assets requiring perfection by control under the Laws of the United States (but not, for the avoidance of doubt, control by possession, including of certificated Equity Interests) or (b) actions to perfect those assets as to which the Administrative Agent reasonably determines that the cost of obtaining such a

security interest or the perfection thereof are excessive in relation to the value to the Secured Parties to the security to be afforded thereby.

**"Excluded Property"** means, collectively, (a) any property which is subject to a lien arising under capital leases and purchase money security interests pursuant to documents which prohibit such Loan Party from granting any other liens in such property, (b) (i) leasehold real property or (ii) fee-owned real property (x) existing on the Closing Date and scheduled (other than Material Real Property, which, for the avoidance of doubt, shall be subject to legal mortgages securing the Secured Obligations) or (y) acquired after the Closing Date with a fair market value of less than \$1,000,000, (c) any Investments now or hereafter held or owned by any Loan Party, to the extent, in each case, that (i) a legal mortgage, fixed charge or assignment may not be granted by a Loan Party in such Investment as a matter of Law other than to the extent such prohibition or limitation is rendered ineffective pursuant to applicable Law or principles of equity or (ii) a legal mortgage, fixed charge or assignment may not be granted under the express terms of the governing documents applicable to such Investment, without the consent of one or more applicable parties thereto so long as such consent from such applicable party or parties is not from a Borrower or another Loan Party other than to the extent such prohibition or limitation or the requirement for any consent contained in such lease, license, contract or other agreement or applicable Law is eliminated or terminated to the extent sufficient to permit any such item to become subject to a legal mortgage, fixed charge or assignment or such consent has been granted or waived or the requirement for such consent has been terminated (and provided that such prohibition, limitation or requirement existed on the Closing Date or at the time such Investment or assets are acquired and so long as such prohibition, limitation or requirement did not arise in contemplation of the Closing Date or such acquisition), (d) fixtures located on premises leased by any Loan Party to the extent the grant of a legal mortgage, fixed charge or assignment in respect thereof is validly prohibited by the lease governing such premises, other than to the extent such prohibition or limitation contained in such lease or applicable Law is eliminated or terminated to the extent sufficient to permit any such item to become subject to a legal mortgage, fixed charge or assignment, (e) any intent-to-use trademark application or other intellectual property to the extent if any, that, and solely during the period, if any, that creation by a Loan Party of a legal mortgage, fixed charge or assignment in respect thereof would result in the abandonment, cancellation, invalidation or unenforceability thereof, (f) any agreement to the extent a grant of a legal mortgage, fixed charge or assignment in respect thereof would result in a breach or termination pursuant to the terms of the Loan Documents, or a default under any such agreement (provided that the terms of such agreement that would cause the grant of a legal mortgage, fixed charge or assignment to result in a default thereunder existed on the Closing Date or at the time such agreement is entered into or acquired and so long as such terms did not arise in contemplation of the Closing Date or such consummation or acquisition), (g) deposit accounts that are Excluded Accounts pursuant to clause (a) of the definition thereof, (h) the UK Parent Note and the UK Parent Note Guarantee, (i) those assets as to which the granting of a legal mortgage, fixed charge or assignment in respect thereof could reasonably be expected to result in adverse tax consequences to the Loan Parties, as determined by the US Borrowers after consulting with the Administrative Agent, (j) those assets as to which the Administrative Agent reasonably determines that the cost of obtaining such a legal mortgage, fixed charge or assignment in respect thereof or the perfection thereof are excessive in relation to the value to the Secured Parties to the security to be afforded thereby and (k) margin stock (including any margin stock held through a securities account); provided that, if any Excluded Property would otherwise constitute Charged Property subject to a legal mortgage, fixed charge or assignment, then immediately upon such property ceasing to constitute Excluded Property for any reason such property shall be deemed at all times from and after the date hereof to constitute Collateral subject to a legal mortgage, fixed charge or assignment; and provided, further, **"Excluded Property"** shall not include any Proceeds,



substitutions or replacements of any Excluded Property unless such Proceeds, substitutions or replacements would constitute Excluded Property.

**"Insurance Policy"** means any policy of insurance (including life insurance or assurance) in which the Chargors may from time to time have an interest.

**"Intellectual Property"** means any patents, Trademarks, Trademark Licenses, service marks, designs, business names, Copyrights, Copyright Licenses, design rights, moral rights, inventions, Patents, Patent Licenses, confidential information, trade secrets, customer lists, practices, processes, specifications test procedures, research and development, formulas, physical embodiments of the foregoing, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights (including the Intellectual Property specified in Schedule 5).

**"Investments"** means:

- (a) any Equity Interests, stocks, shares, debentures, bonds, loan stocks, securities and certificates of deposit (but not including the Shares);
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of a Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system).

**"Instruments"** means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment.

**"Material Accounts"** means, collectively, any Accounts other than Excluded Accounts.

**"Monetary Claims"** means any book and other debts and monetary claims owing to the Chargors and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which a Chargor is a party (including, without limitation, the Specific Contracts) and any other assets, property, rights or undertaking of the Chargors).

**"Original Debenture"** means the Debenture (Obligations) dated 5 November 2019 between the Chargors and the Administrative Agent (as amended, restated, supplemented, varied or otherwise modified from time to time).

**"Party"** means a party to this Debenture.

**"Patent License"** means any agreement, whether written or oral, providing for the grant by or to a Chargor of any right to manufacture, use or sell any invention covered by a Patent, and all rights of a Chargor under such agreement; including, without limitation, any thereof referred to in Schedule 5.

**"Patents"** means (a) all letters patent of any country, including patents, design patents and utility models, and all registrations and recordings thereof (including, without limitation, any thereof referred to in Schedule 5), (b) all applications for letters patent of any country or any political subdivision thereof (including, without limitation, any thereof referred to in Schedule 5), and (c) all reissues, extensions, divisions, continuations and continuations-in-part thereof, and the inventions disclosed or claimed therein, including the right to make, sell and/or use the inventions disclosed or claimed therein.

**"Perfection Action"** means the delivery of possession of items of or evidencing the Charged Property, causing other Persons to execute and deliver Perfection Documents as appropriate, the filing or recordation of Perfection Documents, the establishment of control over items of Charged Property, and the taking of such other actions as may be necessary or advisable in the reasonable determination of the Administrative Agent to create, enforce, protect, perfect, or establish or maintain the first priority (subject only to Permitted Encumbrances) of, the security interest of the Administrative Agent for the benefit of the Secured Parties in the Collateral other than any Excluded Perfection Action.

**"Perfection Documents"** means all financing statements and registration filings (including all amendments thereto and continuations thereof), control agreements, certificates, acknowledgments, stock powers and other documents, electronic identification, restrictive legends, and instruments furnished in connection with the creation, enforcement, protection, perfection or priority of the Administrative Agent's security interest in the Charged Property but excluding any Excluded Perfection Action.

**"Permitted Liens"** means Liens permitted under Section 7.01 (*Liens*) of the Credit Agreement.

**"Proceeds"** means the following property:

- (a) whatever is acquired upon the sale, lease, license, exchange, or other disposition of Charged Property;
- (b) whatever is collected on, or distributed on account of, Charged Property;
- (c) rights arising out of Charged Property;
- (d) to the extent of the value of Charged Property, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the Charged Property; or
- (e) to the extent of the value of Charged Property and to the extent payable to a Chargor or the Secured Parties, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the Charged Property.

**"Real Property"** means:

- (a) any freehold, leasehold or immovable property (including the freehold and leasehold property in England and Wales specified in Schedule 2);
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property;

- (c) all agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future in order to enable the Administrative Agent to perfect its rights thereunder or under this Debenture) entered into by or given to a Chargor in respect of the Real Property including all:
  - (1) claims, remedies, awards or judgments paid or payable to a Chargor (including, without limitation, all liquidated and ascertained damages payable to a Chargor in respect of the items referred to); and
  - (2) guarantees, warranties, bonds and representations given or made by, and any rights or remedies against any designer, builder, contractor, professional adviser, sub-contractor, manufacturer, supplier or installer of any fixture, fitting, fixed plant or machinery,

and in each case including all Related Rights.

**"Receiver"** means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment.

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale;
- (b) all rights under any licence, agreement for sale or agreement for lease;
- (c) all rights to make any demand or claim;
- (d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title; and
- (e) any monies and proceeds paid or payable in respect of that asset,

in each case in respect of or derived from that asset or any part of that asset.

**"Relevant Policies"** means all Insurance Policies (other than policies in respect of third party liability) together with all monies payable in respect of those policies (including the Insurance Policies as set out at Schedule 6).

**"Secured Foreign Obligations"** means the Foreign Obligations, whether present or future, actual or contingent, together with all interest and other amounts accruing thereon.

**"Secured Obligations"** means the Obligations, whether present or future, actual or contingent, together with all interest and other amounts accruing thereon, which includes the Secured Foreign Obligations for the avoidance of doubt.

**"Secured Parties"** means the Secured Parties (as defined in the Credit Agreement), a Receiver or any Delegate.

**"Security Period"** means the period beginning on the date of this Debenture and ending on the date on which all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full and all facilities made available to any Loan Party under the Loan Documents have been cancelled.

"**Shares**" means all shares (both present and future) in the capital of and other Equity Interests in the companies specified in Schedule 3 owned by a Chargor or held by, to the order or on behalf of a Chargor at any time.

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"**Specific Contracts**" means:

- (a) any Swap Contract;
- (b) each Insurance Policy;
- (c) each other document designated as such by the Administrative Agent.

"**Tangible Moveable Property**" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of a Chargor's stock in trade or work in progress) and all Related Rights.

"**Trademarks**" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill connected with the use of, and symbolized by, each of the above, now existing or hereafter adopted or acquired, whether currently in use or not at all, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office, the Intellectual Property Office or in any similar office or agency of the United States, any State thereof, the United Kingdom or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, and (b) all rights corresponding to any thereof, including the right to obtain all reissues, extensions or renewals thereof and the right to sue for past, present or future infringement or dilution of the foregoing.

"**Trademark License**" means any agreement, whether written or oral, providing for the grant by or to any Chargor or any of its Subsidiaries of any right to use any Trademark.

"**Trust Documents**" means any Security Agreement governed by English law.

## 1.2 **Construction**

In this Debenture:

- (A) terms defined in the Credit Agreement shall, unless expressly defined in this Debenture, have the same meaning in this Debenture;
- (B) the rules of interpretation contained in Section 1.02 (*Other Interpretive Provisions*) of the Credit Agreement shall apply to the construction of this Debenture except that reference to the Credit Agreement will be construed as references to this Debenture;
- (C) section 1 of the Trustee Act 2000 shall not apply to the duties of the Administrative Agent in relation to the trusts created by this deed or any other Loan Document;
- (D) an Event of Default is "**continuing**" if it has not been waived;
- (E) any reference to a Loan Document or any other agreement or instrument is a reference to that Loan Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time (however

fundamental that amendment, novation, supplement, extension, restatement or replacement may be, even if it involves increased, new, additional and/or replacement facilities or an increase in any other amount or rate);

- (F) any reference to the "**Administrative Agent**", the "**Chargors**" or the "**Secured Parties**" shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests;
- (G) references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture;
- (H) any Investment or Share includes:
  - (1) any dividend, interest or other distribution paid or payable;
  - (2) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

in each case in respect of that Investment or Share; and
- (I) a reference in this Debenture to a Charged Asset includes the proceeds of any disposal of that Charged Asset.

### 1.3 Supplemental to Original Debenture

- (A) Notwithstanding any other provision of this Debenture where:
  - (1) a right or asset has been assigned by a Chargor under the Original Debenture and that Chargor purports to assign the same asset or right under this Debenture, that second assignment will instead take effect as a charge over that Chargor's remaining rights in respect of the relevant asset or right and will only take effect as an assignment if the assignment created by the Original Debenture has no, or ceases to have, effect; and/or
  - (2) this Debenture purports to create a first fixed charge over any assets over which a Chargor granted a fixed charge under the Original Debenture, that security interest will be a second-ranking charge ranking subject to the first ranking charge created by the Original Debenture until such time as the security interest created by the Original Debenture has no, or ceases to have, effect,

and, for so long as the Original Debenture remains in force and effect, any reference in this Debenture to an asset secured under such Original Debenture being assigned or the security over any asset secured under such Original Debenture being first ranking or secured with full title guarantee, shall be construed accordingly and no breach or default shall arise under this Debenture or any other Loan Document as a result of the execution of or the existence of any security interest created (or purported to be created) under the Original Debenture or this Debenture and the terms of the Original Debentures, this Debenture and the other Loan Documents shall be construed accordingly so that there shall be no such breach or default.

- (B) Provided that a Chargor is in compliance with the terms of the Original Debentures to which it is a party (including without limitation, any obligation to deliver or deposit any deeds, documents of title, certificates, evidence of ownership or related documentation, to give any notice or to carry out any registration or filing (other than the registration of this Debenture at Companies House pursuant to section 859 of the Companies Act 2006

or any other equivalent perfection registrations or filings)) then to the extent that the terms of this Debenture impose the same or substantially the same obligation in respect of the same assets, the Chargor will be deemed to have complied with the relevant obligations herein by virtue of its compliance under any such Original Debenture.

#### **1.4 Third Party Rights**

- (A) Unless expressly provided to the contrary in a Loan Document, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.
- (B) Notwithstanding any term of any Loan Document, the consent of any person who is not a Party is not required to rescind or vary this Debenture at any time.
- (C) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (B) above and the provision of the Contracts (Rights of Third Parties) Act 1999.

#### **1.5 Disposition of Property**

The terms of the other Loan Documents and of any side letters between the Parties in relation to the Loan Documents are incorporated into each Loan Document to the extent required for any purported disposition of the Real Property contained in any Loan Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.6 Intercreditor Agreement**

This Debenture is subject to the First Lien Intercreditor Agreement. In the event of a conflict between the terms of the First Lien Intercreditor Agreement and the terms of this Debenture, the First Lien Intercreditor Agreement will control. The parties hereto acknowledge that the ability of the Administrative Agent to take certain enforcement action pursuant to the terms of this Debenture is subject to any applicable restriction contained in the First Lien Intercreditor Agreement. To the extent that any original certificate, promissory note, instrument or Charged Property is required pursuant to the terms of this Debenture to be delivered to the Administrative Agent, so long as the First Lien Intercreditor Agreement is in effect, delivery of such original certificates, promissory notes, instruments or Charged Property to the First Lien Administrative Agent under the First Lien Loan Documents shall be deemed to satisfy

such requirement. To the extent that any deposit account, securities account, commodity account, securities entitlement, commodity contract, investment property, cash, cash equivalents, letter of credit rights or electronic chattel paper is required pursuant to the terms of this Debenture to be under the control of the Administrative Agent or subject to a control agreement, so long as the First Lien Intercreditor Agreement is in effect, control of any of the foregoing by the First Lien Administrative Agent under the First Lien Loan Documents or being subject to a control agreement in favour of the First Lien Administrative Agent under the First Lien Loan Documents shall be deemed to satisfy such requirement.

## **2. PAYMENT OF SECURED OBLIGATIONS**

The Chargors covenant with the Administrative Agent as security trustee for the Secured Parties that it shall on demand of the Administrative Agent discharge the Secured Obligations when they fall due for payment.

## **3. FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE**

### **3.1 Fixed Charges**

(A) Each Chargor charges with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 in favour of the Administrative Agent as security trustee for the Secured Parties for the payment and discharge of all the Secured Obligations, all of its right, title and interest from time to time (both present and future) in and to each of the following assets:

- (1) by way of legal mortgage, the Real Property;
- (2) by way of fixed charge:
  - (a) if not effectively mortgaged under sub-Clause (1) above, the Real Property;
  - (b) the Tangible Moveable Property;
  - (c) the Accounts;
  - (d) the Intellectual Property;
  - (e) any goodwill and rights in relation to its uncalled capital;
  - (f) the Investments;
  - (g) the Shares constituting 65 per cent. of the issued share capital of each relevant company and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise);
  - (h) all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture;
  - (i) if not effectively assigned under Clause 3.2 (Assignments), the proceeds of any Insurance Policy;



- (j) if not effectively assigned under Clause 3.2 (Assignments), the Specific Contracts; and
- (k) all Related Rights in respect of sub-paragraphs (1) to (8) inclusive above;

provided, however, that the legal mortgage and fixed security from time to time constituted by this Debenture does not extend to any Chargor's interest in any asset which constitutes Excluded Property unless and until such asset shall cease to be Excluded Property.

- (B) Each Chargor charges with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 in favour of the Administrative Agent as security trustee for the Secured Parties for the payment and discharge of all the Secured Foreign Obligations, all of each Chargor's right, title and interest from time to time (both present and future) in and to the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise).

### 3.2 Assignments

Each Chargor assigns and agrees to assign absolutely with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 to the Administrative Agent as security trustee for the Secured Parties as security for the payment and discharge of all Secured Obligations all of its right, title and interest from time to time (both present and future) in and to each of the following assets:

- (A) the proceeds of any Relevant Policy;
- (B) each of the Swap Contracts;
- (C) each document falling within paragraph (c) of the definition of Specific Contract;
- (D) all Related Rights in respect of sub-paragraphs (A) to (C) inclusive above;

provided, however, that the assignments from time to time constituted by this Debenture do not extend to any Chargor's interest in any asset which constitutes Excluded Property unless and until such asset shall cease to be Excluded Property.

### 3.3 Floating Charge

- (A) The Chargors with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 charge in favour of the Administrative Agent as security trustee for the Secured Parties for the payment and discharge of the Secured Obligations by way of floating charge all their present and future assets and undertaking whatsoever and wheresoever.
- (B) The floating charge created by paragraph (A) above shall be deferred in point of priority to all fixed security validly and effectively created by each Chargor under the Loan Documents in favour of the Administrative Agent as security trustee for the Secured Parties as security for the Secured Obligations.

- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3 (*Floating Charge*).

#### **4. CRYSTALLISATION OF FLOATING CHARGE**

##### **4.1 Crystallisation: By Notice**

Subject to any applicable restrictions in the First Lien Intercreditor Agreement, the Administrative Agent may at any time by notice in writing to a Chargor convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (A) an Event of Default has occurred and is continuing; or
- (B) the Administrative Agent considers in its reasonable judgment that any of the Charged Property may be in danger of being seized or sold pursuant to any form of legal process or to be otherwise in jeopardy; or
- (C) the Administrative Agent considers that it is necessary or desirable in order to protect the priority of the security.

##### **4.2 Crystallisation: Automatic**

Notwithstanding Clause 4.1 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (A) a Chargor creates or attempts to create any security (other than any security permitted under Section 7.01 (*Liens*) of the Credit Agreement), and the First Lien Intercreditor Agreement, over any of the Charged Property; or
- (B) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
- (C) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of a Chargor or an administrator is appointed to a Chargor; or
- (D) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to a Chargor or files such a notice with the court.

#### **5. PERFECTION OF SECURITY**

##### **5.1 Notices of Assignment**

Each Chargor shall serve notices of assignment (substantially in the form set out in Schedule 8 or Schedule 10 (as applicable)) duly executed by, or on behalf of, it:

- (A) in respect of each Relevant Policy on each counterparty thereto promptly and in any event within five Business Days of the date of this Debenture or promptly and in any event within two Business Days of such Relevant Policy being effected;

- (B) in respect of each Swap Contract on each counterparty thereto promptly and in any event within two Business Days of the date of this Debenture or promptly and in any event within two Business Days after entering into such Swap Contract;
- (C) in respect of each document falling within paragraph (c) of the definition of Specific Contract on each counterparty thereto promptly and in any event within two Business Days of the designation at any time by the Administrative Agent of any agreement as a Specific Contract;
- (D) in respect of any other asset which is the subject of an assignment pursuant to Clause 3.2 (*Assignments*) on each counterparty thereto promptly and in any event within two Business Days of a request by the Administrative Agent from time to time,

and in each case shall provide the Administrative Agent with copies thereof and shall use all reasonable endeavours to procure that each notice is acknowledged by the relevant counterparty (such acknowledgment to be in substantially the form set out in Schedule 8 or Schedule 10 (as applicable) or in such form as may be specified by the Administrative Agent).

## 5.2 Notices of Charge

- (A) Each Chargor shall
  - (1) immediately serve notices of charge (substantially in the form set out in Schedule 7 or Schedule 9 (as applicable)) duly executed by, or on behalf of, it in respect of each Material Account and other Account on the date of this Debenture or prior to opening any additional Material Account or other Account after the date of this Debenture on each of the banks or financial institutions with which any of the Accounts are opened or maintained;
  - (2) provide the Administrative Agent with copies thereof; and
  - (3) (subject to Section 6.25 (*Post-Closing Matters*) of the Credit Agreement) on the date of this Debenture or prior to opening any additional Material Account (or in each case such later date as agreed to by the Administrative Agent in its sole discretion) procure that each notice in respect of a Material Account is promptly acknowledged and in any event within 20 Business Days thereafter by the relevant bank or financial institution (such acknowledgment to be in substantially the applicable form set out in Schedule 7 or Schedule 9 or in such form as may be specified by the Administrative Agent) and provide the Administrative Agent with copies thereof.
- (B) The execution of this Debenture by the Chargors and the Administrative Agent shall constitute notice to the Administrative Agent of the charge created over any Account opened or maintained with the Administrative Agent.

## 5.3 Real Property: Delivery of Documents of Title

Subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents, for so long as the First Lien Credit Facility remains outstanding, each Chargor shall upon the execution of this Debenture, and promptly and in any event within five Business Days following the acquisition by a Chargor of any interest in any freehold,

leasehold or other immovable property, either (1) deliver (or procure delivery) to the Administrative Agent (or a person nominated by the Administrative Agent) of, and the Administrative Agent (or any person acting on its behalf) shall be entitled to hold and retain, all deeds, certificates and other documents constituting or evidencing title (to the extent any exist or should exist) relating to such property; or (2) provide an acceptable solicitors undertaking to hold the same to the order of the Administrative Agent (except to the extent and for so long as such property constitutes Excluded Property).

#### **5.4 Note of Mortgage**

In the case of any Real Property, title to which is or will be registered under the Land Registration Act 2002, acquired by or on behalf of a Chargor after the execution of this Debenture, the relevant Chargor shall promptly notify the Administrative Agent of the title number(s) and, contemporaneously with the making of an application to the Land Registry for the registration of the relevant Chargor as the Registered Proprietor of such property, apply to the Land Registry to enter a charge on the Charges Register of such property (except to the extent and for so long as such property constitutes Excluded Property).

#### **5.5 Further Advances**

- (A) Subject to the terms of the Credit Agreement each Lender is under an obligation to make further Credit Extensions to the Chargors and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture.
- (B) Each Chargor consents to an application being made to the Land Registry to enter the obligation to make further Credit Extensions on the Charges Register of any registered land forming part of the Charged Property (except to the extent and for so long as such property constitutes Excluded Property).

#### **5.6 Application to the Land Registry**

Except to the extent and for so long as such property constitutes Excluded Property, each Chargor consents to an application being made to enter a restriction in the Proprietorship Register of any registered land at any time forming part of the Real Property in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated • in favour of • referred to in the charges register or their conveyancer."

#### **5.7 Delivery of Share Certificates**

Subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding, each Chargor shall:

- (A) on the date of this Debenture, deposit with the Administrative Agent (or procure the deposit of) all certificates or other documents of title to the Shares and stock transfer forms (executed in blank by or on behalf of the relevant Chargor); and

- (B) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, notify the Administrative Agent of that occurrence and procure the delivery to the Administrative Agent of (1) all certificates or other documents of title representing such items and (2) such stock transfer forms or other instruments of transfer (executed in blank on behalf of the relevant Chargor) in respect thereof as the Administrative Agent may reasonably request.

## **5.8 Registration of Intellectual Property**

Each Chargor shall, if requested by the Administrative Agent, execute all such documents and do all acts that the Administrative Agent may reasonably require to record the interest of the Administrative Agent in any registers relating to any registered Intellectual Property except to the extent it would constitute an Excluded Perfection Action.

## **6. FURTHER ASSURANCE**

### **6.1 Further Assurance: General**

- (A) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6.1(B) below.
- (B) Subject to any applicable restrictions in the First Lien Intercreditor Agreement, each Chargor shall promptly at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Administrative Agent may reasonably specify (and in such form as the Administrative Agent may reasonably require in favour of the Administrative Agent or its nominee(s)):
  - (1) to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargors of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights;
  - (2) to confer on the Administrative Agent security over any property and assets of the Chargors located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Debenture; and/or
  - (3) following an Event of Default which is continuing to facilitate the realisation of the Charged Property;

provided, however, that no Chargor shall be required pursuant to this Debenture to take any action whatsoever to the extent it constitutes an Excluded Perfection Action.

### **6.2 Necessary Action**

With respect to any and all Charged Property, each Chargor agrees to do and cause to be done all things necessary to perfect, protect and maintain the first priority (subject only to Permitted Encumbrances including the security interests in favour of the First Lien Administrative Agent under the First Lien Loan Documents to the extent into in accordance

with the First Lien Intercreditor Agreement) of and keep in full force the security interest granted in favour of the Administrative Agent for the benefit of the Secured Parties, including, but not limited to, the prompt payment upon demand therefor by the Administrative Agent of all fees and expenses (including documentary stamp, excise or intangibles taxes) incurred in connection with the preparation, delivery, or filing of any Perfection Document or the taking of any Perfection Action. All amounts not so paid when due shall constitute additional Secured Obligations of the applicable Chargor and (in addition to other rights and remedies resulting from such nonpayment) shall bear interest from the date of demand until paid in full at the rate specified, in Section 2.08 (b) (Interest) of the Credit Agreement.

### **6.3 Maintenance of Security Interest**

Each Chargor agrees to maintain among its books and records appropriate notations or evidence of, and to make or cause to be made appropriate disclosure upon its financial statements of, the security interest granted hereunder to the Administrative Agent for the benefit of the Secured Parties.

### **6.4 Implied Covenants for Title**

The obligations of the Chargors under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

## **7. NEGATIVE PLEDGE AND DISPOSALS**

### **7.1 Negative Pledge**

Each Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any security over all or any part of the Charged Property other than the security interests created by this Debenture and Permitted Encumbrances including the security interests in favour of the First Lien Administrative Agent under the First Lien Loan Documents to the extent into in accordance with the First Lien Intercreditor Agreement.

## 7.2 No Disposal of Interests

Each Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as expressly permitted pursuant to the Credit Agreement:

- (A) dispose of (or execute any conveyance, transfer, lease or assignment of, or other right to use or occupy) all or any part of the Charged Property;
- (B) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property;
- (C) (1) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (2) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, materially adversely affect the value of any of the Charged Property or the ability of the Administrative Agent to exercise any of the Collateral Rights; or
- (D) assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account maintained with the Administrative Agent, or the credit balance standing to any such Account shall be capable of assignment or other disposal.

## 8. SHARES AND INVESTMENTS

### 8.1 Shares and Investments: Before Event of Default which is continuing

Prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled:

- (A) to receive, retain, and to utilise any and all dividends, interest, principal and other distributions paid on or distributed in respect of the Shares and Investments, but only if and to the extent that such dividends, interest, principal and other distributions are not otherwise prohibited by the terms and conditions of this Debenture, the other Loan Documents and applicable Laws; provided that any noncash dividends, interest, principal or other distributions that would constitute Shares or Investments, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Shares or Investments or received in exchange for any Shares or Investments or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Shares or Investments (as applicable); and
- (B) to exercise all voting rights or other rights and powers in relation to the Shares and Investments **provided that** such rights shall not be exercised in any manner that could reasonably be expected to have a Material Adverse Effect.

### 8.2 Shares and Investments: After Event of Default which is continuing

Subject to any restrictions in the First Lien Intercreditor Agreement, the Administrative Agent may, upon or at any time after the occurrence of an Event of Default which is continuing, at

its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):

- (A) exercise (or refrain from exercising) any voting rights in respect of the Shares and Investments;
- (B) apply all dividends, interest and other monies arising from the Shares and Investments in accordance with Clause 20 (*Application of Monies*);
- (C) transfer the Shares and Investments into the name of such nominee(s) of the Administrative Agent as it shall require; and
- (D) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares and Investments,

in such manner and on such terms as the Administrative Agent may think fit, and the proceeds of any such action shall form part of the Charged Property.

### **8.3 Investments and Shares: Payment of Calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares, and in any case of default by a Chargor in such payment, subject to any restrictions in the First Lien Intercreditor Agreement the Administrative Agent may, if it thinks fit, make such payment on behalf of the relevant Chargor in which case any sums paid by the Administrative Agent shall be reimbursed by the relevant Chargor to the Administrative Agent on demand and shall carry interest from the date of payment by the Administrative Agent until reimbursed at the rate and in accordance with Section 2.08 (*Interest*) of the Credit Agreement.

### **8.4 Investments: Delivery of Documents of Title**

Subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding, each Chargor shall upon the execution of this Debenture, and promptly upon and in any event within two Business Days of the acquisition by such Chargor of any interest in any Investment deliver (or procure delivery) to the Administrative Agent, and the Administrative Agent shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which each Chargor (or its nominee(s)) is or becomes entitled together with, in form and substance reasonably satisfactory to the Administrative Agent:

- (A) any document or thing which the Administrative Agent may reasonably request (in such form and executed as the Administrative 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);
- (B) a duly executed declaration of trust in respect of any Investment which is not in the sole name of the relevant Chargor;
- (C) any instrument(s) of transfer for assignment of any Investments specified by the Administrative Agent (executed in blank by or on behalf of the relevant Chargor); and



- (D) in the case of any Investments held by or on behalf of a nominee of any settlement system of any exchange, duly executed stock notes or other documents in the name of the Administrative Agent (or its nominee(s) or agent(s)) representing or evidencing any benefit or entitlement to the Investments held in such settlement system and the Administrative Agent may from time to time have any of the Investments registered in its name of one or more nominees on its behalf.

## **9. ACCOUNTS**

### **9.1 Accounts: Notification and Variation**

Each Chargor, during the subsistence of this Debenture:

- (A) shall promptly deliver to the Administrative Agent on the date of this Debenture (and, if any change occurs thereafter, promptly and in any event within two Business Days of the date of such change), details of each Account maintained by it with any bank or financial institution (other than with the Administrative Agent); and
- (B) shall not, except as expressly permitted under the Credit Agreement, permit or agree to any variation of the rights attaching to any Account or close any Account.

### **9.2 Accounts: Operation**

- (A) Each Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except as expressly permitted pursuant to the terms of the Credit Agreement.
- (B) Subject to Section 6.25 (*Post-Closing Matters*) of the Credit Agreement, all Accounts that are Material Accounts shall be maintained at all times with depository institutions as to which the Administrative Agent shall have received an acknowledgment therefrom pursuant to Clause 5.2(A) (*Notices of Charge*) in respect of such Accounts.
- (C) Subject to any restrictions in the First Lien Intercreditor Agreement, the Administrative Agent shall, upon or at any time after the occurrence of an Event of Default which is continuing, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Accounts and to:
  - (1) demand and receive all and any monies due under or arising out of each Account; and
  - (2) exercise all such rights as the Borrower was then entitled to exercise in relation to such Account or might, but for the terms of this Debenture, exercise.

### **9.3 Accounts: Application of Monies**

Subject to any restrictions in the First Lien Intercreditor Agreement, the Administrative Agent shall, upon or at any time after the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 20 (*Application of Monies*).

## **10. MONETARY CLAIMS**

### **10.1 Dealing with Monetary Claims**

- (A) No Chargor shall at any time during the subsistence of the Debenture, except as expressly permitted under the Credit Agreement:
  - (1) deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Administrative Agent) and paying the proceeds of those Monetary Claims into the Accounts or as the Administrative Agent may require (and such proceeds shall be held upon trust by such Chargor for the Administrative Agent on behalf of the Secured Parties prior to such payment in); or
  - (2) factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting.
- (B) Each Chargor agrees that it shall deposit all Proceeds of Monetary Claims into an Account (other than an Excluded Account).

### **10.2 Release of Monetary Claims**

- (A) Prior to the occurrence of an Event of Default which is continuing, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Credit Agreement), upon such proceeds being credited to an Account, be released from the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) and the relevant Chargor shall be entitled to withdraw such proceeds from such Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 3.3 (*Floating Charge*) and the terms of this Debenture.
- (B) After the occurrence of an Event of Default which is continuing the relevant Chargor shall not, except with the prior written consent of the Administrative Agent, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.
- (C) The Administrative Agent in its own name or in the names of others may at any time after the occurrence of an Event of Default which is continuing communicate with obligors under the Monetary Claims and Specified Contracts to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of such Monetary Claims and Specified Contracts.
- (D) Subject to any restrictions in the First Lien Intercreditor Agreement, at any time after the occurrence of an Event of Default which is continuing upon written demand, each Chargor shall deliver to the Administrative Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to any Monetary Claims, including, without limitation, all original orders, invoices and shipping receipts therefore.

## **11. INSURANCES**

### **11.1 Insurance: Undertakings**

Subject to any restrictions in the First Lien Intercreditor Agreement, each Chargor shall at all times during the subsistence of this Debenture:

- (A) keep the Charged Property insured in accordance with the terms of the Credit Agreement;
- (B) comply with the provisions of Section 6.07(a)(ii) of the Credit Agreement;
- (C) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly, upon request, produce to the Administrative Agent a copy of each policy and evidence (reasonably acceptable to the Administrative Agent) of the payment of such sums; and
- (D) if required by the Administrative Agent (but subject to the provisions of any lease of the Charged Property and the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding), deposit all Insurance Policies with the Administrative Agent.

#### 11.2 **Insurance: Default**

Subject to any restrictions in the First Lien Intercreditor Agreement, if any Chargor defaults in complying with Section 6.07 (*Maintenance of Insurance*) of the Credit Agreement, the Administrative Agent may effect or renew any such insurance in accordance with the terms of the Credit Agreement, and all monies expended by the Administrative Agent in doing so shall be reimbursed by the Chargors to the Administrative Agent on demand and shall carry interest from the date of payment by the Administrative Agent until reimbursed at the rate specified in Section 2.08(b) (*Interest*) of the Credit Agreement.

#### 11.3 **Application of Insurance Proceeds**

Subject to any restrictions in the First Lien Intercreditor Agreement, all monies received under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights to such monies), prior to the occurrence of an Event of Default which is continuing, be applied in accordance with the terms of the Credit Agreement; after the occurrence of an Event of Default which is continuing, subject to the terms of the First Lien Intercreditor Agreement each Chargor shall hold such monies upon trust for the Administrative Agent pending payment to the Administrative Agent for application in accordance with Clause 20 (*Application of Monies*) and each Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

### 12. **REAL PROPERTY**

#### 12.1 **Lease Covenants**

Each Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject:

- (A) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessee) on the lessee or, (if the lessor) on the lessor; and

- (B) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term except to the extent that non-performance of those obligations, covenants or conditions could not reasonably be expected to materially adversely affect the occupation of its business located on such Charged Property or the assets located on such Charged Property.

## 12.2 General Property Undertakings

Each Chargor shall:

- (A) repair and keep in good and substantial repair and condition all the Real Property at any time forming part of the Charged Property;
- (B) subject to the terms of the First Lien Intercreditor Agreement, not at any time without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld) sever or remove any of the fixtures forming part of the Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except (1) for the purpose of any necessary repairs or replacement of it and (2) as otherwise expressly permitted under the terms of the Credit Agreement); and
- (C) comply with and observe and perform (1) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to the Real Property, (2) any conditions attaching to any planning permissions relating to or affecting the Real Property and (3) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property, in each case where failure to do so could reasonably be expected to have a Material Adverse Effect.

## 12.3 Entitlement to Remedy

Subject to any restrictions in the First Lien Intercreditor Agreement, if a Chargor fails to comply with any of the undertakings contained in this Clause 12, the Administrative Agent shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the opinion of the Administrative Agent (acting reasonably) be required to remedy such failure and all monies spent by the Administrative Agent in doing so shall be reimbursed by such Chargor within five Business Days of providing notice of its entitlement to remedy under this clause to such Chargor.

## 12.4 Leases

Each Chargor shall not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of the Real Property or otherwise part with possession of the whole or any part of the Real Property (except as expressly permitted by the Credit Agreement).

## 13. INTELLECTUAL PROPERTY

- (A) Each Chargor shall, and shall cause each of its Subsidiaries to (either itself or through its licensees) to (i) continue to use each Trademark that is material to its business and every trademark class of goods applicable to its current line as reflected in its current

catalogues, brochures and price lists, and material to its business, in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (ii) use such registered Trademark with the appropriate notice of registration and all other notices and legends required by applicable Laws, and (C) not knowingly (and not knowingly permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any material respect.

- (B) Each Chargor shall, and shall cause each of its Subsidiaries to (either itself or through its licensees) not knowingly do any act, or knowingly omit to do any act, whereby any Patent may become forfeited, abandoned or dedicated to the public.
- (C) Each Chargor shall, and shall cause each of its Subsidiaries to (either itself or through its licensees) not knowingly (and will not knowingly permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act, in each case, whereby any portion of any Copyright that is material to its business may become invalidated or otherwise impaired in any material respect or fall into the public domain.
- (D) Each Chargor shall, and shall cause each of its Subsidiaries to (either itself or through its licensees) (i) not do any act that knowingly uses any Patent, Trademark or Copyright to knowingly infringe in any material respect the intellectual property rights of any other Person; (ii) permit any application or registration relating to any Patent, Trademark or Copyright owned by a Chargor and material to its business to become forfeited, abandoned or dedicated to the public, or become the subject of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, the Intellectual Property Office or any court or tribunal in any country but excluding ordinary course prosecution of pending applications before the Intellectual Property Office, the United States Patent and Trademark Office or the United States Copyright Office) regarding ownership of, or the validity of, any such intellectual property or such Chargor's or such Subsidiary's right to register the same or to own and maintain the same; (iii) fail to take all commercially reasonable and necessary steps, including in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office, the Intellectual Property Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of any Patent, Trademark or Copyright owned by a Chargor and material to its business, including filing of applications for renewal, affidavits of use and affidavits of incontestability; and (iv) in the event that any material Patent, Trademark or Copyright owned by a Chargor is infringed, misappropriated or diluted in any material respect by a third party, fail to take commercially reasonable actions that the Chargor deems appropriate in its reasonable business judgment to protect such intellectual property, including to sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.
- (E) Each Chargor shall during the subsistence of this Debenture in respect of any Intellectual Property which is material to or required in connection with its business:

- (1) take all such steps and do all such acts as may be necessary to preserve and maintain the subsistence and the validity of any such Intellectual Property; and
- (2) not use or permit any such Intellectual Property to be used in any way which may materially and adversely affect its value.

Notwithstanding anything to the contrary in this Debenture, subject to the provisions of the Credit Agreement, nothing shall prevent any Chargor or any of its Subsidiaries (x) in the ordinary course of business from abandoning, ceasing to use or otherwise impairing or (y) from Disposing of any Intellectual Property if such Person reasonably believes that doing so is in its business interests and if such Disposition is in accordance with Section 7.05 (*Dispositions*) of the Credit Agreement.

#### **14. REPRESENTATIONS AND UNDERTAKINGS**

Each Chargor makes the following representations and warranties and undertakings to the Administrative Agent for its own benefit and as security trustee for the benefit of the Secured Parties with respect to itself and the Charged Property as to which it has or acquires any interest, and acknowledges that the Administrative Agent and Secured Parties have relied upon those representations and warranties and undertakings.

- (A) It is and, except as permitted by the Credit Agreement and sub-paragraph (B) of this clause 14 (*Representations*), will continue to be, the owner of the Charged Property, free and clear of all Liens, other than the security interest hereunder in favour of the Administrative Agent for the benefit of the Secured Parties and Permitted Encumbrances, and that it will at its own cost and expense defend such Charged Property and any products and proceeds thereof against all claims and demands of all Persons (other than holders of Permitted Encumbrances) to the extent of their claims permitted under the Credit Agreement at any time claiming the same or any interest therein adverse to the Secured Parties. Subject to any restrictions in the First Lien Intercreditor Agreement, upon the failure of any Chargor to so defend, the Administrative Agent may do so at its option but shall not have any obligation to do so. Subject to any restrictions in the First Lien Intercreditor Agreement, all sums so disbursed by the Administrative Agent, including the documented fees and expenses of counsel to the extent reimbursable under the Credit Agreement, court costs, expenses and other charges related thereto, shall be payable within 10 Business Days after demand by the applicable Chargor to the Administrative Agent and shall be additional Secured Obligations of such Chargor secured by the Charged Property, and any amounts not so paid on demand (in addition to other rights and remedies resulting from such nonpayment) shall bear interest from the date of demand until paid in full at the rate specified, in Section 2.08 (b) (Interest) of the Credit Agreement.
- (B) No effective financing statement or other Perfection Document similar in effect, nor any other Perfection Action, covering all or any part of the Charged Property purported to be granted or taken by or on behalf of such Chargor (or by or on behalf of any other Person and which remains effective as against all or any part of the Charged Property) has been filed in any recording office, delivered to another Person for filing (whether upon the occurrence of a contingency or otherwise), or otherwise taken, as the case may be, except such as pertain to Permitted Encumbrances and such as may have been filed for the benefit of, delivered to, or taken in favour of, the Administrative Agent for the benefit of the Secured Parties in connection with the security interests conferred hereunder.

- (C) Schedule 1 contains true and complete information as to each of the following: (i) the exact legal name of each Chargor as it appears in its Organization Documents, (ii) the jurisdiction of formation or incorporation (as applicable) and form of organisation of each Chargor, and the identification or incorporation number of such Chargor in its jurisdiction of formation or incorporation (if any), (iii) each address of the chief executive office of each Chargor as of its Applicable Date, (iv) the address of each location of such Chargor at which any tangible personal property Charged Property in excess of \$100,000 is located, (v) with respect to each location described in clause (iv) that is not owned beneficially and of record by such Chargor, the name and address of the owner thereof; and (vi) the name of each Person other than such Chargor and the address of such Person at which any tangible personal property constituting Charged Property of such Chargor in excess of \$100,000 is held under any warehouse, consignment, bailment or other arrangement.
- (D) Each existing Monetary Claim constitutes, and each hereafter arising Monetary Claim will, when such Monetary Claim arises, constitute, the legally valid and binding obligation of the Account Debtor, except where the failure to do so could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. None of the Monetary Claims is, nor will any hereafter arising Monetary Claim be, evidenced by a promissory note or other instrument (other than a cheque) in an amount in excess of \$100,000 that has not been charged by way of fixed charge to the Administrative Agent in accordance with the terms hereof. To its knowledge, no Account Debtor has any defence, set-off, claim or counterclaim against any Chargor that can be asserted against the Administrative Agent, whether in any proceeding to enforce the Administrative Agent's rights in the Charged Property or otherwise except defences, setoffs, claims or counterclaims that are not, in the aggregate, material to the value of all of the Monetary Claims, taken as a whole.
- (E) With respect to any inventory of a Chargor, each Chargor (i) shall at all times maintain reasonable and customary records and (ii) has exclusive possession and control of such inventory except for inventory in transit with common carriers or held by third parties in the ordinary course of business.
- (F) With respect to any Tangible Movable Property of a Chargor, each such Chargor has exclusive possession and control of such Tangible Movable Property, except for Tangible Movable Property held by third parties in the ordinary course of business.
- (G) As of the Closing Date, the Shares listed on Schedule 3 hereto constitute all of the issued share capital and Equity Interests of the issuers thereof (or, if less, the full amount owned by the Chargors that are required to be charged by way of fixed charge hereunder), and in each case, are represented by the certificates, if any, listed thereon and all of the Shares.
- (H) The Shares are fully paid and not subject to any option to purchase or similar rights and the constitutional documents of the companies in respect of which the Shares are issued do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Shares pursuant to the enforcement of the security created by or pursuant to this Debenture.
- (I) No Person other than the Administrative Agent and the First Lien Administrative Agent under the First Lien Loan Documents has control or possession of all or any part of the Charged Property with respect to which a security interest can be perfected by control or possession, except as permitted by the Credit Agreement. All of the

Investments and Shares are validly issued and outstanding, fully paid and non-assessable. No Equity Interest in any partnership or limited liability company that constitutes Charged Property (x) is dealt in or traded on a securities exchange or in a securities market or (y) by its terms expressly provides that it is a security interest governed by Article 8 of the Uniform Commercial Code, unless certificates evidencing such Equity Interests of such partnership or limited liability company have been delivered to the Administrative Agent or the First Lien Administrative Agent under the First Lien Loan Documents, together with stock powers or other instruments of transfer reasonably satisfactory to the Administrative Agent duly executed in blank by the Chargor that owns such Equity Interests.

- (J) Subject, in each case, only to the Lien created hereby and any Permitted Encumbrances, the relevant Chargor is the record and beneficial owner of, and has title to, the Shares free and clear of any and all Liens or options in favour of, or claims of, any other Person other than the First Lien Administrative Agent under the First Lien Loan Documents.
- (K) As of the date hereof (save to the extent those certificates have been delivered to the First Lien Administrative Agent under the First Lien Loan Documents), all of the certificates representing Shares and stock transfer forms required to be delivered pursuant to this Debenture have been delivered to the Administrative Agent in the form required by this Debenture.
- (L) As of the Closing Date, (i) Schedule 4 contains a true and complete description of the name and address of each broker with which such Chargor maintains a securities account in which Investments are or may at any time be credited or maintained and the identifying information with respect to each such securities account (including the account holder and the account number), and (ii) Schedule 3 contains a true and complete description of all other Investments of such Chargor.
- (M) As of the Closing Date, Schedule 4 contains a true and complete description of the name and address of each depositary institution with which such Chargor maintains an Account and the identifying information with respect to each such Account (including the account holder, currency of account, sort code/SWIFT code and the account number). Subject to Section 6.25 (*Post-Closing Matters*) of the Credit Agreement, all deposit accounts that are Material Accounts shall be maintained at all times with depositary institutions as to which the Administrative Agent shall have received a signed acknowledgement to a notice of charge pursuant to Clause 5.2(A)(3) (*Notices of Charge*).
- (N) To the best knowledge of each Chargor, each Chargor and each of its Subsidiaries own, or possess the right to use, all of the Intellectual Property rights that are used in the operation of their respective businesses as currently conducted, without conflict with the rights of any other Person that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, except as provided in paragraph (O) below. All registered Intellectual Property rights owned by a Chargor or its Subsidiary are in full force and effect, subsisting, unexpired and, to the best knowledge of each Chargor valid and enforceable. As of the Closing Date, Schedule 5 contains a true and complete description of (A) all Patents, Trademarks and Copyrights that are registered or for which an application for registration is pending, in each case owned by a Chargor, (B) all internet domain names registered to any Chargor and (C) all material or exclusive Patent Licenses, material or exclusive Trademark Licenses and material or exclusive Copyright Licenses to which a Chargor



is a party, as licensor or licensee, in each case excluding any licenses for shrink-wrap, click-through, off-the-shelf and similar end-user software. Each Chargor, and to such Chargor's knowledge, each other party to any such license, is not in breach or default of any material term thereof.

- (O) To the best knowledge of each Chargor, (i) no slogan or other advertising device, product, process, method, substance, part or other material now employed by any Chargor or any of its Subsidiaries violates, misappropriates or infringes upon any Intellectual Property owned by any other Person that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect and (ii) no Person has been or is infringing, misappropriating, diluting, violating or otherwise impairing any material Intellectual Property of any Chargor or any of its Subsidiaries in any material manner. No claim or litigation regarding any of the foregoing is pending or, to the best knowledge of any Chargor, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

The representations made by the Chargors in this clause are made by the Chargors on the date of this Debenture and deemed to be made by the Chargors by reference to the facts and circumstances then existing on the date of each Credit Extension and on the first day of each Interest Period.

## **15. GENERAL UNDERTAKINGS**

### **15.1 Instruments**

Subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding, each Chargor shall upon the request of the Administrative Agent from time to time, deliver to the Administrative Agent the originals of all such Instruments (other than the UK Parent Note and the UK Parent Note Guarantee) with a value in excess of \$100,000, together with duly executed undated endorsements in blank affixed thereto and such other documentation and information as may be necessary to enable the Administrative Agent to realise upon the Instruments (other than the UK Parent Note and the UK Parent Note Guarantee and any other Instruments constituting Excluded Property) in accordance with their respective terms or transfer the Instruments (other than the UK Parent Note and the UK Parent Note Guarantee) as may be permitted under the Loan Documents or by applicable Law. Other than in the ordinary course of business and in keeping with reasonable and customary practice, no Chargor shall amend, modify, waive or terminate any provision of, or fail to exercise promptly and diligently each material right or remedy conferred under or in connection with, any Instrument (other than the UK Parent Note and the UK Parent Note Guarantee, which are governed by the terms of the Credit Agreement) with a value in excess of \$100,000, in any case in such a manner as could reasonably be expected to have a Material Adverse Effect.

### **15.2 Chattel Paper**

Each Chargor shall at all times retain sole physical possession of the originals of all Chattel Paper (other than electronic Chattel Paper and the electronic components of hybrid Chattel Paper) with a value in excess of \$100,000; provided, however, that (x) upon the written request of the Administrative Agent upon the occurrence and during the continuance of any Default or Event of Default, such Chargor shall, subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding, promptly deliver physical possession of such Chattel

Paper to the Administrative Agent or its designee and (y) in the event that there shall be created more than one original counterpart of any physical document that alone or in conjunction with any other physical or electronic document constitutes Chattel Paper, then such counterparts shall be numbered consecutively starting with “1” and such Chargor shall retain the counterpart numbered “1”. All counterparts of all tangible Chattel Paper (and the tangible components of hybrid Chattel Paper) shall immediately upon the creation or acquisition thereof by any Chargor be conspicuously legended as follows: “A SECURITY INTEREST IN THIS CHATTEL PAPER HAS BEEN GRANTED TO STELLUS CAPITAL INVESTMENT CORPORATION, FOR ITSELF AND AS ADMINISTRATIVE AGENT FOR CERTAIN SECURED PARTIES PURSUANT TO THAT CERTAIN DEBENTURE DATED ●, AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME. NO SECURITY INTEREST OR OTHER INTEREST IN FAVOUR OF ANY OTHER PERSON MAY BE CREATED BY THE TRANSFER OF PHYSICAL POSSESSION OF THIS CHATTEL PAPER OR OF ANY COUNTERPART HEREOF EXCEPT BY OR WITH THE CONSENT OF THE AFORESAID ADMINISTRATIVE AGENT AS PROVIDED IN SUCH DEBENTURE.” Other than in the ordinary course of business and in keeping with reasonable and customary practice, no Chargor shall amend, modify, waive or terminate any provision of, or fail to exercise promptly and diligently each material right or remedy conferred under or in connection with, any Chattel Paper with a value in excess of \$100,000, in any case in such a manner as could reasonably be expected to materially adversely affect the value of affected Chattel Paper as Charged Property, taken as a whole.

### **15.3 Specific Contracts**

Except as expressly permitted under the Loan Documents, each Chargor shall:

- (A) perform all its obligations under the Specific Contracts described in paragraphs (b) and (c) of the definition thereof in a diligent and timely manner;
- (B) not make or agree to make any amendments to any of the Specific Contracts described in paragraphs (b) and (c) of the definition thereof, waive any of its rights under any of such Specific Contracts or exercise any right to terminate any of such Specific Contracts; and
- (C) pursue all its rights and claims under the Specific Contracts described in paragraphs (b) and (c) of the definition thereof in a timely fashion.

### **15.4 Receipt of Payment**

In the event an Event of Default shall occur and be continuing and a Chargor shall receive any Proceeds of Charged Property, including without limitation monies, cheques, notes, drafts or any other items of payment, each Chargor shall hold all such items of payment in trust for the Administrative Agent for the benefit of the Secured Parties, and as the property of the Administrative Agent for the benefit of the Secured Parties, separate from the funds and other property of such Chargor, and no later than the first Business Day following the receipt thereof, at the election of the Administrative Agent, such Chargor shall, subject to the rights of the First Lien Administrative Agent under the First Lien Loan Documents for so long as the First Lien Credit Facility remains outstanding, cause such Charged Property to be forwarded to the Administrative Agent for its custody, possession and disposition on behalf of the Secured Parties in accordance with the terms hereof and of the other Loan Documents.

## **16. ENFORCEMENT OF SECURITY**

### **16.1 Enforcement**

Subject to any restrictions in the First Lien Intercreditor Agreement, upon or at any time after the occurrence of an Event of Default (which is continuing) or if a Chargor requests the Administrative Agent to exercise any of its powers under this Debenture or if a petition or application is presented for the making of an administration order in relation to any Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of a Chargor or files such a notice with the court, the security created by or pursuant to this Debenture is immediately enforceable and the Administrative Agent may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

- (A) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property; and
- (B) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

## 16.2 **No Liability as Mortgagee in Possession**

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

## 16.3 **Right of Appropriation**

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargors hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**") the Administrative Agent shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (1) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (2) in the case of Investments and/or Shares, the market price of such Investments and/or Shares determined by the Administrative Agent by reference to a public index or by such other process as the Administrative Agent may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

## 16.4 **Effect of Moratorium**

The Administrative Agent shall not be entitled to exercise its rights under Clause 16.1 (*Enforcement*) or Clause 4 (*Crystallisation of Floating Charge*) where the right arises as a result of a continuing Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

# 17. **EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925**

## 17.1 **Extension of Powers**

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

## 17.2 **Restrictions**

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Administrative Agent of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers may be exercised by the Administrative Agent without notice to the Chargors on or at any time after the occurrence of an Event of Default (which is continuing).

### **17.3 Power of Leasing**

The statutory powers of leasing may be exercised by the Administrative Agent at any time on or after the occurrence of an Event of Default which is continuing and the Administrative 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 Law of Property Act 1925.

## **18. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **18.1 Appointment and Removal**

Subject to any restrictions in the First Lien Intercreditor Agreement, after the occurrence of an Event of Default which is continuing or if a petition or application is presented for the making of an administration order in relation to a Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an administrator (or the equivalent under the laws of any other jurisdiction) of a Chargor or files such a notice with the court or if requested to do so by a Chargor, the Administrative Agent may by deed or otherwise (acting through an authorised officer of the Administrative Agent), without prior notice to the Chargors:

- (A) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (B) appoint two or more Receivers of separate parts of the Charged Property;
- (C) remove (so far as it is lawfully able) any Receiver so appointed;
- (D) appoint another person(s) as an additional or replacement Receiver(s); or
- (E) appoint one or more persons to be an administrator of the Chargors.

### **18.2 Capacity of Receivers**

Each person appointed to be a Receiver pursuant to Clause 18.1 (*Appointment and Removal*) shall be:

- (A) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (B) for all purposes deemed to be the agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Administrative Agent; and
- (C) entitled to remuneration for his services at a rate to be fixed by the Administrative Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

### **18.3 Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Administrative Agent under the Law of Property Act 1925 (as extended

by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Administrative Agent in respect of any part of the Charged Property.

## **19. POWERS OF RECEIVER**

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of a Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargors which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of the Chargors):

- (A) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (B) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (C) all the powers and rights of an absolute owner and power to do or omit to do anything which a Chargor itself could do or omit to do; and
- (D) the power to do all things (including bringing or defending proceedings in the name or on behalf of a Chargor) which seem to the Receiver to be incidental or conducive to (1) any of the functions, powers, authorities or discretions conferred on or vested in him or (2) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (3) bringing to his hands any assets of the Chargors forming part of, or which when got in would be, Charged Property.

## **20. APPLICATION OF MONIES**

- (A) Subject to any restrictions in the First Lien Intercreditor Agreement, if an Event of Default shall have occurred and be continuing, and in accordance with Section 8.02 (*Remedies upon Event of Default*) of the Credit Agreement, at any time at the Administrative Agent's election, the Administrative Agent may apply all or any part of the Proceeds constituting the Charged Property, whether or not held in any account maintained under the sole dominion and control of the Administrative Agent, and any Proceeds of any other Charged Property, and any other amounts received by the Administrative Agent in respect of any other Loan Document or otherwise, against the Secured Obligations (whether matured or unmatured), in such order as set forth in the Credit Agreement.
- (B) Subject to any restrictions in the First Lien Intercreditor Agreement, all monies received or recovered by the Administrative Agent or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Administrative Agent (notwithstanding any purported appropriation by the Chargors) in accordance with Section 8.03 (*Application of Funds*) of the Credit Agreement.

## **21. PROTECTION OF PURCHASERS**

### **21.1 Consideration**

The receipt of the Administrative Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Administrative Agent or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

### **21.2 Protection of Purchasers**

No purchaser or other person dealing with the Administrative Agent or any Receiver shall be bound to inquire whether the right of the Administrative Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Administrative Agent or such Receiver in such dealings.

## **22. POWER OF ATTORNEY**

### **22.1 Appointment and Powers**

Each Chargor by way of security irrevocably appoints the Administrative Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may deem necessary or advisable (subject to any restrictions in the First Lien Intercreditor Agreement,) for:

- (A) carrying out any obligation imposed on the Chargors by this Debenture or any other agreement binding on the Chargors to which the Administrative Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Property) and which the Chargors have failed to do; and
- (B) enabling the Administrative Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Charged Property).

### **22.2 Ratification**

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney appointed under Clause 22.1 (*Appointment and Powers*) in the exercise or purported exercise of all or any of his powers.

## **23. EFFECTIVENESS OF SECURITY**

### **23.1 Chargors' Obligations**

The obligations of each Chargor and the Collateral Rights shall not be discharged, impaired or otherwise affected by:

- (A) any winding-up, dissolution, administration or re-organisation of or other change in any Chargor or any other person;

- (B) any of the Secured Obligations being at any time illegal, invalid, unenforceable or ineffective;
- (C) any time or other indulgence being granted to any Chargor or any other person;
- (D) any amendment, variation, waiver or release of any of the Secured Obligations;
- (E) any failure to take or failure to realise the value of any other collateral in respect of the Secured Obligations or any release, discharge, exchange or substitution of any such collateral; or
- (F) any other act, event or omission which but for this provision would or might operate to impair, discharge or otherwise affect the obligations of any Chargor under this Debenture.

### **23.2 Continuing security**

- (A) The security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Administrative Agent.
- (B) No part of the security from time to time intended to be constituted by the Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

### **23.3 Cumulative Rights**

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

### **23.4 No Prejudice**

The security created by or pursuant to this Debenture and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to a Chargor or any other person, or the Administrative Agent (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Administrative Agent holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right.

### **23.5 Remedies and Waivers**

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



### **23.6 No Liability**

None of the Administrative Agent, its nominee(s) or any Receiver shall be liable to any person by reason of (1) taking any action permitted by this Debenture or (2) any neglect or default in connection with the Charged Property or (3) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

### **23.7 Partial Invalidity**

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

### **23.8 Waiver of defences**

The obligations of each Chargor under this Debenture will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Debenture (without limitation and whether or not known to it or any Finance Party) including:

- (A) any time, waiver or consent granted to, or composition with, any Chargor or other person;
- (B) the release of any Chargor 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 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 or any other person;
- (E) any amendment (however fundamental) or replacement of a Loan Document or any other document or security or of the Secured Obligations;
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Loan Document or any other document or security or of the Secured Obligations; or
- (G) any insolvency or similar proceedings.

### **23.9 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 a Chargor under this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

### **23.10 Deferral of Rights**

Until such time as the Secured Obligations have been discharged in full, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture:

- (A) to be indemnified by any Chargor;
- (B) to claim any contribution from any guarantor of any Chargor's obligations under this Debenture; and/or

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 Loan Documents or of any other guarantee or security taken pursuant to, or in connection with, this Debenture by any Secured Party.

## **24. RELEASE OF SECURITY**

### **24.1 Redemption of security**

Subject to Clause 24.3 (*Discharge Conditional*), below, upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to a Chargor or any other person under any of the Loan Documents, the Administrative Agent shall, at the request and cost of the Chargors, release and cancel the security constituted by this Debenture and procure the reassignment to the Chargors of the property and assets assigned to the Administrative Agent pursuant to this Debenture, in each case subject to Clause 24.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Administrative Agent or any of its nominees.

### **24.2 Avoidance of Payments**

If the Administrative Agent considers (acting reasonably) that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargors under this Debenture and the security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

### **24.3 Discharge Conditional**

- (A) Any release, settlement, discharge, re-assignment or arrangement between a Chargor and any Secured Party shall be conditional upon no assurance, security or payment to that Secured Party by the Chargors or any other person being avoided, set aside, clawed back, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of that Secured Party under this Debenture) that Secured Party shall be entitled to recover from the Chargors the value which that Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.
- (B) If any avoidance, reduction or clawback occurs or order is made as referred to in Clause 24.3(A), then the release given by a Secured Party shall have no effect and shall not prejudice the right to enforce this security in respect of the Secured Obligations. In such event, as between the Chargors and the Secured Parties,

this security (notwithstanding any release, settlement, discharge, re-assignment or arrangement) shall be deemed to have remained at all times in effect and held as security for the Secured Obligations.

#### **24.4 Releases**

For the avoidance of doubt, releases of Liens on any of the Charged Property granted hereunder shall be governed by Section 9.10 (*Collateral and Guaranty Matters*) of the Credit Agreement.

#### **25. SET-OFF**

The Chargors authorise the Administrative Agent (but the Administrative Agent shall not be obliged to exercise such right) during the Security Period, after the occurrence of an Event of Default which is continuing (subject to any restrictions in the First Lien Intercreditor Agreement), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Administrative Agent to the Chargors and apply any credit balance to which the Chargors are entitled on any account with the Administrative Agent in accordance with Clause 20 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

#### **26. SUBSEQUENT SECURITY INTERESTS**

##### **26.1 Subsequent Security Interests**

If the Administrative Agent (acting in its capacity as security trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or the Credit Agreement, all payments thereafter by or on behalf of the Chargors to the Administrative Agent (whether in its capacity as security trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of a Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Administrative Agent received such notice.

#### **27. ADMINISTRATIVE AGENT**

##### **27.1 Appointment of the Administrative Agent**

- (A) Each of the Secured Parties has irrevocably appointed the Administrative Agent to act as its trustee in connection with the Trust Documents.
- (B) Each of the Secured Parties have authorised the Administrative Agent to exercise the rights specifically given to the Administrative Agent under or in connection with the Loan Documents together with any other incidental rights.

##### **27.2 Role of the Administrative Agent**

- (A) The Administrative Agent shall hold the benefit of the Trust Documents on trust for the Secured Parties.
- (B) If the Administrative Agent receives notice from a party referring to any Trust Document, describing a Default and stating that the circumstance described is a

Default, it shall notify the Secured Parties in accordance with the terms of the Loan Agreement.

- (C) The Administrative Agent do not have any duties except those expressly set out in the Loan Documents. In particular, the Administrative Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

**27.3 No fiduciary duties; no duty to account**

- (A) Nothing in this Debenture constitutes the Administrative Agent as an agent, trustee or fiduciary of any Secured Party.
- (B) The Administrative Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

**27.4 Business with the Chargors**

The Administrative Agent may accept deposits from, lend money to, invest in and generally engage in any kind of banking or other business with the Chargors and any Affiliate of the Chargors.

**27.5 Discretions of the Administrative Agent**

- (A) The Administrative Agent may rely on:
  - (1) any representation, notice, document or other communication believed by it to be genuine, correct and appropriately authorised; and
  - (2) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his or her knowledge or within his or her power to verify.
- (B) The Administrative Agent may assume that:
  - (1) no Default has occurred; and
  - (2) any right vested in any Secured Party has not been exercised.
- (C) The Administrative Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- (D) The Administrative Agent may act in relation to the Loan Documents through its personnel and agents.
- (E) Notwithstanding that the Administrative Agent and one or more of the other Secured Parties may from time to time be the same entity, that entity has entered into the Loan Documents in those separate capacities. However, where the Loan Documents provide for the Administrative Agent and the other Secured Parties to provide instructions to or otherwise communicate with one or more of the others of them, then for so long as they are the same entity it will not be necessary for there to be any formal instructions or other communication, notwithstanding that the Loan Documents provide in certain cases for the same to be in writing.

- (F) Except as otherwise expressly provided in any Trust Document, the Administrative Agent shall be and is hereby authorised to assume without enquiry, in the absence of actual notice to the contrary, that each of the Chargors and the other parties to any of the Loan Documents (other than the Administrative Agent) is duly performing and observing all the covenants and provisions contained in or arising pursuant to any Trust Document or any other Loan Document respectively relating to it and on its part to be performed and observed.

## **27.6 Required Lenders**

- (A) Unless a contrary indication appears in a Loan Document, the Administrative Agent shall:
  - (1) act in accordance with any instructions given to it by the Required Lenders or greater group of Lenders provided for by the Loan Agreement (or, if so instructed by the Required Lenders or such greater group of Lenders provided for by the Loan Agreement or in the absence of an instruction from them, refrain from acting or exercising any power, authority, discretion or other right vested in it as Administrative Agent); and
  - (2) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Required Lenders.
- (B) Unless a contrary indication appears in a Loan Document, any instructions given by the Required Lenders will be binding on all the Lenders.
- (C) The Administrative Agent may refrain:
  - (1) from acting (in accordance with the instructions of the Required Lenders (or, if appropriate, the Lenders) or otherwise) until it has received such security and/or indemnity as it may require for any losses (including any associated irrevocable VAT) which it may incur in complying with the instructions; and
  - (2) from doing anything which may in its opinion be a breach of any law or duty of confidentiality or be otherwise actionable at the suit of any person.
- (D) In the absence of instructions from the Required Lenders (or, if appropriate, the Lenders), the Administrative Agent may act (or refrain from taking action) as it considers to be in the best interest of the Required Lenders.

## **27.7 Responsibility for documentation**

The Administrative Agent is not responsible for:

- (A) the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any Secured Party, any Chargor or any other person given in or in connection with any Loan Document; or
- (B) the legality, validity, effectiveness, adequacy or enforceability of any Loan Document or any other agreement, arrangement or other document entered into, made or executed in anticipation of or in connection with any Loan Document.

## 27.8 Exclusion of liability

- (A) The Administrative Agent will not be liable for any action taken by it under or in connection with any Loan Document, unless directly caused by its gross negligence or wilful misconduct.
- (B) No Party may take any proceedings against any officer, employee or agent of the Administrative Agent in respect of any claim it might have against the Administrative Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Loan Document. Any officer, employee or agent of the Administrative Agent may rely on this Clause 27.8(B).
- (C) The Administrative Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Loan Documents to be paid by the Administrative Agent if the Administrative Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Administrative Agent for that purpose.
- (D) The Administrative Agent shall not be under any obligation to insure any of the Charged Property or any certificate, note, bond or other evidence in respect of any of them or to require any other person to maintain that insurance and shall not be responsible for any losses which may be suffered as a result of the lack or inadequacy of that insurance.
- (E) The Administrative Agent shall not be responsible for any losses occasioned to the Charged Property, however caused, by any Chargor or any other person by any act or omission on the part of any person (including any bank, broker, depository, warehouseman or other intermediary or any clearing system or the operator of it), or otherwise, unless those losses are occasioned by the Administrative Agent's own gross negligence or wilful misconduct. In particular the Administrative Agent shall be not responsible for any losses which may be suffered as a result of any assets comprised in the Charged Property, or any deeds or documents of title to them, being uninsured or inadequately insured or being held by it or by or to the order of any custodian or by clearing organisations or their operators or by any person on behalf of the Administrative Agent.
- (F) Except as expressly set out in the Loan Agreement, the Administrative Agent shall have no responsibility to the Chargors as regards any deficiency which might arise because any Chargor is subject to any tax in respect of the Charged Property or any income or any proceeds from or of them.
- (G) Except as expressly set out in the Credit Agreement, the Administrative Agent shall not be liable for any failure, omission or defect in giving notice of, registering or filing, or procuring registration or filing of, or otherwise protecting or perfecting, the security constituted over the Charged Property.

## 27.9 Additional Administrative Agent

The Administrative Agent may at any time appoint (and subsequently remove) any person to act as a separate security trustee or as a co-trustee jointly with it (any such person, an **"Additional Administrative Agent"**):

- (A) if it is necessary in performing its duties and if the Administrative Agent reasonably considers that appointment to be in the interest of the Secured Parties; or
  - (B) for the purposes of complying with or confirming to any legal requirements, restrictions or conditions which the Administrative Agent deems to be relevant; or
  - (C) for the purposes of obtaining or enforcing any judgment or decree in any jurisdiction,
- and the Administrative Agent will give notice to the other Parties of any such appointment.

#### **27.10 Confidentiality**

- (A) In acting as Administrative Agent for the Secured Parties, the Administrative Agent shall be regarded as acting through its syndication or agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (B) If information is received by another division or department of the Administrative Agent, it may be treated as confidential to that division or department and the Administrative Agent shall not be deemed to have notice of it.
- (C) Notwithstanding any other provision of any Loan Document to the contrary, the Administrative Agent are not obliged to disclose to any other person:
  - (1) any confidential information; or
  - (2) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

#### **27.11 Relationship with the Lenders**

The Administrative Agent may treat each Secured Party as a Secured Party, entitled to payments under any Trust Document unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of any Trust Document.

#### **27.12 Credit appraisal by the Secured Parties**

Without affecting the responsibility of the Chargors for information supplied by it or on its behalf in connection with any Loan Document, each Secured Party confirms to the Administrative Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Loan Document, including:

- (A) the financial condition, status and nature of the Chargors;
- (B) the legality, validity, effectiveness, adequacy or enforceability of any Loan Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Loan Document;
- (C) whether that Secured Party has recourse, and the nature and extent of that recourse, against any party or any of its respective assets under or in connection with any Loan Document, the transactions contemplated by the Loan Documents or any other

agreement, arrangement or other document entered into, made or executed in anticipation of, under or in connection with any Loan Document; and

- (D) the adequacy, accuracy and/or completeness of any information provided by the Administrative Agent, any other party or any other person under or in connection with any Loan Document, the transactions contemplated by the Loan Documents or any other agreement, arrangement or other document entered into, made or executed in anticipation of, under or in connection with any Loan Document.

#### **27.13 Security Agreements**

- (A) The Administrative Agent shall accept without investigation, requisition or objection whatever title any person may have to the assets which are subject to the Trust Documents law and shall not:
  - (1) be bound or concerned to examine or enquire into the title of any person; or
  - (2) be liable for any defect or failure in the title of any person, whether that defect or failure was known to the Administrative Agent or might have been discovered upon examination or enquiry and whether it is capable of remedy or not.
- (B) Upon the appointment of any successor Administrative Agent, the resigning Administrative Agent shall execute and deliver any documents and do any other acts and things which may be necessary to vest in the successor Administrative Agent all the rights vested in the resigning Administrative Agent under the Trust Documents.
- (C) Each of the other Secured Parties:
  - (1) authorises the Administrative Agent to hold each mortgage or charge created pursuant to any Loan Document in its sole name as trustee for the Secured Parties; and
  - (2) requests the Land Registry to register the Administrative Agent as the sole proprietor of any mortgage or charge so created.

#### **27.14 Distribution of proceeds of enforcement**

- (A) To the extent that the Trust Documents provide for the net proceeds of any enforcement to be applied against the Secured Obligations, the Administrative Agent shall pay them to the Administrative Agents and the Administrative Agents shall apply them in payment of any amounts due but unpaid under the Loan Documents in accordance with the terms of the Loan Agreement. This shall override any appropriation made by the Chargors.
- (B) The Administrative Agent may, at its discretion, accumulate proceeds of enforcement in an interest bearing account in its own name.

#### **27.15 No obligation to remain in possession**

If the Administrative Agent, any Receiver or any delegate takes possession of all or any of the Secured Assets, it may from time to time in its absolute discretion relinquish such possession.



#### **27.16 Administrative Agent's obligation to account**

The Administrative Agent shall not in any circumstances (either by reason of taking possession of the Secured Assets or for any other reason and whether as mortgagee in possession or on any other basis):

- (A) be liable to account to the Chargors or any other person for anything except the Administrative Agent's own actual receipts which have not been distributed or paid to the Chargors or the persons entitled or at the time of payment believed by the Administrative Agent to be entitled to them; or
- (B) be liable to the Chargors or any other person for any principal, interest or losses from or connected with any realisation by the Administrative Agent of the Charged Property or from any act, default, omission or misconduct of the Administrative Agent, its officers, employees or agents in relation to the Charged Property or from any exercise or non-exercise by the Administrative Agent of any right exercisable by it under any Trust Document unless they shall be caused by the Administrative Agent's own gross negligence or wilful misconduct.

#### **27.17 Receiver's and delegate's obligation to account**

All the provisions of Clause 27.16 shall apply in respect of the liability of any Receiver or Administrator or delegate in all respects as though every reference in Clause 27.16 to the Administrative Agent were instead a reference to the Receiver or, as the case may be, Administrator or delegate.

### **28. ASSIGNMENT**

The Administrative Agent may at any time assign any of its rights or obligations under this Deed to any successor Administrative Agent. Any changes to the appointment of the Administrative Agent shall be made in accordance with the Credit Agreement. The Administrative Agent shall be entitled to disclose such information concerning the Chargors and this Debenture as the Administrative Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

### **29. NOTICES**

All notices, requests and demands to or upon the respective Parties hereto to be effective shall be in writing and shall be given in the manner prescribed in Section 11.02(a) (*Notices Generally*) of the Credit Agreement.

### **30. EXPENSES, STAMP TAXES AND INDEMNITY**

#### **30.1 Stamp Taxes**

The Chargors shall pay all stamp, registration and other taxes to which this Debenture, the security contemplated in this Debenture or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Administrative Agent within five Business Days of demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.

### 30.2 **Indemnity**

Each Chargor shall, notwithstanding any release or discharge of all or any part of the security, indemnify the Administrative Agent, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by such Chargor of the provisions of this Debenture, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or otherwise relating to the Charged Property.

### 31. **PERPETUITY PERIOD**

The perpetuity period under the rule against perpetuities, if applicable to this Debenture, shall be the period of one hundred and twenty (120) years from the date of the Credit Agreement.

### 32. **PAYMENTS FREE OF DEDUCTION**

Section 3.01 (*Taxes*) of the Credit Agreement shall apply to this Debenture as if it was set out in full again here, with any changes that are necessary to fit this context.

### 33. **DISCRETION AND DELEGATION**

#### 33.1 **Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Administrative Agent or any Receiver may, subject to the terms and conditions of the Credit Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

#### 33.2 **Delegation**

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

### 34. **GOVERNING LAW**

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

### 35. **JURISDICTION**

#### 35.1 **English Courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or connected with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or the consequences of its nullity and any non-contractual obligations arising out of or in connection with this Debenture).

### 35.2 **Convenient Forum**

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary. Each party irrevocably waives any objection which it might at any time have to the courts of the England being nominated as the forum to hear and determine any Disputes.

### 35.3 **Agent for Service of Process**

Bromford Intermediate Holdings, Ltd. irrevocably appoints Bromford Midco Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture and agrees that failure by a process agent to notify Bromford Intermediate Holdings, Ltd. of the process will not invalidate the proceedings concerned.

### 35.4 **Exclusive Jurisdiction**

This Clause 35 (*Jurisdiction*) is for the benefit of the Administrative Agent only. As a result and notwithstanding Clause 35.1 (*English Courts*), it does not prevent the Administrative Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Administrative Agent may take concurrent proceedings in any number of jurisdictions.

**THIS DEBENTURE** has been signed on behalf of the Administrative Agent and executed as a deed by each Chargor and is delivered by it on the date specified above.

## SCHEDULE 1

### Chargor Information

I.	II.	III.	IV.	V.	VI.
Name	Jurisdiction of Formation / Form of Equity / Registered or I.D Number	Address of Chief Executive / Registered Office	Collateral Locations (and Type of Collateral)	Name and address of Owner of Collateral Location (If other than Chargor)	Relationship of Persons listed in V to Chargor (e.g., lessor, warehousemen)
Bromford Intermediate Holdings Ltd	Cayman Islands Exempted company incorporated with limited liability 309889	Maples Corporate Services Limited PO Box 309 Ugland House, Grand Cayman, KY1-1104 Cayman Islands	N/A	N/A	N/A
Bromford Midco Limited	England and Wales private limited company 11262280	Pegasus House 1 Bromford Gate Erdington Birmingham B24 8DW	N/A	N/A	N/A

SCHEDULE 2

Details of Real Property

No.	Property	Address	Title number(s)	Tenure	Chargor	Excluded Property (Y/N)
1.	None.					

### SCHEDULE 3

#### Shares and Investments

##### SHARES

Name of Company	Issued Share Capital	Description, Number of Shares Held and Percentage Ownership	Chargor
AeroCision Parent LLC (Delaware LLC)	100% Class A Membership Interests	100% Class A Membership Interests	Bromford Intermediate Holdings, Ltd
Bromford Group Limited (English private limited company)	27,000,003 ordinary shares	27,000,003 ordinary shares	Bromford Midco Limited

##### INVESTMENTS

Chargor	Name and Type of Issuer	Quantity of Interest	Certificate Number

## **SCHEDULE 4**

### **Accounts**

#### **DEPOSIT ACCOUNTS**

<b>Chargor</b>	<b>Name and Address of Account Bank</b>	<b>Account Number</b>	<b>Sort / SWIFT Code</b>	<b>Currency</b>
	None.			

#### **SECURITIES ACCOUNTS**

<b>Chargor</b>	<b>Name and Address of Broker</b>	<b>Account Number</b>
	None.	

## SCHEDULE 5

### Intellectual Property

#### COPYRIGHTS

##### *UK Copyright Registrations*

Chargor	Title	Registration No.	Issue Date
	None.		

##### *Pending UK Copyright Applications for Registration*

Chargor	Title	Application No.	Filing Date
	None.		

#### PATENTS

##### *UK Patents*

Chargor	Title	Patent No.	Issue Date
	None.		

##### *UK Patent Applications*

Chargor	Title	Application No.	Filing Date
	None.		

##### *Non-UK Patents*

Chargor	Country	Title	Patent No.	Issue Date
		None.		

##### *Non-U.S. Patent Applications*

Chargor	Country	Title	Application No.	Filing Date
		None.		



## TRADEMARKS

### *UK Trademark Registrations*

Chargor	Mark	Registration No.	Issue Date
	None.		

### *UK Trademark Applications*

Chargor	Mark	Application No.	Filing Date
	None.		

### *Non-UK Trademark Registrations*

Chargor	Country	Mark	Registration No.	Issue Date
		None.		

### *Non-UK Trademark Applications*

Chargor	Country	Mark	Application No.	Filing Date
		None.		

## INTERNET DOMAIN NAMES

Chargor	Domain Name
	None.

# PATENT LICENSES, TRADEMARK LICENSES AND COPYRIGHT LICENSES

## *Chargor as Licensor*

<b>Chargor / Licensor</b>	<b>Licensee Name and Address</b>	<b>License Agreement / Date of License</b>	<b>Title of Patent, Mark or Copyright</b>	<b>Registration No. and Date</b>
		None.		

## *Chargor as Licensee*

<b>Chargor / Licensee</b>	<b>Licensor Name and Address</b>	<b>License Agreement / Date of License</b>	<b>Title of Patent, Mark or Copyright</b>	<b>Registration No. and Date</b>
		None.		

## SCHEDULE 6

### Relevant Policies

Policy Start Date	Insurer	Insured	Policy Type	Policy Number
01 March 2021	CHUBB INS CO – UK  (Lloyd's Insurance Company S.A.  Reinsured by Lloyd's syndicate DCH 386 / QBE Europe SA/NV)	Bromford Holdings Ltd and Subsidiary Companies	360 UK Excess Employers' Liability Insurance	031134/01/2018/1520.01 / UKPKNC95190
01 March 2021	Lloyd's Underwriters	Bromford Holdings Ltd and Subsidiary Companies	Terrorism and Sabotage	B080113324L21
01 March 2021	AXA Insurance UK PLC	Bromford Industries Ltd	360 Corporate Motor Fleet Insurance Policy	LC FLE 7045801
01 March 2021	Aviva Insurance	Among others, Bromford Holdings Ltd and/or Bromford Investments Ltd and/or Bromford Group Ltd and/or Bromford Industries Ltd and/or associated and/or affiliated and/or subsidiary companies	Marine Cargo / Inland Transit	IPAVI19-1411
01 March 2021	Chubb European Group SE	Bromford Holdings Limited & Subsidiary Companies	Injury and Travel Insurance	UKBBBO47805121

01 March 2021	Zurich Insurance plc	Bromford Holdings Ltd and Subsidiary Companies	Inspection Contract and Plant Protection Policy	NRA13448
01 March 2021	American International Group UK Ltd	Bromford Intermediate Holdco (UK) Limited; Bromford Acquisitions Limited; Bromford Holdings Limited; Bromford Group Ltd; Bromford Industries Ltd; Bromford Technologies Limited; AeroCision, LLC and Subsidiary Companies	Aviation	B0801Q23725A21
01 March 2021	Lloyd's Syndicate AFB 26/23/623 (Beazley)	Bromford Holdings Ltd and Subsidiary Companies	Cyber Liability	B080139400P21

## SCHEDULE 7

### Part A

#### Form of Broker's Notice of Charge

To: [Broker]

Dear Sirs,

We refer to the terms of the debenture (the "**Debenture**") dated [\*\*\*] entered into by us in favour of Stellus Capital Investment Corporation (the "**Administrative Agent**"), a copy of which is attached hereto. Terms defined in the Debenture shall have the same meanings in this notice.

Notice is hereby given by us to you that, by and pursuant to the Debenture, we have charged to the Administrative Agent (subject to any notices in relation to security in favour of Citizens Bank, N.A.) all of our rights and benefits in and to [*describe securities*].

We should be grateful if you would acknowledge receipt of this notice by returning the enclosed copy along with an executed undertaking in the form enclosed herewith to the Administrative Agent at [\*\*\*] (attention [\*\*\*]).

Yours faithfully,

For and on behalf of  
[Chargor]

[On copy only:

Duly received and acknowledged for and on behalf of [Broker]

Dated: \*\*\*]

## Part B

### Form of Broker's Undertaking

To: [Chargor] and Stellus Capital Investment Corporation

From: [Broker]

Dear Sirs,

1. We refer to the debenture (the "Debenture") dated [\*\*\*] entered into by [Chargor] (the "Company") in favour of Stellus Capital Investment Corporation (the "**Administrative Agent**") under which all of the Company's right, title and interest in and to Investments as defined in the Debenture were charged to the Administrative Agent (subject to any notices in relation to security in favour of Citizens Bank, N.A. (the "**First Lien Agent**"). Terms defined in the Debenture have the same meaning when used in this Undertaking.
2. We understand that:
  - 2.1 we may from time to time be asked to deliver certificates, substantially in the form attached to this Undertaking ("**Broker's Certificates**"), to the Administrative Agent in relation to Shares/Investments purchased, or to be purchased, by us on behalf of the Company;
  - 2.2 amounts may, from time to time, be disbursed to us for the account of the Company by or on behalf of both or either of the Company and/or the Administrative Agent for application in or towards the purchase on behalf of the Company of any Investments which it may have agreed to purchase; and
  - 2.3 all amounts disbursed to us for the account of the Company by or on behalf of both or either of the Company and/or the Administrative Agent, and all Investments purchased or held by us on behalf of the Company, are subject to security in favour of the Administrative Agent **provided that** this does not prejudice any lien or other encumbrance that we may have over such Shares/Investments purchased by us for which payment has not been received by us.
3. We agree that (subject to paragraph 4), in consideration of the obligations expressed to be assumed in paragraphs 5 and 6, we shall hold all amounts disbursed to us for the account of the Company by or on behalf of both or either of the Company and/or the Administrative Agent in a separate account and we shall apply each such amount:
  - (A) **first**, in or towards the purchase by us on behalf of the Company of the Shares/Investments in relation to which such amount was so disbursed to us;
  - (B) **secondly**, in or towards the payment by us on behalf of the Company of any stamp duty payable in connection with the purchase of such Investments; and
  - (C) **thirdly**, in or towards the payment of our commission and any relevant levy for the purchase of such Investments.
4. No amount received by us in respect of any Investments shall be applied in accordance with the terms set out above unless:
  - 4.1 immediately before such application, we hold for the account of the Company in respect of such Investments sufficient amounts to enable us to pay on behalf of the Company all

amounts owing by it in respect of all such Investments, our fees, stamp duty and any Stock Exchange levy payable in respect of its purchase of such Investments; and

4.2 to the extent that any such amount is being applied in the purchase of any such Investments in the form of registered shares, we receive, against application of such amount:<sup>1</sup>

(A) a duly completed and duly executed stock transfer form transferring the title to such Investments to the Company (or such other person as it may have designated with the prior approval of the Administrative Agent) and either all share certificates and other evidence of title to such Investments or such indemnities or other evidence of the vendor's title to such Investments as would normally be accepted by English stockbrokers; or

(B) such evidence (such as stock notes) of a beneficial entitlement functionally equivalent to such Investments and held by the Company (or such other person as it may have designated) in any pool of shares registered in the name of any nominee from time to time of London Stock Exchange plc or other evidence of such entitlement as would normally be accepted by English stockbrokers; and

4.3 to the extent any such amount is being applied in the purchase of any such Shares/Investments in the form of bearer instruments, we receive, against application of such amount:

(A) definitive bearer certificates in respect of such Investments (having attached thereto the interest coupons relating to them); or

(B) such evidence of instructions given by the seller (or any financial institution acting as nominee for the seller) to any relevant clearance system that such Shares/Investments are to be credited to a securities account in the name of the Administrative Agent in such clearance system as would normally be accepted by an English financial institution dealing in such Investments (or securities similar thereto) within such clearance system; and

we shall promptly deliver to the Administrative Agent all documents (including the relevant contract notes) relating to the purchase of any Investments or otherwise purchased by or on behalf of the Company at any time after the date of this undertaking received or produced by us and, pending such delivery, we shall hold the same to the order of the Administrative Agent.

5. Notwithstanding anything herein to the contrary, we shall not be required to comply with any of our obligations set out herein to the extent they are inconsistent with any notices received from the First Lien Agent.

6. The Company and the Administrative Agent shall take all steps open to you to ensure that:

6.1 all amounts disbursed to us for the account of the Company by or on behalf of the Secured Parties are paid into such account of ours with such bank in London as we shall from time to time have specified by prior written notice to the Company and the Administrative Agent; and

6.2 the Administrative Agent shall promptly notify us of all amounts disbursed by it or on behalf of the Secured Parties to us for the account of the Company specifying, in relation to each such amount, the Investments in respect of which such amount is so disbursed.

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<sup>1</sup> These provisions will need amending if shares or securities are held through CREST.

7. The Company shall:
  - 7.1 pay all amounts disbursed to us by it or on its behalf into our account as specified above; and
  - 7.2 promptly notify us of all amounts disbursed by it or on its behalf to us specifying, in relation to each such amount, the Shares/Investments in respect of which such amount is so disbursed.
8. We should be grateful if you would confirm that you agree to the terms of this letter and to our utilising the amounts disbursed to us for the account of the Company by or on behalf of the Company or the Secured Parties in the manner described in this undertaking by countersigning the enclosed copy of this letter and returning it to us.
9. This letter shall be governed by, and construed in accordance with, English law.

Yours faithfully,

for and on behalf of  
[Broker]

We hereby acknowledge receipt of the letter attached to this acknowledgement and confirm our agreement to the terms of such letter and to your utilising the amounts disbursed to you for the account of the Company by or on behalf of the Company or the Secured Parties in the manner described in the letter.

for and on behalf of  
[Chargor]

By:

Dated:

for and on behalf of  
Stellus Capital Investment Corporation

By:

Dated:



## Part C

### Form of Broker's Certificate

To: Stellus Capital Investment Corporation

Attention: [\*\*\*]

From: [Broker]

Dated

Dear Sirs,

We refer to the undertaking (the "**Undertaking**") dated [\*\*\*] and given by us in favour of [Chargor] (the "**Company**") and Stellus Capital Investment Corporation (the "**Administrative Agent**").

We hereby certify that (*delete as appropriate*):

- (a) we have purchased [number] Investments on behalf of the Company at an aggregate purchase price of £[\*\*\*] and the Company has paid for such Investments;
- (b) an amount of £[\*\*\*] was payable, and has been paid, by the Company in respect of stamp duty and our fees and any relevant levy in relation to the purchase of the Investments referred to above;
- (c) we have purchased, or agreed to purchase, the following Investments on behalf of the Company:

No. of [Shares/Investments]	Purchase Price

and the purchase price of such Investments is now due from the Company or will fall due from the Company on or before [\*\*\*];

- (d) an amount of £[\*\*\*] is payable by the Company in respect of stamp duty, our fees and any relevant levy in relation to the purchase of the Investments referred to above;
- (e) the purchase of the Investments referred to above were all made or agreed by or on behalf of the Company on or before [\*\*\*];
- (f) we have issued no other certificates to you in substantially this form in relation to any of the Investments referred to above.

Yours faithfully,

for and on behalf of  
[Broker]

## SCHEDULE 8

### Form of Notice of Assignment of Insurance

To: [Insurer]

Date: [\*\*\*]

Dear Sirs,

We hereby give you notice that we have assigned to Stellus Capital Investment Corporation (the "**Administrative Agent**") pursuant to a debenture entered into by us in favour of the Administrative Agent dated [\*\*\*] all our right, title and interest in and to the proceeds of [*insert details of relevant insurance policy*] (the "**Policy of Insurance**") (subject to any notices in relation to security in favour of Citizens Bank, N.A.).

With effect from your receipt of this notice we instruct you to (subject to any notices in relation to security in favour of Citizens Bank, N.A.):

1. make all payments and claims [in excess of £[\*\*\*]] under or arising from the Policy of Insurance to the Administrative Agent [insert an account number if required] or to its order as it may specify in writing from time to time;
2. note the interest of the Administrative Agent on the Policy of Insurance; and
3. disclose to the Administrative Agent, without further approval from us, such information regarding the Policy of Insurance as the Administrative Agent may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance.

With effect from your receipt of this notice (to the extent permitted to do so under the terms of the Policy of Insurance) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Administrative Agent (subject to any notices in relation to security in favour of Citizens Bank, N.A.).

Notwithstanding anything herein to the contrary, the Administrative Agent shall not be entitled to exercise any rights herein whilst the security granted in favour of Citizens Bank, N.A. remains in existence (unless Citizens Bank, N.A. has provided you with notice to the contrary).

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Administrative Agent at [\*\*\*] marked for the attention of [\*\*\*].

Yours faithfully,

.....  
for and on behalf of  
[Chargor]

[On copy only:

To:     Stellus Capital Investment Corporation

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice other than in relation to security in favour of Citizens Bank, N.A.) and that we will comply with the terms of that notice, subject to any notices in relation to the security in favour of Citizens Bank, N.A.

We further confirm that no amendment or termination of the Policy of Insurance shall be effective unless we have given the Administrative Agent thirty days written notice of such amendment or termination.

For and on behalf of [\*\*\*]

By:     .....

Dated:

## SCHEDULE 9

### Form of Notice of Charge of Account

*[On Chargor's notepaper]*

To: *[Name and address of account bank]*

*[Date]*

Dear Sirs

**Account number[s]: [●]**

We refer to Account number[s]: [●] (the "**Account[s]**").

We give you notice that by a Debenture (the "**Debenture**") dated [●] 20[●] and entered into by us in favour of Stellus Capital Investment Corporation (the "**Administrative Agent**") we have charged all our rights in any credit balances on the Account[s] (the "**Balances**") and the indebtedness represented by the Account[s] (subject to any notices in relation to security in favour of Citizens Bank, N.A.).

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Administrative Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account[s] which the Administrative Agent may, at any time and from time to time, request;
- (b) at any time and from time to time on receipt by you of any written instruction from the Administrative Agent, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same);
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account[s], the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Administrative Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it);
- (d) statements shall be supplied to both us and the Administrative Agent; and
- (e) following receipt of any instruction, notice or statement from the Administrative Agent pursuant to paragraphs (b) or (c) above, all rights, interests and benefits whatsoever accruing to or arising from the Account[s] or Balances shall be exercisable by and shall belong to the Administrative Agent and shall not be exercisable by us.

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Administrative Agent's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account[s] to the Administrative Agent at the Administrative Agent's request.

Notwithstanding anything herein to the contrary, the Administrative Agent shall not be entitled to exercise any rights herein whilst the security granted in favour of Citizens Bank, N.A. remains in existence (unless Citizens Bank, N.A. has provided you with notice to the contrary).

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Administrative Agent, [●], at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

*[Name of Chargor]*

**By:** *[Name of signatory]*

## ACKNOWLEDGEMENT

To: Stellus Capital Investment Corporation

Date: [●]

We acknowledge receipt of a notice (the "**Notice**") dated [●] 20[●] addressed to us by *[Name of Chargor]* (the "**Chargor**") regarding Account number[s]: [●] (the "**Account[s]**").

We confirm that:

- (a) we consent to the charge of the Account[s] and will comply with the terms of the Notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts) over or with respect to all or any part of the Account[s] and/or the Balances (as defined in the Notice);
- (c) except for the security already granted in favour of Citizens Bank, N.A., we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Account[s] or the Balances;
- (d) we undertake that, on our becoming aware at any time that any person other than the Administrative Agent has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account[s] or the Balances, we will immediately give written notice of that to the Administrative Agent;
- (e) no fees or periodic charges are payable in respect of the Account[s] and/or Balances; and
- (f) we shall operate the Account[s] in accordance with the terms set out in the Notice.

.....  
for and on behalf of  
*[Name of account bank]*  
By: *[Name of signatory]*

## SCHEDULE 10

### PART IV

#### FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT

To: [\*\*\*]

Date: [\*\*\*]

Dear Sirs,

We hereby give you notice that we have assigned to Stellus Capital Investment Corporation (the "**Administrative Agent**") pursuant to a debenture entered into by us in favour of the Administrative Agent dated [\*\*\*] all our right, title and interest in and to [*details of contract/lease*] (the "[**Contract**]/[**Lease**]") including all monies which may be payable in respect of the [**Contract**]/[**Lease**] (subject to any notices in relation to security in favour of Citizen Bank, N.A.).

With effect from your receipt of this notice:

1. all payments by you to us under or arising from the [**Contract**]/[**Lease**] should be made [*insert details of the relevant Account*] or to such other account as the Administrative Agent may specify in writing from time to time;
2. all remedies provided for in the [**Contract**]/[**Lease**] or available at law or in equity are exercisable by the Administrative Agent;
3. all rights to compel performance of the [**Contract**]/[**Lease**] are exercisable by the Administrative Agent although we shall remain liable to perform all the obligations assumed by it under the [**Contract**]/[**Lease**];
4. all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the [**Contract**]/[**Lease**] belong to the Administrative Agent and no changes may be made to the terms of the [**Contract**]/[**Lease**] nor may the [**Contract**]/[**Lease**] be terminated without the Administrative Agent's consent; and
5. you are authorised and instructed, without requiring further approval from us, to provide the Administrative Agent with such information relating to the [**Contract**]/[**Lease**] (which you are required under the terms of the [**Contract**]/[**Lease**] to provide to us) as it may from time to time request and to send it copies of all notices issued by you under the [**Contract**]/[**Lease**] to the Administrative Agent as well as to us.

These instructions may not be revoked, nor may the terms of the [**Contract**]/[**Lease**] be amended, varied or waived without the prior written consent of the Administrative Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Administrative Agent at [\*\*\*] marked for the attention of [\*\*\*].

Notwithstanding anything herein to the contrary, the Administrative Agent shall not be entitled to exercise any rights herein whilst the security granted in favour of Citizens Bank, N.A. remains in existence (unless Citizens Bank, N.A. has provided you with notice to the contrary).

Yours faithfully,

.....  
for and on behalf of

**[*name of Chargor*]**



[On copy only:

To: Stellus Capital Investment Corporation

Attention: [\*\*\*]

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the [Contract]/[Lease] and that we will comply with the terms of that notice.

We further confirm that:

- (a) we shall make all payments under or arising from the [Contract]/[Lease] into [*insert details of the relevant Account*] or to such other account as the Administrative Agent may specify in writing from time to time;
- (b) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Administrative Agent unless it is of a minor, technical or non-operational nature which could not reasonably be expected to adversely affect the interests of the Administrative Agent or any person for which the Administrative Agent holds the benefit of the debenture on trust for;
- (c) no termination of such rights, interests or benefits shall be effective unless we have given the Administrative Agent thirty days written notice of the proposed termination, specifying the action necessary to avoid such termination; and
- (d) no breach or default on the part of [*Chargor*] of any of the terms of the [Contract]/[Lease] shall be deemed to have occurred unless we have given notice of such breach to the Administrative Agent specifying how to make good such breach.

For and on behalf of [\*\*\*]

By: .....

Dated:

**The Chargors**

Executed as a deed on behalf of )  
**BROMFORD INTERMEDIATE** )  
**HOLDINGS, LTD.**, acting by a duly )  
authorised signatory who, in accordance )  
with the laws of the jurisdiction of )  
incorporation, is acting under the )  
authority of the company in the )  
presence of: )

.....  
Name: Rowan Gregory Paxton Taylor  
Title: Director

.....  
**Signature of witness**

Witness Name:

Megan Farr

Witness Address:

200 Meeting St.  
Charleston, SC

.....  
Witness Occupation:

Office Manager

Executed as a deed on behalf of )  
**BROMFORD MIDCO LIMITED** )  
acting by a director in the presence of: )

.....  
Name: Gary Jesse Lowe  
Title: Director

.....  
**Signature of witness**

Witness Name:

Witness Address:

.....  
Witness Occupation:

## The Chargors

Executed as a deed on behalf of )  
**BROMFORD INTERMEDIATE** )  
**HOLDINGS, LTD.**, acting by a duly )  
authorised signatory who, in accordance )  
with the laws of the jurisdiction of )  
incorporation, is acting under the )  
authority of the company in the )  
presence of: )

.....  
Name: Rowan Gregory Paxton Taylor  
Title: Director

### Signature of witness

Witness Name: .....

Witness Address: .....

Witness Occupation: .....

Executed as a deed on behalf of )  
**BROMFORD MIDCO LIMITED** )  
acting by a director in the presence of: )

.....  
Name: Gary Jesse Lowe  
Title: Director

### Signature of witness

Witness Name: ELIZABETH LOWE

Witness Address: 90N. COURT

HILL ROAD KIDDERMINSTER

OXFORD

Witness Occupation: RETIRED TEACHER

**The Administrative Agent**

Signed by an authorised signatory of  
**STELLUS CAPITAL INVESTMENT CORPORATION**

)  
)  
)

Name:

*ROBERT T. LADD*