

MR01

Particulars of a charge

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
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This form must be delivered to the Registrar for registration
21 days beginning with the day after the date of creation
delivered outside of the 21 days it will be rejected unless
court order extending the time for delivery.



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



S5C37ZIP

SCT 27/07/2016 #475
COMPANIES HOUSE

1 Company details

Company number S C 0 1 0 9 7 5

Company name in full Dobbies Garden Centres Limited (the "Pledgor")

For official use
30

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 2 0 7 2 0 1 6

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

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

Name Ares Management Limited (the "Security Agent")

Name

Name

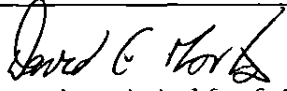
Name

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

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

MR01

Particulars of a charge

4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument. Brief description N/A	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes	
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ① You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06).
9	Signature Please sign the form here. Signature X  X For and on behalf of DLA Piper Scotland LLP This form must be signed by a person with an interest in the charge.	

MR01

Particulars of a charge



Presenter information

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

Contact name Ataikor Ngerebara

Company name DLA Piper Scotland LLP

Address Rutland Square

EDINBURGH

Post town

County/Region

Postcode E H 1 2 A A

Country

DX DX: ED271 Edinburgh

Telephone 08700 111 111



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



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

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

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



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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10975

Charge code: SC01 0975 0030

The Registrar of Companies for Scotland hereby certifies that a charge dated 20th July 2016 and created by DOBBIES GARDEN CENTRES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th July 2016.

Given at Companies House, Edinburgh on 29th July 2016



Companies House



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



DATED

20 July 2016

(1) DOBBIES GARDEN CENTRES LIMITED

- and -

**(2) ARES MANAGEMENT LIMITED
AS SECURITY AGENT**

SHARE PLEDGE
relating to
Edinburgh Butterfly Farm Limited



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE **22 JULY 2016**

SIGNED **DLA PIPER SCOTLAND LLP**
DLA PIPER SCOTLAND LLP

1964-1965

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	SECURITY	3
3.	PROTECTION OF SECURITY	5
4.	REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS	6
5.	THE SHARES	7
6.	ENFORCEMENT	8
7.	APPLICATION OF PROCEEDS AND INTERCREDITOR AGREEMENT	9
8.	LIABILITY OF THE SECURITY AGENT	9
9.	SET-OFF	9
10.	DELEGATION	10
11.	FURTHER ASSURANCES	10
12.	POWER OF ATTORNEY	11
13.	CURRENCY CONVERSION	11
14.	MISCELLANEOUS	11
15.	NOTICES	12
16.	CALCULATIONS AND CERTIFICATES	12
17.	PARTIAL INVALIDITY	13
18.	REMEDIES AND WAIVERS	13
19.	AMENDMENTS AND WAIVERS	13
20.	RELEASE	13
21.	GOVERNING LAW	14
	SCHEDULE: THE COMPANY AND THE EXISTING SHARES	15

THIS SHARES PLEDGE is made on

20 July 2016

BY:

- (1) **DOBBIES GARDEN CENTRES LIMITED** a company incorporated in Scotland (registered number SC010975) whose registered office is at Melville Nurseries, Lasswade, Midlothian EH18 1AZ (the "Pledgor");

IN FAVOUR OF

- (2) **ARES MANAGEMENT LIMITED** (as security trustee for the Secured Parties (as defined below)) (in such capacity, the "Security Agent").

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Pledge unless the context requires otherwise:

"**Additional Shares**" means any shares in the Company (other than the Existing Shares) including any such shares comprised in Related Rights, at any time hereafter beneficially owned by the Pledgor;

"**Company**" means the company specified in the Schedule;

"**Declared Default**" means an Event of Default or a Material Event of Default in respect of which any notice has been issued or rights exercised by the Agent under clause 26.19 (*Acceleration*) or clause 26.20 (*Revolving Facility Acceleration*) of the Senior Facilities Agreement;

"**Default Rate**" means the rate of interest determined in accordance with clause 12.3 (*Default interest*) of the Senior Facilities Agreement;

"**Delegate**" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Security Agent;

"**Event of Default**" means each Event of Default as defined in the Senior Facilities Agreement;

"**Existing Shares**" means the shares in the Company specified in columns 4 and 5 of the Schedule;

"**Pledge**" means these presents, (including the Schedule) as amended or supplemented from time to time;

"**Pledged Assets**" means the Existing Shares, the Additional Shares and the Related Rights;

"**Related Rights**" means all dividends, interest, distributions and other rights of whatever nature now or hereafter payable on or arising or accruing in respect of the Shares including, without limiting that generality, all shares or other securities (and dividends, interest, distributions and other rights relating thereto) offered or otherwise arising or accruing by way of redemption, bonus, substitution, exchange or otherwise in respect of the Shares;

"Schedule" means the schedule annexed as relative to this Pledge;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Pledgor to the Security Agent and/or the Secured Parties (or any of them) under or pursuant to any Finance Document, and all or any monies, liabilities and obligations undertaken to be paid under this Pledge;

"Security Period" means the period beginning on the date of this Pledge and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents;

"Senior Facilities Agreement" means the senior term and revolving facilities agreement dated 17 June 2016 between (1) Danataugusta Midco Limited as Parent, (2) Danataugusta Bidco Limited as Company, (3) the entities listed in part 1 of schedule 1 to it as Original Borrowers, (4) the entities listed in part 1 of schedule 1 to it as Original Guarantors, (5) Ares Management Limited as Arranger, (6) the financial institutions listed in parts 2 and 3 of schedule 1 to it as Original Lenders, (7) Ares Management Limited as Agent, and (8) Ares Management Limited as Security Agent (as the same may be amended, supplemented, novated and/or restated from time to time); and

"Shares" means the Existing Shares and the Additional Shares.

1.2 Senior Facilities Agreement definitions

In this Pledge, terms defined in, or construed for the purposes of, the Senior Facilities Agreement have the same meanings when used in this Pledge (unless the same are otherwise defined in this Pledge).

1.3 Interpretation

- (a) Unless a contrary indication appears in this Pledge, the provisions of clause 1.2 of the Senior Facilities Agreement (other than clause 1.2(c)) apply to this Pledge as though they were set out in full in this Pledge, except that references to *"this Agreement"* will be construed as references to this Pledge.
- (b) In this Pledge unless the context requires otherwise:
 - (i) words importing the singular shall include the plural and vice versa;
 - (ii) references to this Pledge or any other document shall be constituted as references to this Pledge or such other document as amended, varied, restated, supplemented or novated from time to time;
 - (iii) references to any statute or statutory provision (including any subordinate legislation) shall include any statute or statutory provision for the time being in force which amends, extends, consolidates or replaces the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision;

- (iv) references to a **"person"** shall include any individual, firm, company, corporation, body, trust or foundation, or any association, partnership or unincorporated body (whether or not having separate legal personality);
 - (v) any reference to the Security Agent includes its permitted successors, transferees and assignees;
 - (vi) references to a document **"in the agreed form"** means a document in a form agreed by the Pledgor and the Security Agent and initialled by, or on behalf of, each of them for the purpose of identification as such; and
 - (vii) **"tax"** means all forms of taxation, duties, imposts and levies whatsoever in the nature of taxation whenever and wherever imposed, including (but without limitation) all stamp duties, imposts, duties, capital and revenue taxes and value added tax, and **"taxes"** and **"taxation"** shall be construed accordingly.
- (c) Each undertaking of the Pledgor (other than a payment obligation) contained in this Pledge:
- (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Pledgor for the benefit of the Security Agent and each other Secured Party.

1.4 Headings

The table of contents and the headings in this Pledge are included for convenience only and shall be ignored in construing this Pledge.

1.5 Conflict

If there is any conflict between the provisions of this Pledge and the provisions of the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail.

2. SECURITY

2.1 Payment

The Pledgor undertakes to the Security Agent that it will pay and discharge the Secured Obligations from time to time when they fall due.

2.2 Security

In security for the payment and discharge of the Secured Obligations the Pledgor hereby:

- (a) pledges and assigns the Existing Shares and Related Rights to which it is entitled at the date hereof to the Security Agent on the terms and conditions specified in this Pledge; and
- (b) undertakes to pledge and assign any Additional Shares and Related Rights to which it becomes entitled after the date hereof to the Security Agent in accordance with the provisions of this Pledge.

2.3 Transfer

- (a) Immediately upon execution of this Pledge, the Pledgor shall deliver to the Security Agent:
 - (i) valid executed transfer(s) of the Existing Shares in favour of the Security Agent or its nominee (stamped and dated);
 - (ii) evidence satisfactory to the Security Agent that the transfer(s) of the Existing Shares to the Security Agent or its nominee has been approved by the board of directors of the Company in accordance with the articles of association;
 - (iii) a share certificate in the name of the Security Agent or its nominee in respect of the Existing Shares; and
 - (iv) a certified copy of the updated Register of Members of the Company reflecting the registration of the Existing Shares in the name of the Security Agent or its nominee in accordance with the articles of association of the Company.
- (b) If the Pledgor becomes entitled to or acquires any Additional Shares it shall promptly notify the Security Agent and promptly on request by the Security Agent deliver to the Security Agent:
 - (i) valid executed transfer(s) of the Additional Shares in favour of the Security Agent or its nominee (stamped and dated);
 - (ii) evidence satisfactory to the Security Agent that the transfer(s) of the Additional Shares to the Security Agent or its nominee has been approved by the board of directors of the Company in accordance with the articles of association;
 - (iii) a share certificate in the name of the Security Agent or its nominee in respect of the Additional Shares; and
 - (iv) a certified copy of the updated Register of Members of the Company reflecting the registration of the Additional Shares in the name of the Security Agent or its nominee in accordance with the articles of association of the Company.
- (c) This Pledge shall be conditional upon and shall not be deemed to have been completed and in force until clause 2.3(a) above has been complied with to the satisfaction of the Security Agent.

2.4 Prohibition of other securities etc

Unless the Security Agent otherwise agrees in writing, the Pledgor shall not assign or create or permit any form of security, charge or encumbrance to arise over or except only as permitted by the terms of the Senior Facilities Agreement otherwise deal with the Pledged Assets or any part thereof until the expiry of the Security Period.

3. PROTECTION OF SECURITY

3.1 Continuing security

This Pledge is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Pledge shall remain in full force and effect as a continuing security for the duration of the Security Period.

3.2 No prejudice

This Pledge is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Agent and/or any other Secured Party may at any time hold for all or any part of the Secured Obligations.

3.3 Right to enforce

This Pledge may be enforced against the Pledgor without the Security Agent and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

3.4 Non impairment

The Pledgor agrees that none of its obligations or the Security Agent's rights, powers and discretions under this Pledge shall be reduced, discharged or otherwise adversely affected by:

- (a) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any Security or any right or remedy which the Security Agent may have now or in the future from or against the Pledgor or any other person in respect of any of the Secured Obligations; or
- (b) any failure, act or omission by the Security Agent or any other person in taking up, perfecting or enforcing any Security or guarantee from or against the Pledgor or any other person in respect of the Secured Obligations; or
- (c) any increase in or waiver or discharge of any of the Secured Obligations or any termination, amendment, variation, supplement, restatement, novation or replacement of the Senior Facilities Agreement or the other Finance Documents; or
- (d) any grant of time, indulgence, waiver or concession to the Pledgor or any other person; or
- (e) any of the administration, receivership, liquidation, winding-up, insolvency, bankruptcy, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name or style of the Pledgor or any other person; or
- (f) any invalidity, illegality, unenforceability, irregularity or frustration of the Secured Obligations; or
- (g) any renumbering, redesignation, subdivision, consolidation, alteration or variation of the Shares; or
- (h) anything done or omitted to be done by the Security Agent or any other person which but for this provision might operate to exonerate or discharge or otherwise reduce or extinguish the liability of the Pledgor under this Pledge.

4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

4.1 Representations and warranties

The Pledgor represents and warrants to the Security Agent that:

- (a) it has not, save for the Security granted by this Pledge or as otherwise provided in the Intercreditor Agreement, granted or created any other Security, charge or encumbrance over the Pledged Assets or any interest therein, or agreed, conditionally or unconditionally, to do so; and
- (b) it has not, save for the Security granted by this Pledge, entered into any agreement or granted any option to sell or otherwise dispose of the Pledged Assets or any interest therein, or agreed, conditionally or unconditionally, to do so;
- (c) save for the Security granted by this Pledge, it is the absolute unencumbered owner of the Existing Shares and Related Rights in respect thereof;
- (d) the Existing Shares are fully paid;
- (e) the Existing Shares represent the entire issued share capital of the Company; and
- (f) the information contained in the Schedule is complete and accurate in all respects.

4.2 Undertakings

The Pledgor undertakes to the Security Agent that it shall:

- (a) not, save for the Security granted by this Pledge or as otherwise provided in the Intercreditor Agreement sell, transfer, lend or otherwise dispose of, or grant or create any option, right of pre-emption, warrant or other right to subscribe for, purchase or otherwise acquire, the Pledged Assets or any interest therein or agree, conditionally or unconditionally, to do so;
- (b) not take or omit to take any action which would prejudice the security constituted pursuant to this Pledge or impair the value of the Pledged Assets and shall, at its own cost, promptly take all action which is at any time necessary or which the Security Agent may reasonably and properly request, to protect the value of the interests of the Pledgor and the Security Agent in the Pledged Assets;
- (c) not, save for the Security granted by this Pledge and in accordance with paragraph 4.2(d) below, vary or abrogate any of the rights attached to the Pledged Assets or take or omit to take any action which would have that result; and
- (d) following a Declared Default, take such action as the Security Agent may reasonably request in respect of any proposed consolidation, subdivision, reorganisation, arrangement, conversion, exchange, repayment or takeover offer affecting or relating to the Pledged Assets or any of them or any proposal made for varying or abrogating any rights attaching to the Pledged Assets or any of them.

5. THE SHARES

5.1 Voting rights

- (a) Unless a Declared Default has occurred, the Pledgor shall be entitled to exercise the voting rights attaching to the Shares subject to and in accordance with the provisions of clauses 5.1(a) to 5.1(d) below. Otherwise, such voting rights may be exercised by the Security Agent as it thinks fit.
- (b) The Pledgor shall not be entitled to exercise the voting rights attaching to the Shares following the occurrence of a Declared Default.
- (c) Unless a Declared Default has occurred, the Pledgor shall be entitled to exercise all voting and all other rights and powers attaching to the Shares, provided that it must not do so in a manner which:
 - (i) has the effect of changing the terms of the Pledged Assets (or any class of them (or of any Retained Rights unless permitted by the Finance Documents; or
 - (ii) is prejudicial to the interests of the Security Agent and/or the other Secured Parties including without prejudice any of the following:
 - (A) the alteration of the memorandum or articles of association of the Company;
 - (B) the issue of any shares in the Company;
 - (C) the purchase or redemption by the Company of any of its own shares;
 - (D) the reduction of the share capital of the Company; or
 - (E) the winding up of the Company or the approval of any voluntary arrangement in relation to it.
- (d) If so requested by the Pledgor, the Security Agent shall appoint or procure the appointment of the Pledgor as its proxy in respect of the Shares in accordance with the provisions of this clause but any such appointment shall (notwithstanding any express or implied term to the contrary) terminate and cease to have effect on the occurrence of a Declared Default and in relation to any matter falling within any of the provisions of clause 5.1(c).

5.2 Dividends

- (a) Unless a Declared Default has occurred, the Security Agent shall (subject always to clause 5.2(b)) and save as otherwise provided in the Intercreditor Agreement account to the Pledgor for all dividends, interest and other distributions paid in respect of the Shares and shall if so requested by the Pledgor complete and deliver an appropriate dividend mandate or mandates.
- (b) After the occurrence of a Declared Default, the Security Agent may and save as otherwise provided in the Intercreditor Agreement retain all dividends, interest and distributions paid in respect of the Shares and apply them in or towards settlement of the Secured Obligations on the same basis as proceeds under clause 6 (*Enforcement*).

If the Pledgor or any person on its behalf receives or obtains the benefit of any such dividends, interest or distributions after the occurrence of a Declared Default it shall immediately pay over and account for the same to the Security Agent.

- (c) The Security Agent shall use reasonable endeavours to promptly pass on to the Pledgor all notices or other communications (or a copy thereof) it may receive from the Company in relation to the Shares but shall not be liable for any failure to do so.
- (d) Without prejudice to clause 2.3(b), any shares or other securities comprised in Related Rights shall be issued to and registered in the name of the Security Agent or its nominee, failing which the Pledgor shall forthwith transfer them to the Security Agent or its nominee in accordance with clause 2.3(b).

5.3 Calls on Shares

The Pledgor shall promptly pay any calls which may be made or meet any other obligations arising in respect of the Shares, failing which the Security Agent may (but shall not be obliged to) make the relevant payments or meet such obligations, the amount of which shall be repayable by the Pledgor on demand, together with interest at the Default Rate from the date of demand until settlement and shall constitute Secured Obligations.

6. ENFORCEMENT

6.1 Powers

At any time after the occurrence of a Declared Default, the Security Agent shall be entitled, without notice to the Pledgor or any other person, either in its own name or in the name of the Pledgor or otherwise and in such manner and upon such terms and conditions as it thinks fit:

- (a) to sell, transfer, assign or otherwise dispose of the Pledged Assets by public or private sale with or without advertisement in such manner and on such terms and conditions as the Security Agent may consider expedient, and apply the proceeds in or towards satisfaction of, or retain them as continuing security for, the Secured Obligations; and
- (b) generally, without prejudice to the other provisions of this clause, to exercise all the rights powers and discretions in respect of the Pledged Assets it would be entitled to exercise if it were the absolute owner of the Pledged Assets, and to do all acts and things it may consider necessary or expedient for the realisation of the Pledged Assets and the application of the proceeds in or towards settlement of, or their retention as continuing security for, the Secured Obligations, or as may be incidental to the exercise of any of the rights, powers and discretions conferred on the Security Agent under this Pledge.

6.2 Third parties

- (a) No purchaser from or other person dealing with the Security Agent in relation to the Pledged Assets shall be concerned to enquire whether any of the powers exercised or purported to be exercised by the Security Agent hereunder has become exercisable, whether any of the Secured Obligations remains outstanding, or generally as to the propriety or validity of the exercise or purported exercise of any power hereunder.
- (b) The receipt or discharge of the Security Agent shall be an absolute discharge to any purchaser or other person dealing with the Security Agent in relation to the Pledged

Assets and any such purchaser or third party shall not have any obligation to enquire after or see to the application of any payments made by it to the Security Agent or at its direction.

7. APPLICATION OF PROCEEDS AND INTERCREDITOR AGREEMENT

7.1 Application

All monies received by the Security Agent after this Pledge has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Pledge) be applied in accordance with the terms of the Intercreditor Agreement.

7.2 Contingencies

If this Pledge is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Security Agent may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Security Agent usually grants for accounts of that size and nature.

7.3 Appropriation, Intercreditor Agreement and suspense account

- (a) Subject to the Intercreditor Agreement and clause 7.1 (*Application*), the Security Agent shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Pledgor.
- (c) All monies received, recovered or realised by the Security Agent under or in connection with this Pledge may at the discretion of the Security Agent be credited to a separate interest-bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate (if any) as the Security Agent usually grants for accounts of that size and nature without the Security Agent having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

8. LIABILITY OF THE SECURITY AGENT

The Security Agent shall not in any circumstances be liable to the Pledgor or any other person for any losses, damages, liabilities or expenses arising from or in connection with the application or enforcement of this Pledge or any realisation, appropriation or application of the Pledged Assets or from any act, default or omission of the Security Agent, or his/her or its officers, employees or agents in relation to the Pledged Assets or otherwise in connection with this Pledge, except to the extent caused by the gross negligence or wilful default of the Security Agent or its officers, employees or agents.

9. SET-OFF

9.1 Set-off rights

The Security Agent and each other Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Pledgor and unpaid (whether under the Finance Documents or which has been assigned to the Security Agent or otherwise) against any

obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Pledgor, regardless of the place of payment, booking branch or currency of either obligation.

9.2 Set-off rights after Security is enforceable

At any time after this Pledge has become enforceable (and in addition to its rights under clause 9.1 (*Set-off rights*)), the Security Agent and each other Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Pledgor under any Finance Document against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Pledgor, regardless of the place of payment, booking branch or currency of either obligation.

9.3 Currency conversion for the purposes of set-off

If the obligations are in different currencies, the Security Agent or such other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

9.4 Unliquidated or unascertained liabilities

If either obligation referred to in this clause 9 (*Set-off*) is unliquidated or unascertained, the Security Agent or such other Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

10. DELEGATION

The Security Agent may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Pledge upon any terms (including power to sub-delegate) which it may think fit. The Security Agent shall not be in any way liable or responsible to the Pledgor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

11. FURTHER ASSURANCES

11.1 Further action

Subject to the Agreed Security Principles the Pledgor shall, at its own expense, promptly do all acts and execute all documents as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Pledge;
- (b) creating any fixed security or charge over any of the Pledged Assets;
- (c) facilitating the realisation of any Pledged Asset;
- (d) facilitating the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Delegate in respect of any Pledged Asset or provided by or pursuant to the Finance Documents or by law; or
- (e) creating and perfecting Security in favour of the Security Agent or the Secured Parties over the Pledged Assets equivalent or similar to the Security intended to be created by or pursuant to this Pledge.

11.2 Finance Documents

The Pledgor shall take all such action as is available to it (including making all filings and registrations) as is necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Pledge.

12. POWER OF ATTORNEY

The Company, by way of security, irrevocably appoints the Security Agent and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or this Pledge has become enforceable, which the Company is obliged to take under this Pledge, including under clause 11 (*Further Assurances*), or if no Event of Default is continuing, which the Company has failed to take. The Company ratifies and confirms whether any attorney does or purports to do pursuant to its appointment under this clause.

13. CURRENCY CONVERSION

All monies received or held by the Security Agent under this Pledge in a currency (the "Other Currency") other than the currency in which the relevant monies are expressed to be payable (the "Required Currency") may be converted from the Other Currency into the Required Currency as the Security Agent considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in the Required Currency at the Agent's Spot Rate of Exchange. The Pledgor shall indemnify the Security Agent against all costs, charges and expenses incurred in relation to such conversion. The Security Agent shall not have any liability to the Pledgor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

14. MISCELLANEOUS

14.1 New accounts

- (a) If the Security Agent or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Security) affecting any Pledged Asset and/or the proceeds of sale of any Pledged Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the Pledgor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Agent or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

14.2 Assignment

- (a) The Security Agent may assign or transfer all or any part of its rights under this Pledge pursuant to the resignation or removal of the Security Agent in accordance with the Intercreditor Agreement. The Pledgor shall, immediately upon being requested to do so by the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.
- (b) The Pledgor may not assign, transfer or otherwise deal with the benefit or burden of this Pledge or any of its rights or obligations hereunder.

14.3 Non-reliance

Each of the parties acknowledges and agrees that in entering into this Pledge it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) of any person (whether a party to this Pledge or not) other than as expressly set out in this Pledge.

14.4 Consent to registration

The Pledgor consents to the registration of this Pledge and of any certificate referred to in clause 16 (*Calculations and Certificates*) below for preservation and execution.

15. NOTICES

15.1 Senior Facilities Agreement provisions

The provisions of clause 35 (*Notices*) of the Senior Facilities Agreement (other than clauses 35.3(c), 35.6 (*Electronic communication*) and 35.7 (*Use of websites*)) shall apply mutatis mutandis to this Pledge as if set out in full herein.

15.2 Addresses for notices

The addresses, facsimile numbers and/or email of the parties for the purposes of this clause 15 are:

The Security Agent

Address: 6th Floor, 10 New Burlington Street, London W15 3BE

For the attention of: David Ribchester / Nishal Patel

Fax number: +44 207 464 6401

The Pledgor

Address: 22 - 23, Fourth Floor, Old Burlington Street, London, W1S 2JJ

For the attention of: Andrew Bracey

Email: andrew.bracey@midlothiancapitalpartners.com

or such other address, facsimile number and/or email in the United Kingdom as may be notified in writing from time to time by the relevant party to the other.

16. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Party or the Security Agent specifying the amount of any Secured Obligation due from the Pledgor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Pledgor of the matters to which it relates.

17. PARTIAL INVALIDITY

All the provisions of this Pledge are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

18. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Agent (or any other Secured Party), any right or remedy under this Pledge shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

19. AMENDMENTS AND WAIVERS

Any provisions of this Pledge may be amended in writing by the Security Agent and the Pledgor or the Parent acting on their behalf and the Pledgor irrevocably appoints the Parent as its agent for the purpose of agreeing and executing any amendment on its behalf. Any breach of this Pledge may be waived before or after it occurs only if the Security Agent so agrees in writing. A waiver given or consent granted by the Security Agent under this Pledge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

20. RELEASE

20.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of the Pledgor, take whatever action is necessary to discharge, release or re-assign (without recourse or warranty) the Pledged Assets from the Security created by this Pledge.

20.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Pledgor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Pledgor under this Pledge shall continue as if the discharge or arrangement had not occurred. The Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

21. GOVERNING LAW

This Pledge and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of Scotland and in so far as not already subject thereto the parties irrevocably submit to the exclusive jurisdiction of the Scottish Courts.

IN WITNESS WHEREOF these presents consisting of this and the 13 preceding pages and the Schedule are executed as follows:

SUBSCRIBED for and on behalf of
DOBBIES GARDEN CENTRES LIMITED
at One Bunhill Row, London, EC1Y 8YY
on the 20 day
of July 2016
by


..... Director

before this witness


..... Witness

ANDREW BAKER
..... Full Name

144th St, New York
..... Address

One Bunhill Row, London
.....
EC1Y 8YY

This is the Schedule referred to in the foregoing Share Pledge by Dobbies Garden Centres Limited in favour of Ares Management Limited as Security Agent

SCHEDULE: THE COMPANY AND THE EXISTING SHARES

Name of Company	Registered Number	Issued Share Capital	Class and nominal value of Existing Shares	Number of Existing Shares
(1)	(2)	(3)	(4)	(5)
Edinburgh Butterfly Farm Limited	SC086856	25000 Ordinary Shares of £1.00 each	25000 Ordinary Shares of £1.00 each	25000