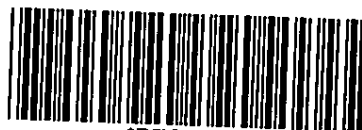


MR01

Particulars of a charge

laserform



Go online to file this information  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

A fee is be payable with t  
Please see 'How to pay' on

☒ **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 the  
instrument Use form MR0

RCS 11/01/2017 #25  
COMPANIES HOUSE  
\*R5XW15S1\*  
A07 04/01/2017 #294  
COMPANIES HOUSE

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

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

**1 Company details**

Company number 3 4 1 1 6 9 0  
Company name in full LIFETIME BRANDS EUROPE LIMITED

For official use  
6  
→ **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 d0 d1 m0 m1 y2 y0 y1 y7

**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 JPMORGAN CHASE BANK, N A.

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

\* THE SECURITY DOCUMENT CONTAINS CHARGES EXPRESSED TO BE BY WAY OF LEGAL MORTGAGE AND FIXED CHARGES OVER ALL OF THE CHARGOR'S INTEREST IN ANY LAND; AND FIXED CHARGES OVER ALL OF THE CHARGOR'S RIGHT, TITLE AND INTEREST FROM TIME TO TIME IN ANY INTELLECTUAL PROPERTY FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT

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

Please limit the description to the available space

5

### Other charge or fixed security

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

☒ Yes

☐ No

6

### Floating charge

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

☒ Yes Continue

☐ No Go to Section 7

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

☐ Yes

7

### Negative Pledge

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

☒ Yes

☐ No

8

### Trustee statement ①

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

☐

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

9

### Signature

Please sign the form here

Signature

Signature

X Mayer Brown International LLP X

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

MR01

Particulars of a charge



### Presenter information

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

Contact name BRADLEY HARRIS

Company name Mayer Brown International LLP

Address 201 Bishopsgate

Post town London

County/Region

Postcode E C 2 M 3 A F

Country

DX DX 556 London and City

Telephone 020 3130 3000



### Certificate

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



### Checklist

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following:**

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



### Important information

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



### How to pay

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

Make cheques or postal orders payable to 'Companies House'



### Where to send

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

#### For companies registered in England and Wales:

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

#### For companies registered in Scotland

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

#### For companies registered in Northern Ireland.

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



### Further information

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

## PROFORMA

Company Number 3411690

Company Name Lifetime Brands Europe Limited

Contact Name/ Organisation Stephen Walsh, Mayer Brown International LLP

Address 201 Bishopsgate, London EC2M 3AF

**The following details will need to be added to, amended or deleted from the Form MR01/~~LLMR01~~/MR08/~~LLMR08~~**

Particulars of the charge to be added, amended or deleted (please tick as appropriate)

- ☐ Company /LLP number
- ☐ Company/LLP name
- ☐ Date of creation of charge
- ☐ Persons entitled to the charge
- X Description of property
- ☐ Fixed charge tick box (applies only to MR01/LLMR01)
- ☐ Floating charge tick box (applies only to MR01/LLMR01)
- ☐ Negative pledge tick box (applies only to MR01/LLMR01)
- ☐ Nature of the charge  
(applies only to MR08/LL MR08)
- ☐ Obligations secured by the charge  
(applies only to MR08/LL MR08)

- **The following details will need to be added to, amended or deleted from the Form MR02/LLMR02/MR09/LLMR09**

Particulars of the charge to be added, amended or deleted (please tick as appropriate)

- ☐ Company /LLP number
- ☐ Company/LLP name
- ☐ Date of creation of charge
- ☐ Date that property or undertaking was acquired
- ☐ Persons entitled to the charge

- ☐ Description of property
- ☐ Fixed charge tick box (applies only to MR02/LLMR02)
- ☐ Floating charge tick box (applies only to MR02/LLMR02)
- ☐ Negative pledge tick box (applies only to MR02/LLMR02)
- ☐ Nature of the charge  
(applies only to MR09/LL MR09)
- ☐ Obligations secured by the charge  
(applies only to MR09/LL MR09)

- **The following details will need to be added to, amended or deleted from the Form MR03/MR10/LLMR03/LLMR10**

Particulars of the charge to be added, amended or deleted (please tick as appropriate)

- ☐ Company /LLP number
- ☐ Company/LLP name
- ☐ Date of creation of charge
- ☐ Date of resolution or determination
- ☐ Date of covering instrument
- ☐ Names of trustees for debenture holders
- ☐ Description of property.
- ☐ Fixed charge tick box (applies only to MR03/LLMR03)
- ☐ Floating charge tick box (applies only to MR03/LLMR03)
- ☐ Negative pledge tick box (applies only to MR03/LLMR03)
- ☐ Nature of the charge  
(applies only to MR10/LL MR10)
- ☐ Obligations secured by the charge  
(applies only to MR10/LL MR10)

**Please give the instructions in the box below**

Please replace section 4 (Brief description) of the MR01 with the following

THE SECURITY DOCUMENT CONTAINS CHARGES EXPRESSED TO BE BY WAY OF LEGAL MORTGAGE AND FIXED CHARGES OVER ALL OF THE CHARGOR'S INTEREST IN ANY LAND INCLUDING (1) 47, 47A AND 48 CAUSEWAY ROAD, EARLSTREES INDUSTRIAL ESTATE, CORBY NN17 4DU WITH TITLE NUMBER NN299522 AND (2) UNIT AT GREAT FOLDS ROAD, OAKLEY HAY, CORBY, NORTHANTS, NN18 9ET, AND FIXED CHARGES OVER ALL OF THE CHARGOR'S RIGHT, TITLE AND INTEREST FROM TIME TO TIME IN ANY INTELLECTUAL PROPERTY. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT



FILE COPY

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

Company number: 3411690

Charge code: 0341 1690 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st January 2017 and created by LIFETIME BRANDS EUROPE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th January 2017

Given at Companies House, Cardiff on 11th January 2017



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

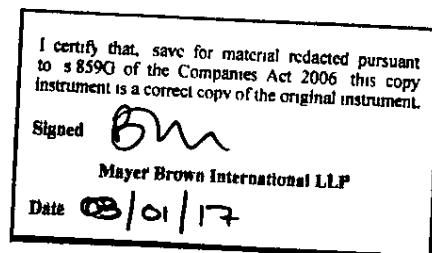
Dated 1 January 2017

- (1) **LIFETIME BRANDS EUROPE LIMITED**  
(formerly known as Thomas Plant (Birmingham)  
Limited) as Chargor
- (2) **JPMORGAN CHASE BANK, N.A.** as Security  
Agent

---

DEED OF SUPPLEMENTAL SECURITY  
relating to a debenture

---



MAYER • BROWN

LONDON



## CONTENTS

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### Schedules

- 1 Collection and Payment Accounts
- 2 Properties
3. Specified Investments

**THIS DEED OF SUPPLEMENTAL SECURITY** is dated 1 January 2017  
and made between

- (1) **LIFETIME BRANDS EUROPE LIMITED**, (formerly known as Thomas Plant (Birmingham) Limited), a company incorporated in England and Wales (registered number 03411690) whose registered office is at Plumbob House, Valepits Road, Garretts Green Trading Estate, Garretts Green, Birmingham B33 0TD (the "**Chargor**"), and
- (2) **JPMORGAN CHASE BANK, N.A.**, in its capacity as Administrative Agent under the Credit Agreement as trustee for the Secured Parties (the "**Security Agent**")

**BACKGROUND:**

- (A) By a second amended and restated credit agreement dated 13 January 2014 and made between (1) Lifetime Brands, Inc., as a Borrower, (2) the Foreign Subsidiary Borrowers from time to time party thereto, (3) the other Loan Parties from time to time party thereto, (4) the Lenders from time to time party thereto, (5) HSBC Bank USA, National Association, as a Co-Collateral Agent and (6) JPMorgan Chase Bank, N.A. as Administrative Agent and a Co-Collateral Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, including on or about the date of this Debenture, the "**Credit Agreement**"), the Lenders have agreed to provide certain credit facilities to the Borrowers on the terms of the Credit Agreement
- (B) The Chargor has, on or about the date of this Deed, acquired certain assets from Creative Tops Limited. The Chargor has agreed to grant the security under this Deed in favour of the Security Agent
- (C) The Security Agent holds the benefit of this Deed, including the security created and other rights granted in it to the Security Agent or any Secured Party, on trust for the Secured Parties on the terms set out in the Credit Agreement and Clause 25 (*Security Agent Provisions*) of the Debenture.
- (D) This Deed
  - (a) contains a re-grant by the Chargor of certain Security Interests; and
  - (b) deals with related matters
- (E) This document is the deed of the Chargor, even if it has not been duly executed by the Security Agent or has been executed by the Security Agent but not as a deed

**THIS DEED WITNESSES that:**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Deed

**"Collection Accounts"** means any and all separate and denominated accounts as may be maintained by the Chargor with a bank in accordance with the provisions of Clause 11 (*Bank Accounts*) of the Debenture being those accounts the account details of which are set out in Schedule 1, Part 1 (*Collection and Payment Accounts*), or any account designated from time to time (including any JPMorgan Collection Account so designated) by the Security Agent and the Chargor to which Accounts of the Chargor are to be paid or credited

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

**"Debenture"** means an English law debenture dated 20 January 2014 and made between (1) the Chargor and (2) the Security Agent

**"Investment"** means any share, stock, debenture, bond or other security or investment (in each case together with any associated dividends, interests and other assets) and in relation to the Chargor, **"its Investments"** means all Investments (including where applicable, those listed in Schedule 3 (*Specified Investments*)) in which it has any rights and all its rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments

**"Parties"** means the parties to this Deed

**"Payment Account"** means the accounts used by the Chargor to operate its business and details of which are set out in Schedule 1, Part 2 (*Collection and Payment Accounts*) and any other account opened and maintained by the Chargor after the date of this Deed which has been designated as such by the Security Agent and the Chargor

**"Properties"** means the properties brief details of which are set out in Schedule 2 (*Properties*), **"Property"** means any of them and any reference to one or more of the Properties includes all or any part of it or each of them

## 1.2 Terms defined by reference to other agreements

Terms defined in the Debenture but not in this Deed shall have the same meaning in this Deed as in the Debenture.

## 1.3 Construction

Clause 1.3 (*Construction*) of the Debenture shall apply as if set out in full again here, with reference to "this Debenture" being construed as a reference to this Deed and with such other changes as are appropriate to fit this context

## 2 SUPPLEMENTAL SECURITY

### 2.1 New Security Interests (Debenture)

(a)

(1) **Fixed charges**

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee charges to the Security Agent by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor as at the date of this Deed will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage)

- (A) **Land:** all of its rights as at the date of this Deed in the Properties and all of its other rights in any land (together the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties,
- (B) **Equipment:** all of its rights in any plant, machinery, vehicles, Equipment and other chattels (but excluding its stock in trade or work in progress),
- (C) **Goodwill:** any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
- (D) **Inventory:** all of its right in any Inventory,
- (E) **Accounts:** all of its rights in respect of the Accounts,
- (F) **Collection Accounts:** all of its rights in any credit balance of any Collection Account and the indebtedness represented by it;
- (G) **Payment Accounts:** all of its rights in any credit balances on any Payment Account and the indebtedness represented by it;
- (H) **Other bank accounts:** all of its rights in any credit balances on any other bank accounts and the indebtedness represented by them,
- (I) **Shares and Investments:** all of its rights in its Investments;
- (J) **Intellectual property rights:** all of its rights in its Intellectual Property,
- (K) **Licences:** all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them, and
- (L) **Other documents:** all of its rights in any agreements, reports, books, records and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 2 1(a)(11) (*Assignments*)

(11) **Assignments**

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee assigns absolutely to the Security Agent

- (A) **Insurance:** all of its rights in its Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds, and
- (B) **Assigned Documents:** all of its rights under the Assigned Documents

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each of the Assigned Documents to the same extent as if this security had not been created and neither the Security Agent, any other Secured Party nor any Receiver will be under any obligation or liability to the Chargor or to any other person under or in respect of any Assigned Document

(iii) **Floating Charge**

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee charges to the Security Agent by way of first floating charge the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) from time to time pursuant to Clauses 2 1(a)(i) (*Fixed charges*) by way of fixed security or 2 1(a)(ii) (*Assignments*) by way of assignment) Schedule B1, Paragraph 14 IA shall apply to the floating charge contained in this Deed

- (b) This Clause 2 1 is supplemental to the Debenture, to the intent that, in relation to the assets (the "**New Security Assets**") the subject of the security interests granted in Clause 2 1(a) of this Deed, this Deed and the Debenture shall be read and construed as one document
- (c) The provisions of Clauses 2 (*Payment of the Secured Obligations*) and 4 (*Crystallisation of Floating Charge*) to 37 (*Conduct of Business*) (including Clause 7 (*Negative pledge and disposals*)) of the Debenture shall apply as if set out in full here, with such changes as are appropriate to fit this context including, for the avoidance of doubt, to qualify any representations, warranties undertakings or covenants (the "**Undertakings**") given where such Undertakings would be incorrect solely by virtue of the Debenture remaining in full force and effect In particular, for this purpose references to "this Debenture" shall be construed as references to this Deed and references to the "Secured Assets" shall be construed as references to the New Security Assets.
- (d) If there is any conflict or inconsistency between the provisions of this Clause 2 1 and the Debenture, this Clause 2 1 shall prevail

### **3 FURTHER ASSURANCE**

The Chargor shall at the request of the Security Agent and at its own expense promptly execute any document (in such form as the Security Agent may reasonably require) and do any act or thing which the Security Agent considers necessary or appropriate to preserve, perfect, protect or give effect to the consents, confirmations and undertakings provided for in this Clause 3

### **4 RELATIONSHIP WITH OTHER LOAN DOCUMENTS**

#### **4 1 Status**

This Deed is designated by the Security Agent as a Foreign Security Agreement as defined in the Credit Agreement

#### **4 2 Continuing effect**

Except as supplemented by this Deed, the Debenture shall continue in full force and effect

### **5 COUNTERPARTS**

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

### **6. LAW AND JURISDICTION**

#### **6 1 Governing law**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law

#### **6 2 Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (c) This Clause 6.2 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

**EXECUTION:**

The parties have shown their acceptance of the terms of this Deed by executing it at the end of the Schedule

**SCHEDULE 1**  
**COLLECTION AND PAYMENT ACCOUNTS**

**Part 1**

**Collection Accounts**

<b>Name of account holder</b>	<b>Name of entity at which account is held</b>	<b>Account details</b>
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]97 EUR Receivable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]99 USD Receivable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]01 GBP Receivable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]98 GBP Receivable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]02 EUR Receivable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED]05 USD Receivable



## Part 2

### Payment Accounts

Name of account holder	Name of entity at which account is held	Account details
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED] 98 EUR Payable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED] 00 USD Payable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number [REDACTED] 03 GBP Payable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number: [REDACTED] 97 GBP Payable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited Account number: [REDACTED] 99 EUR Payable
Lifetime Brands Europe Limited	JP Morgan Chase Bank, London	Lifetime Brands Europe Limited d Account number [REDACTED] 04 USD Payable

## SCHEDULE 2 PROPERTIES

### Part 1

#### Registered land

(Freehold (including commonhold) or leasehold property (if any) in England and Wales of which the Chargor is registered as the proprietor at Land Registry)

County and District/London Borough	Description of Property	Title Number	Freehold or Leasehold (if Leasehold a description of the lease)
Northamptonshire, Corby	47, 47A and 48 Causeway Road Earlstrees Industrial Estate Corby, NN17 4DU	NN299522	29 March 2010  (1) C H Property Trustee Creative Limited; and (2) Creative Tops Limited  for a duration of 15 years

### Part 2

#### Payment Accounts

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at Land Registry of which the Chargor is the owner)

The freehold/leasehold property known as and comprised in the following title deed(s) or other document(s) of title:

Description	Date	Document	Parties
Unit at Great Folds Road, Oakley Hay, Corby, Northants NN18 9ET	24 February 2015	Lease	(1) Chancellor Masters and Scholars of the University of Oxford; and (2) Creative Tops Limited


**SCHEDULE 3**  
**SPECIFIED INVESTMENTS**

<b>Name</b>	<b>County of Incorporation</b>	<b>Company Number</b>
Kitchencraft (Asia) Limited	Hong Kong	1546514


**EXECUTION of Deed of Supplemental Security:**

**CHARGOR**

SIGNED as a deed by a director for and on  
behalf of **LIFETIME BRANDS**  
**EUROPE LIMITED** in the presence of:

)  
)  
)   
)  
) Signature  
)  
)  
)  
) MATTHEW CANWELL  
) Name

Witness's signature

  
\_\_\_\_\_

Witness's name  
(in capitals):

PAUL JIMSON

Witness's address:

50 THE ROSEBURY  
NORWICH  
NR1 5PW

**SECURITY AGENT**

SIGNED as a deed by an authorised  
signatory for and on behalf of  
**JPMORGAN CHASE BANK, N.A.** in  
the presence of:

Signature

MATTHEW SPARKES

Name

Witness's signature:

Witness's name  
(in capitals):

Witness's address:

TIM JACOB

25 BANK STREET

LONDON E14 5TP

Dated 20 January 2014

- (1) THOMAS PLANT (BIRMINGHAM)  
LIMITED as Chargor
- (2) JPMORGAN CHASE BANK, N.A. as  
Security Agent

---

DEBENTURE

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I certify that, save for material redacted pursuant  
to s 859G of the Companies Act 2006 this copy  
instrument is a correct copy of the original instrument.

Signed



Mayer Brown International LLP

Date

03/01/17

FOR INFORMATION  
PURPOSES ONLY, NOT  
BEING REGISTERED

MAYER • BROWN

LONDON

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9	Location of Inventory



THIS DEBENTURE is dated 20 January 2014 and made between

- (1) **THOMAS PLANT (BIRMINGHAM) LIMITED**, a company incorporated in England and Wales (registered number 03411690) whose registered office is at Plumbob House, Valepits Road, Garretts Green Trading Estate, Garretts Green, Birmingham B33 0TD (the "Chargor"), and
- (2) **JPMORGAN CHASE BANK, N.A.**, in its capacity as Administrative Agent under the Credit Agreement as trustee for the Secured Parties (the "Security Agent")

**BACKGROUND**

- (A) By a second amended and restated credit agreement dated 13 January 2014 and made between (1) Lifetime Brands, Inc., as a Borrower, (2) the Foreign Subsidiary Borrowers from time to time party thereto, (3) the other Loan Parties from time to time party thereto, (4) the Lenders from time to time party thereto, (5) HSBC Bank USA, National Association, as a Co-Collateral Agent and (6) JPMorgan Chase Bank, N.A. as Administrative Agent and a Co-Collateral Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, including on or about the date of this Debenture, the "Credit Agreement"), the Lenders have agreed to provide certain credit facilities to the Borrowers on the terms of the Credit Agreement
- (B) The provision of this Debenture is a condition precedent to the designation of the Chargor as a Foreign Subsidiary Borrower under the Credit Agreement. This is a "Foreign Security Agreement" as defined in the Credit Agreement
- (C) The Security Agent holds the benefit of this Debenture, including the security created and other rights granted in it to the Security Agent or any Secured Party, on trust for the Secured Parties on the terms set out in the Credit Agreement and Clause 25 (*Security Agent Provisions*)
- (D) This document is the deed of the Chargor, even if it has not been duly executed by the Security Agent or has been executed by the Security Agent but not as a deed

**THIS DEED WITNESSES that:**

**SECTION 1  
INTERPRETATION**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Terms defined in the Credit Agreement**

Terms defined in the Credit Agreement but not in this Debenture shall have the same meanings in this Debenture as in the Credit Agreement

**1.2 Definitions**

In addition, in this Debenture

**"Accounts"** means, in relation to the Chargor, all book and other debts, both present and future, due or owing or which may become due or owing to the Chargor arising from the provision or sale of merchandise, goods or services (including the proceeds thereof) and the benefit of all related rights, documents and remedies (including under negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing and liens) and all payments and proceeds representing or made in respect of the same

**"Accounts Debtor"** means any person who is obligated in relation to an Account

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

**"Agreed Amount"** means an amount to be agreed between the Chargor and the Security Agent (both parties to act reasonably) within 30 days of the date of this Debenture. To the extent the parties do not agree an amount then the amount shall be an amount reasonably determined by the Security Agent

**"Assigned Documents"** means the Credit Agreement and all Swap Agreements

**"Authorisation"** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

**"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 paragraph, "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 Report"** means any certificate (including any Borrowing Base Certificate), report or other document delivered by the Chargor to the Security Agent with respect to the Secured Assets

**"Collection Accounts"** means any and all separate and denominated accounts as may be maintained by the Chargor with a bank in accordance with the provisions of Clause 11 (*Bank Accounts*) being those accounts the account details of which are set out in Schedule 1, Part 1 (*Collection and Payment Accounts*), or any account designated from time to time (including any JPMorgan Collection Account so designated) by the Security Agent and the Chargor to which Accounts of the Chargor are to be paid or credited

**"Default"** means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default

**"Deposit Account Control Agreement"** means any agreement or other documentation entered into between the Security Agent, the Chargor and the relevant account holding bank (at such bank's or the Chargor's request), necessary or desirable to perfect the Security Interests of the Security Agent and effect control over bank accounts of the Chargor (whether Collections Accounts, Payment Accounts or otherwise) in accordance with the provisions of this Debenture

**"Discharge Date"** has the meaning given to it in Clause 21.1 (*Continuing security*)

**"Equipment"** means in relation to the Chargor, all of its now owned and hereafter acquired machinery, equipment, furniture, furnishings, fixtures and other tangible personal property of any kind (except Inventory), as well as all of such types of property leased by it and all of its rights and interest with respect thereto under such leases together with all present and future additions and accessions thereto and replacements therefore, component and auxiliary parts and supplies used or to be used in connection therewith and all substitutes for any of the foregoing, and all manuals, drawings, instructions, warranties and rights with respect thereto, wherever any of the foregoing is located

**"Facility Office"** means the office or offices notified by a Lender to the Administrative Agent as the office or offices through which it will perform its obligations under the Credit Agreement and the Loan Documents

**"IA"** means the Insolvency Act 1986

**"Insolvency"** of a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction

**"Instrument"** means any document (which term includes any form of writing) under which any obligation is evidenced or undertaken or any Security Interest (or right in any Security Interest) is granted or perfected or purported to be granted or perfected

**"Insurance"** means any policy or contract of insurance and including, for the avoidance of doubt, any renewal of or replacement for any policy or contract of insurance and in relation to the Chargor **"its Insurances"** means all Insurances in which it has any rights (including as loss payee or additional insured)

**"Insurance Proceeds"** means any monies which may from time to time be payable to or received by the Chargor (whether as an insured party, beneficiary or as loss payee) under any Insurance and the proceeds of all claims made by the Chargor under any Insurance

**"Intellectual Property"** means all intellectual property, including patents, utility models, trade and service marks, trade names, domain names, right in designs, copyrights, moral rights, topography rights, rights in databases, trade secrets and know-how, in all cases whether or not registered or registrable and including registrations and applications for registration of any of these and rights to apply for

the same and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world and in relation to the Chargor, "its Intellectual Property" means all Intellectual Property in which it has any rights

"Inventory" means in relation to the Chargor, all of its now owned and hereafter acquired inventory, goods and merchandise, wherever located, to be furnished under any contract of service or held for sale or lease, all raw materials, work-in-progress, finished goods, returned goods and materials and supplies of any kind, nature or description which are or might be used or consumed in its business or used in connection with the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise and other personal property, and all documents of title or other documents representing them

"Investment" means any share, stock, debenture, bond or other security or investment (in each case together with any associated dividends, interests and other assets) and in relation to the Chargor, "its Investments" means all Investments (including where applicable, those listed in Schedule 3 (*Specified Investments*)) in which it has any rights and all its rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments

"JPMorgan Collection Accounts" has the meaning given to it in Clause 11 4(a)(i)

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right

"Lenders" has the meaning given to it in the Credit Agreement

"Loan Documents" has the meaning given to it in the Credit Agreement and includes the Credit Agreement and this Debenture

"Loan Parties" has the meaning given to it in the Credit Agreement

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind

"LPA" means the Law of Property Act 1925

"Mortgaged Properties" has the meaning given to it in Clause 3 1(a) (*Land*), "Mortgaged Property" means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of it or each of them

"Notice and Acknowledgement" means individually and collectively, each Notice of Assignment and Notice of Charge, together with their respective acknowledgements

"Notice of Assignment" means a notice of assignment substantially in the form set out in Schedule 5 (*Notice of Assignment of Assigned Document*) or Schedule 6 (*Notice of Assignment of Insurance*), as appropriate, or in such other form as may be specified by the Security Agent

**"Notice of Charge of Collection Account"** means a notice of charge substantially in the form set out in Schedule 7 (*Notice of Charge of Collection Account*) or in such other form as may be specified by the Security Agent

**"Notice of Charge of Payment Account"** means a notice of charge substantially in the form set out in Schedule 8 (*Notice of Charge of Payment Account*) or in such other form or with such other amendments as may be acceptable to the Security Agent (acting reasonably)

**"Notice of Charge"** means a Notice of Charge of Collection Account or a Notice of Charge of Payment Account (or, if accepted by the Security Agent in place of a Notice of Charge of Collection Account or a Notice of Charge of Payment Account, a Deposit Account Control Agreement)

**"Overseas Accounts"** means any Accounts which, as at the date of this Debenture, an Account Debtor pays into an Overseas Bank Account.

**"Overseas Bank Accounts"** means any bank accounts of the Chargor not located in England and Wales to which Accounts of the Chargor are paid or credited

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

**"Payment Account"** means the accounts used by the Chargor to operate its business and details of which are set out in Schedule 1, Part 2 (*Collection and Payment Accounts*) and any other account opened and maintained by the Chargor after the date of this Debenture which has been designated as such by the Security Agent and the Chargor

**"Permitted Encumbrance"** has the meaning given to it in the Credit Agreement

**"Planning Acts"** means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990 and the Planning and Compensation Act 1991, together with all other statutes from time to time governing or controlling the use or development of land

**"Properties"** means the properties brief details of which are set out in Schedule 2 (*Properties*), **"Property"** means any of them and any reference to one or more of the Properties includes all or any part of it or each of them

**"Receiver"** means any receiver, receiver and manager or administrative receiver appointed under this Debenture by the Security Agent over all or any of the Secured Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time

**"Secured Assets"** means the Mortgaged Properties, the Assigned Documents, the Chargor's Investments and the other assets from time to time the subject of this Security, **"Secured Asset"** means any of them and any reference to one or more of the Secured Assets includes all or any part of it or each of them

**"Secured Obligations"** means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses,

reimbursements, indemnities and other obligations and indebtedness (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), obligations and liabilities of any of the Foreign Loan Parties to any of the Lenders, the Administrative Agent, any Co-Collateral Agent, the Issuing Bank or any indemnified party, individually or collectively, existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under the Credit Agreement or any of the other Loan Documents or in respect of any of the Loans made or reimbursement or other obligations incurred or any of the Letters of Credit or other instruments at any time evidencing any thereof, together with all (i) Banking Services Obligations and (ii) Swap Obligations owing to one or more Secured Parties or their respective Affiliates.

- (a) in whatever currency,
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise, and
- (c) including monies and liabilities purchased by or transferred to the relevant Secured Party,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Debenture to be unlawful or prohibited by any applicable law or regulation and provided that within at least ten calendar days from the date that any transaction relating to any such Banking Services Obligation or Swap Obligation is executed, the Secured Party party thereto (other than Chase) shall have delivered written notice to the Administrative Agent that such a transaction has been entered into and that it constitutes a Secured Obligation entitled to the benefits of the Collateral Documents

"Secured Parties" means the holders of the Secured Obligations from time to time and shall include (i) each Lender and the Issuing Bank in respect of its Loans and LC Exposure respectively, (ii) the Administrative Agent, the Co-Collateral Agents, the Issuing Bank and the Lenders in respect of all other present and future obligations and liabilities of the Foreign Loan Parties of every type and description arising under or in connection with the Credit Agreement or any other Loan Document, (iii) each Lender and Affiliate of such Lender in respect of Swap Obligations and Banking Services Obligations owed to such Person by the Foreign Loan Parties, (iv) each indemnified party under Section 9.03 of the Credit Agreement in respect of the obligations and liabilities of the Foreign Loan Parties to such Person hereunder and under the other Loan Documents, and (v) their respective successors and (in the case of a Lender, permitted) transferees and assigns

"Security Documents" means this Debenture and any other document guaranteeing or creating security for or supporting the obligations of and Loan Party to the Security Agent or any other Secured Party in connection with the Loan Documents including, without limitation, the "Collateral Documents" (as defined in the Credit Agreement),

"Security Interest" means a mortgage, charge, debenture, guarantee, pledge, lien (statutory or other), preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement) securing any obligation of any person or any other agreement or arrangement having a similar effect

"Warrants" means all warrants or other documents of title relating to Inventory held in depositaries, warehouses or other storage locations wheresoever located

### 13 Construction

- (a) Section 1.03 (*Terms generally*) of the Credit Agreement shall apply as if set out in full again here, with references to "this Agreement" being construed as references to this Debenture and with such other changes as are appropriate to fit this context
- (b) In addition, in this Debenture, any reference to
  - (i) "assets" includes present and future properties, revenues, rights and other assets of every description (and any reference to a particular type or category of assets includes any present or future assets of that type or category),
  - (ii) this Debenture includes the Recitals and Schedules which form part of this Debenture for all purposes,
  - (iii) a "disposal" includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly),
  - (iv) the masculine, feminine or neuter gender respectively includes the other genders and the singular includes the plural (and vice versa),
  - (v) a "guarantee" means
    - (A) any guarantee, letter of credit, bond, indemnity, third party security or other legally binding assurance against loss, or
    - (B) any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person, to make an investment in or loan to any person or to purchase assets from any person where, in each case, that obligation is assumed in order to maintain or assist the ability of that person to meet its indebtedness,
  - (vi) "including" means "including without limitation" (with related words being construed accordingly), "in particular" means "in particular but without limitation" and other general words shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things,

- (vii) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
- (viii) any Loan Document, other Instrument or other document is to that Loan Document, other Instrument or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional and/or replacement facilities or an increase in any other amount or rate),
- (ix) a "person" includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them and any reference to a Party or other particular person includes its successors in title, permitted assignees and permitted transferees in accordance with their respective interests,
- (x) a provision of law is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time,
- (xi) a "Recital" is to a statement made under the heading "Background" above, any reference to a "Clause" or to a "Schedule" is to a clause of or a schedule to this Debenture (as the case may be),
- (xii) "regulation" includes any regulation, rule, official directive, notice, request, code of practice, guideline, demand or decision (in each case whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
- (xiii) a "right" includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future (and any reference to rights in a particular asset or type or category of assets includes any rights in the proceeds of any disposal of that asset or any assets within that type or category),
- (xiv) "tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same), and
- (xv) "this Security" means the Security Interests constituted by or pursuant to this Debenture
- (c) The index and Clause and Schedule headings are for ease of reference only
- (d) If there is any inconsistency between the terms of this Debenture and those of the Credit Agreement, the terms of the Credit Agreement shall prevail



**1 4 Third party rights**

- (a) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture. There is an exception to this in Clause 25 8(b) (*Exclusion of liability*)
- (b) Notwithstanding Clause 25 8(b) (*Exclusion of liability*), no consent of any person who is not a Party is required to rescind or vary this Debenture at any time

**1 5 Credit Agreement**

The Parties acknowledge that the Chargor is fully aware of the terms and conditions of the Credit Agreement

**SECTION 2**  
**COVENANT TO PAY; GRANTING AND PERFECTION OF SECURITY**

**2 PAYMENT OF THE SECURED OBLIGATIONS**

**2.1 Covenant to pay**

The Chargor covenants with the Security Agent that it shall pay and discharge, or procure the payment or discharge of, each of the Secured Obligations at the time and in the manner provided in the relevant Instrument for their payment or discharge by the relevant Loan Party

**2.2 Interest**

If the Chargor fails to pay or procure the payment of any amount payable by it under Clause 2.1 on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment), at the rate and on the terms from time to time applicable under the relevant Instrument (or, in the absence of an applicable rate and applicable terms, to be calculated and paid at the rate referred to in Section 2.14(d) (*Interest*) of the Credit Agreement) and shall be payable on demand

**2.3 Further advances**

This Debenture is made to secure any further advances or other facilities made available by any of the Secured Parties under the Loan Documents, but it does not create any obligation on any of the Secured Parties to make any further advances or other facilities available

**3 SECURITY**

**3.1 Fixed charges**

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee charges to the Security Agent by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor as at the date of this Debenture will be a charge by way of first legal mortgage and so far as it relates to other assets shall take effect as an equitable mortgage):

- (a) **Land** all of its rights as at the date of this Debenture in the Properties and all of its other rights in any land (together the "Mortgaged Properties") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties and any proceeds of disposal of any of the Mortgaged Properties,
- (b) **Equipment** all of its rights in any plant, machinery, vehicles, Equipment and other chattels (but excluding its stock in trade or work in progress),
- (c) **Goodwill** any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital,

- (d) **Inventory:** all of its right in any Inventory,
- (e) **Accounts** all of its rights in respect of the Accounts,
- (f) **Collection Accounts:** all of its rights in any credit balance of any Collection Account and the indebtedness represented by it,
- (g) **Payment Accounts:** all of its rights in any credit balances on any Payment Account and the indebtedness represented by it,
- (h) **Other bank accounts:** all of its rights in any credit balances on any other bank accounts and the indebtedness represented by them,
- (i) **Shares and Investments** all of its rights in its Investments,
- (j) **Intellectual property rights:** all of its rights in its Intellectual Property,
- (k) **Licences:** all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them, and
- (l) **Other documents** all of its rights in any agreements, reports, books, records and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3.2

### 3.2 Assignments

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee assigns absolutely to the Security Agent

- (a) **Insurance.** all of its rights in its Insurances, including those relating to the Mortgaged Properties, and in any Insurance Proceeds, and
- (b) **Assigned Documents** all of its rights under the Assigned Documents

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each of the Assigned Documents to the same extent as if this Security had not been created and neither the Security Agent, any other Secured Party nor any Receiver will be under any obligation or liability to the Chargor or to any other person under or in respect of any Assigned Document

### 3.3 Floating charge

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee charges to the Security Agent by way of first floating charge the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) from time to time pursuant to Clauses 3.1 (*Fixed charges*) by way of fixed security or Clause 3.2 (*Assignments*) by way of assignment) Schedule B1, Paragraph 14 IA shall apply to the floating charge contained in this Debenture

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

##### **4.1 Crystallisation by notice**

The Security Agent may at any time by notice in writing to the Chargor convert the floating charge created by the Chargor in Clause 3.3 (*Floating charge*) into a fixed charge with immediate effect as regards any Secured Asset specified in the notice if

- (a) an Event of Default has occurred and is continuing,
- (b) the Security Agent considers that any Secured Asset may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy, or
- (c) the Security Agent considers that it is desirable to protect the priority of this Security

##### **4.2 Automatic crystallisation**

The floating charge created by the Chargor in Clause 3.3 (*Floating charge*) shall automatically (without notice to the Chargor) be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if

- (a) the Chargor creates a Security Interest other than a Permitted Encumbrance over any Secured Asset or attempts to do so or any Secured Asset is disposed of contrary to Clause 7.2 (*No disposals*) or is otherwise in jeopardy,
- (b) any person levies or attempts to levy any distress, execution, sequestration or other process against any Secured Asset, or
- (c) the Security Agent receives notice of a proposal or intention to wind up, or appoint an administrator of, the Chargor or if the Chargor is wound up or has an administrator appointed

Nothing in this Clause 4 shall affect the crystallisation of the floating charge created by the Chargor under applicable law and regulation

#### **5 PERFECTION OF SECURITY AND FURTHER ASSURANCE**

##### **5.1 Notice of Assignment**

The Chargor shall

- (a) promptly upon a request from the Security Agent deliver (with a copy to the Security Agent) a Notice of Assignment, duly completed, to
  - (i) any other party to an Assigned Document specified by the Security Agent; and
  - (ii) any insurer liable on any Insurance of the Chargor specified by the Security Agent,

- (b) use reasonable endeavours to procure that each addressee of a Notice of Assignment acknowledges that Notice of Assignment in the form attached to that Notice of Assignment (or in such other form as the Security Agent may approve), and
- (c) promptly upon a request from the Security Agent (and without prejudice to the generality of Clause 4 (*Crystallisation of floating charge*)), take such steps as are necessary to perfect the assignment of its Assigned Documents assigned pursuant to Clause 3 2 (*Assignments*) in any applicable jurisdiction (including, without limitation, the jurisdiction of the law governing the Assigned Document)

## 5 2 Notice of Charge

- (a) The Chargor shall
  - (i) immediately on the date of this Debenture or, after the date of this Debenture, immediately upon the creation of a new Collection Account or Payment Account deliver (with a copy to the Security Agent) a Notice of Charge of Collection Account or a Notice of Charge of Payment Account as applicable, duly completed, to any bank specified by the Security Agent, being a bank with which any of the Collection Accounts or Payment Accounts or its other bank accounts are opened or maintained, and
  - (ii) with regards to its Collection Accounts, procure that each addressee of a Notice of Charge acknowledges that Notice of Charge in the form attached to that Notice of Charge (or in such other form as the Security Agent may approve)
  - (iii) with regards to its Payment Accounts, use its best endeavours to procure that each addressee of a Notice of Charge acknowledges that Notice of Charge in the form attached to that Notice of Charge (or in such other form as the Security Agent may approve)
- (b) As an alternative to Clause 5 2(a) above, the Security Agent may, at the request of the Chargor or the applicable account bank, enter into Deposit Account Control Agreements with the banks at which the relevant bank accounts are opened or maintained, such Deposit Account Control Agreements to be in form and substance satisfactory to the Security Agent (and, for the avoidance of doubt, if such Deposit Account Control Agreement is entered into with respect to the relevant account, the Chargor shall not be obliged to comply with Clause 5 2(a) in respect of the relevant account)
- (c) Promptly upon a request from the Security Agent, the Chargor shall deliver (with a copy to the Security Agent) a notice of charge (substantially in the form of Schedule 4 (*Notice of Charge of Accounts*) or otherwise a notice in form and substance satisfactory to the Security Agent, duly completed to any Accounts Debtor

- (d) Promptly upon the occurrence of the trigger set out in Section 5.14(f) (*Additional Collateral, Further Assurance*) of the Credit Agreement, the Chargor shall deliver (with a copy to the Security Agent) a notice of charge (in form and substance satisfactory to the Security Agent), duly completed to any depositary owner, warehouse owner or other person who owns or controls a location at which any of the Chargor's Inventory is stored or located

#### 5.3 Further assurance

The Chargor shall at the request of the Security Agent and at its own expense promptly execute (in such form as the Security Agent may reasonably require) any Instruments or other documents and otherwise do any acts and things which the Security Agent may reasonably require to improve, preserve, perfect or protect the security created (or intended to be created) by this Debenture or the priority of it, to grant security over any Overseas Bank Accounts (provided that, in connection with the granting of security over such Overseas Bank Accounts, the form of local law security will not require that such Overseas Bank Accounts are blocked prior to an Event of Default which is continuing unless local law advice indicates that such Overseas Bank Accounts must be blocked for the Security Agent to get a valid, perfected security interest in such Overseas Bank Accounts), and to facilitate the realisation or enforcement of it or to exercise any of the rights of the Security Agent, any other Secured Party or any Receiver in relation to the same

#### 5.4 Non-Assignable Rights

The Chargor undertakes that to the extent that any right, title, interest or benefit in or in respect of any asset described in Clause 3.2 (*Assignments*) cannot be or is not effectively assigned pursuant to Clause 3.2 (*Assignments*) for whatever reason, it shall

- (a) promptly notify the Security Agent of the same and the reasons therefor,
- (b) hold the benefit of the same on trust for the Security Agent as security for the payment, discharge and performance, when due, of the Secured Obligations, and
- (c) take such steps as the Security Agent may require to remove such impediment to an assignment

**SECTION 3**  
**ASSET REPRESENTATIONS, COVENANTS AND WARRANTIES**

**6 REPRESENTATIONS**

The Chargor represents and warrants to the Security Agent on the date of this Debenture and on the occasion of each Credit Event that

- (a) save for Permitted Encumbrances (and until such time as the assets are disposed of in accordance with Clause 7.2 (*No Disposals*)), it is the sole legal and beneficial owner of the assets over which it purports to grant security,
- (b) it has good and valid rights in or the power to transfer the Secured Assets and title to the Secured Assets with respect to which it has purported to grant a Security Interest under this Debenture, free and clear of all Security Interests except for Permitted Encumbrances, and has full power and authority to grant to the Security Agent this Security,
- (c) under the law of its jurisdiction of incorporation, it is not necessary that this Debenture be filed, recorded or enrolled with any court or other authority except for the filing of particulars at Companies House in England and Wales under Section 860 of the Companies Act 2006 and the registration of particulars of this Debenture at HM Land Registry in respect of any Mortgaged Property and the Trade Marks Registry at the Patent Office in England and Wales in respect of any registered Intellectual Property,
- (d) the names of the obligors, amounts owing, due dates and other information with respect to its Accounts are and will be correctly stated, in all material respects, in all records of the Chargor relating thereto and in all account statements and Collateral Reports with respect thereto furnished to the Security Agent by the Chargor from time to time. As of the time when each Account arises the Chargor shall be deemed to have represented and warranted that such Accounts, and all records relating thereto, are genuine,
- (e) except as specifically disclosed on the most recent Collateral Report
  - (i) all of its Accounts represent bona fide transactions entered into in the ordinary course of the Chargor's business,
  - (ii) there are no set-offs, claims or disputes existing or asserted with respect thereto, and the Chargor has not, other than in the ordinary course of the Chargor's business, made any agreement with any Accounts Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Accounts Debtor from liability therefor, or any deduction therefrom, and
  - (iii) to the Chargor's knowledge, there are no facts, events or occurrences which in any way impair the validity or enforceability thereof or could reasonably be expected to reduce the amount payable thereunder as

shown on the Chargor's books and records and any account statements and Collateral Reports with respect thereto,

- (f) except as specifically disclosed on the most recent Collateral Report
  - (i) the amounts shown on all account statements and Collateral Reports with respect to its Accounts are actually and absolutely owing to the Chargor as indicated thereon and are not in any way contingent,
  - (ii) no payments have been or shall be made on Accounts except payments which shall be transferred into a Collections Account, and
  - (iii) to the Chargor's knowledge, all Accounts Debtors have the capacity to contract, and
- (g) with respect to all of its Inventory
  - (i) it is located at one of the Chargor's locations set out on Schedule 9 (*Location of Inventory*) or at locations permitted after the date hereof pursuant to Clause 15.3 (*Location*), other than Inventory in transit,
  - (ii) the Chargor has good and merchantable title to all of such Inventory (except for Inventory which is subject to a title retention agreement or held by the Chargor on a consignment basis), and such Inventory is not subject to any Security Interest or document whatsoever except for Permitted Encumbrances,
  - (iii) it is of good and merchantable quality free from any defects not reflected in the value thereof as shown on the most recent Borrowing Base Certificate,
  - (iv) it is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, and
  - (v) the completion of manufacture, sale or other disposition of such Inventory by the Security Agent following the occurrence of an Event of Default shall not require the consent of any person and shall not constitute a breach or default under any contract or agreement to which the Chargor is a party or to which such property is subject

## **7 NEGATIVE PLEDGE AND DISPOSALS**

### **7.1 Negative pledge**

The Chargor undertakes that it will not, at any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset other than a Permitted Encumbrance



**7.2 No disposals**

The Chargor undertakes that it will not, at any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset except as expressly permitted by the Credit Agreement

**8 OTHER COVENANTS OF GENERAL APPLICATION**

**8.1 Information and access**

- (a) The Chargor shall deliver to the Security Agent from time to time on request such information about its business, the Secured Assets and its compliance with the terms of this Debenture as the Security Agent may reasonably require
- (b) The Chargor shall permit the Security Agent and/or its representatives, agents or contractors free access at all reasonable times to the Secured Assets and any books, accounts and records relating to them to examine the state and condition of those assets, to inspect and take copies and extracts from those books, accounts and records, to comply with or object to any direction or notice or other matter served on it or to carry out any repairs or take any other action (including the payment of money) which the Security Agent reasonably considers necessary or desirable to remedy any failure to comply with any obligation of the Chargor under the Loan Documents

**8.2 Covenants, legal obligations and payments**

The Chargor shall

- (a) observe, perform and otherwise comply with all covenants and other obligations and matters (whether or not contained in any Lease, agreement or other document) from time to time affecting any of the Secured Assets or their use or enjoyment, including those contained in any Lease comprised in the Secured Assets or of any Secured Assets and any other Assigned Documents and (if required by the Security Agent) produce evidence to satisfy the Security Agent that it is complying with this obligation,
- (b) comply with all (and not permit any breach of any) bye-laws, other laws and regulations (whether relating to planning, building or any other matter) affecting any of the Secured Assets, and
- (c) pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Secured Assets

**8.3 Enforcement of rights**

The Chargor shall

- (a) use its reasonable endeavours to procure prompt compliance by the relevant party of the covenants and other obligations imposed on the lessor in any Lease comprised in the Secured Assets and on the lessee in any Lease, and
- (b) use its reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Security Agent may from time to time require,

in each case at the Chargor's cost

#### **8.4 Management of Secured Assets**

The Chargor shall manage its Secured Assets in a proper and efficient manner and in particular shall

- (a) keep its Secured Assets in good and substantial repair and working order (provided that in respect of leasehold property occupied by the Chargor, this obligation shall be limited to compliance with the terms of the relevant Lease),
- (b) not without the prior written consent of the Security Agent make, permit or allow any alterations or additions of a material nature to any of its Secured Assets or carry out any works of demolition on them (such consent not to be unreasonably withheld or delayed), and
- (c) not do, permit or allow to be done anything which might materially depreciate, jeopardise or otherwise prejudice the security held by the Security Agent or the value of any of the Chargor's Secured Assets and shall immediately inform the Security Agent of anything which occurs which might have that effect

#### **8.5 Maintenance of insurance**

The Chargor shall, at all times until the Discharge Date

- (a) comply with the provisions set out in Section 5.09 (*Insurance*) of the Credit Agreement with respect to the Secured Assets,
- (b) comply with the conditions and other terms of its Insurances and not do or permit to be done anything which may make its Insurances void or voidable,
- (c) duly and promptly pay all premiums and other monies necessary to effect and maintain its Insurances and produce to the Security Agent upon request a copy or sufficient extract of each policy together with evidence of the payment of those monies, and
- (d) if required by the Security Agent, subject to the provisions of any lease of the Secured Assets, deliver to the Security Agent all policies of insurance relating to the Secured Assets or produce those policies to the Security Agent and/or its representatives or agents for inspection

**8 6 Default in relation to insurance**

If the Chargor fails to comply with any of its obligations as to insurance, the Security Agent may, but shall not be required to, take out, renew or maintain the relevant insurance on the terms, in the name(s) and in the amount(s) which it considers appropriate.

**8 7 Application of insurance proceeds**

Clause 20.3 (*Insurance proceeds*) provides for the application of any Insurance Proceeds

**8 8 Covenants for title**

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

**9 MORTGAGED PROPERTIES**

**9 1 Registration at Land Registry**

The Chargor shall

- (a) do all things requested by the Security Agent to facilitate the registration of this Debenture against any Land Registry title comprised in the Mortgaged Properties. For that purpose, the Chargor shall
  - (i) apply to the Chief Land Registrar for a restriction to be entered on each title to the Mortgaged Properties in the following terms "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Debenture dated [●] January 2014, in favour of JPMorgan Chase Bank, N.A. referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer", and
  - (ii) if the Security Agent so requests, certify that the security over the Mortgaged Properties created by this Debenture does not contravene any of the provisions of its constitutional documents,
- (b) not permit any other person to be registered at Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties), and
- (c) not create or permit to arise any interest which falls within any of the paragraphs of Schedule 3 Land Registration Act 2002 or any interest preserved by the transitional provisions of Schedule 12 Land Registration Act 2002 to the extent and for so long as any interest is so preserved in or over any of the Mortgaged Properties

**9.2 Delivery of Mortgaged Property title documents**

- (a) The Chargor shall, on the date of this Debenture and from time to time, deliver (or procure that there are delivered) to the Security Agent (or a nominee specified by the Security Agent acting on its behalf) all title documents (including all local land charges, Land Registry search certificates and planning and other statutory consents) relating to the Mortgaged Properties. The Security Agent shall be entitled to hold or retain (or have its nominee hold or retain) them.
- (b) On completion of the registration of this Debenture against any Land Registry title comprised in the Mortgaged Properties, the Chargor shall supply the Security Agent with a copy of the title information document for that title.

**9.3 Future acquisitions**

The Chargor shall, at all times until the Discharge Date, notify the Security Agent immediately of any proposal, contract, conveyance, transfer or other disposition for or effecting the acquisition by it or any nominee on its behalf of any land.

**9.4 Development**

The Chargor shall, at all times until the Discharge Date

- (a) not carry out or permit to be carried out on any of the Mortgaged Properties any development (within the meaning of that expression in the Planning Acts and being development for which the permission of the local planning authority is required) nor sever or unfix or remove any of the fixtures from any of the Mortgaged Properties nor remove any of the plant and machinery (other than stock-in-trade or work-in-progress) on any Mortgaged Property (except for the purpose and in the course of effecting necessary repairs to that asset or of replacing it with a new or improved model or substitute) provided that in respect of any Mortgaged Properties leased by the Chargor, this obligation shall be limited to compliance with the terms of the relevant Lease, and
- (b) not make (or permit others to make) any application for planning permission in respect of any of the Mortgaged Properties.

**9.5 Leases comprised in the Secured Assets**

The Chargor shall not without the prior written consent of the Security Agent

- (a) surrender or determine or agree to the determination, surrender or termination of any Lease forming part of the Secured Assets, or
- (b) agree to any amendment of, or to any waiver of rights under, any Lease forming part of the Secured Assets.

**9 6 Powers of leasing of the Chargor**

No grant, agreement to grant or acceptance of a surrender of a Lease by the Chargor prior to the Discharge Date shall have effect or force (by virtue of ss99 and 100 Law of Property Act 1925 or otherwise) without the consent of the Security Agent.

**9 7 Local authority proposals**

**(a) The Chargor shall**

- (i) give to the Security Agent a copy of any notice or order (or any proposal for a notice or order) given, issued or made by any local or other authority relating to any of the Secured Assets,
- (ii) take all necessary steps to comply with that notice, order or proposal, and
- (iii) make or join in making any representations which the Security Agent requests in respect of the notice, order or proposal

**(b) Any compensation received as a result of a notice, order or proposal referred to in Clause 9 7(a), pursuant to s25 Law of Property Act 1969 and/or the Landlord and Tenant Act 1954 or otherwise, shall be held on trust for, and promptly paid to, the Security Agent. The Security Agent shall apply the compensation as if it constituted proceeds of an enforcement of this Debenture**

**9 8 Subsequent incumbrancer**

For the purposes of ss99 and 100 LPA, "mortgagor" shall include any incumbrancer (as defined in the LPA) deriving title from the Chargor and s99(18) and s100(12) LPA shall not apply

**10 ACCOUNTS AND RELATED MATTERS**

**10 1 No dealings with Accounts**

The Chargor shall not create a Security Interest, dispose, release, set off, exchange, compound, grant time or indulgence, subordinate its rights in respect of any of its Accounts to the rights of any other person in relation to debts owed to such person or otherwise deal over, or with its Accounts (nor, in each such case, purport to do so) otherwise than by getting in and realising them in the ordinary and proper course of its business (and for this purpose the realisation of the Accounts by means of block discounting, factoring or the like shall not be regarded as dealing in the ordinary and proper course of its business) and, in any event, not sell, assign, factor, discount or otherwise charge its Accounts in favour of any person, nor purport to do so.

**10 2 Sales of Inventory for cash**

If sales of inventory are made or services are rendered for cash, the Chargor shall immediately pay into a Collection Account denominated in the currency of such amounts the payment which it receives

**10.3 Instrument or Chattel Paper**

The Chargor shall ensure that no Accounts are evidenced by, or constitute, an Instrument or Chattel Paper which has not been delivered to, or otherwise subjected to the control of, the Security Agent

**11 BANK ACCOUNTS**

**11.1 Details of bank accounts**

Save as expressly disclosed to and permitted in writing by the Security Agent from time to time the Chargor shall not maintain any bank account other than any Collection Account or any Payment Account

**11.2 Signing rights on bank accounts**

The Chargor shall ensure that the Security Agent shall have sole signing rights on the Collection Accounts in accordance with the terms of Clause 11.3 and the Notice of Charge of Collection Account or Deposit Account Control Agreement (as applicable)

**11.3 Collection Accounts**

- (a) Subject to (b) below, the Chargor shall promptly pay, or procure the prompt payment of, all monies received by it or on its behalf in respect of any Accounts into a Payment Account until its Account Debtors are instructed to pay into a JPMorgan Collection Account pursuant to Clause 11.4(a)(ii) (after which time the provisions of Clause 11.4(a)(iii) and 11.4(b) shall apply) Until that payment, it will hold, or procure that the recipient holds, those monies on trust for the Security Agent
- (b) The Chargor shall only be obliged to pay, procure the prompt payment of, or transfer into a Payment Account or (after its Account Debtors are instructed to pay into a JPMorgan Collection Account pursuant to Clause 11.4(a)(ii)) a JPMorgan Collection Account monies received by it in respect of any Overseas Accounts into any Overseas Bank Accounts to the extent amounts accrued in respect of any Overseas Accounts in the Overseas Bank Accounts (in aggregate across all such accounts) exceed the Agreed Amount on any given day (such day being an "Excess Day" and such excess being the "Excess Amount") In the event that there is an Excess Amount, the Chargor shall ensure that an amount equal to such Excess Amount is promptly (and in any event within two Business Days of the Excess Day) transferred to a Payment Account or (after its Account Debtors are instructed to pay into a JPMorgan Collection Account pursuant to Clause 11.4(a)(ii)) a JPMorgan Collection Account
- (c) Each Collection Account shall be governed by a mandate and/or other agreement in form and substance satisfactory to the Security Agent, in each case conferring control over such account on the Security Agent
- (d) The Chargor agrees that, prior to the occurrence of any of the circumstances set out in Clause 11.3(e), the only ways in which monies may be withdrawn

from any Collection Account are in accordance with the terms set out in Section 2 11(b) (*Repayment and Amortization of Loans, Evidence of Debt*) of the Credit Agreement or otherwise at the discretion of, and through the express authorisation by, the Security Agent

- (e) Following the earlier of
- (i) the Maturity Date, or
  - (ii) the Loans becoming immediately due and repayable under the Credit Agreement,

the Security Agent shall apply the monies standing to the credit of any Collection Account, Payment Account or other bank account of the Chargor in or towards repayment of the Secured Obligations, in accordance with the terms of the Credit Agreement

- (f) If any amounts standing to the credit of a Collection Account are denominated in a currency (the "Collection Currency") other than the currency of the outstanding Loans (a "Contractual Currency") then
- (i) the Security Agent may (but is not obliged to) convert the relevant Collection Currency (or any part thereof) into a Contractual Currency at the rate of exchange in order to make any payment required to be made pursuant to Clause 11 3(d) and (e) above, and
  - (ii) the Chargor, as a separate and independent obligation, shall indemnify and hold harmless the Security Agent against the costs incurred in relation to any such conversion

For the purposes of this Clause 11 3(f), "rate of exchange" means the rate at which the Security Agent is able, on or about the date of such payment, to purchase the relevant Contractual Currency with the relevant Collection Currency and shall take into account any premium and other costs of exchange

- (g) The Security Agent may delegate its powers of withdrawal under this Clause 11 3 to any Administrator, Receiver and/or manager

#### 11 4 New Collection Accounts with the Security Agent

- (a) The Chargor will
- (i) within 60 days of the date of this Debenture (or such longer period as is acceptable to the Security Agent in its sole discretion), open Collection Accounts with the Security Agent or an affiliate of the Security Agent (the "JPMorgan Collection Accounts"),
  - (ii) within five Business Days of the opening of the JPMorgan Collection Accounts as contemplated by (a)(i) above, instruct each Account Debtor to pay its Accounts (other than Overseas Accounts) into a JPMorgan Collection Account, and

- (iii) from the date commencing five Business Days after the opening of the JPMorgan Collection Accounts as contemplated by (a)(i) above, use its best endeavours to ensure that its Account Debtors pay its Accounts (other than Overseas Accounts) into a JPMorgan Collection Account
- (b) Subject to Clause 11.3(b), after the opening of the JPMorgan Collection Accounts contemplated by (a)(i) above, if any Account Debtor deposits amounts into a bank account other than a JPMorgan Collection Account, the Chargor shall ensure that an amount equal to such deposit is promptly (and in any event within two Business Days of the receipt of the deposit into an account other than a JPMorgan Collection Account) transferred to a JPMorgan Collection Account
- (c) The Chargor hereby declares itself trustee of proceeds of its Accounts not from time to time so paid into a JPMorgan Collection Account to hold the same upon trust for the Security Agent and to pay the same to the Security Agent.

#### 11.5 Payment Accounts

- (a) The Security Agent may only serve notice under paragraphs (b) or (c) of any Notice of Charge of Payment Account whilst an Event of Default is continuing. Until such notice is served, the Chargor may continue to operate the Payment Account and draw on or make payments from the Payment Account
- (b) The Security Agent will as soon as reasonably practicable after it serves such notice on the account bank use its best efforts to notify the Chargor of its service of notice under paragraphs (b) or (c) of any Notice of Charge of Payment Account

### 12 THE INVESTMENTS

#### 12.1 Delivery of Investment title documents; registration

- (a) Unless otherwise agreed by the Security Agent, the Chargor shall, on the date of this Debenture and from time to time, deliver (or procure that there are delivered) to the Security Agent (or a nominee specified by the Security Agent acting on its behalf) all share certificates or other documents of title to or representing its Investments, together with (in each case in form and substance satisfactory to the Security Agent)
  - (i) if any of the Investments is not in its sole name, a declaration of trust in respect of those Investments in its favour duly executed by each person other than the Chargor in whose name those Investments are registered or held,
  - (ii) any instrument of transfer or assignment of such Investments specified by the Security Agent duly executed by each person in whose name any of those Investments are registered or held (with the name of the transferee or assignee, the consideration and the date left blank), and



- (iii) any other Instrument, other document or thing which the Security Agent may specify to perfect or improve its security over the Chargor's Investments, including waivers of pre-emption and other rights which may affect the exercise of any rights under, or the enforcement of, this Debenture
- (b) The Security Agent shall be entitled to hold or retain (or have its nominee hold or retain) all items delivered pursuant to Clause 12.1(a)
- (c) After the occurrence and during the continuance of an Event of Default, the Security Agent may at any time have any of the Investments registered in its name or in the name of a nominee specified by it acting on its behalf

#### **12.2 Rights before a post-Event of Default notification**

Before the occurrence of an Event of Default and during the continuance of an Event of Default unless Clause 12.3 applies

- (a) the Security Agent shall
  - (i) hold all dividends, interest and other monies paid on and received by it in respect of the Chargor's Investments for the account of the Chargor and will pay those dividends, interest and other monies to the Chargor on request, and
  - (ii) exercise all voting and other rights attached to the Chargor's Investments (insofar as transferred to the Security Agent or its nominee) as the Chargor may from time to time in writing reasonably direct, provided that the Security Agent shall be under no obligation to comply with any such direction where compliance would in the Security Agent's reasonable opinion be prejudicial to this Security or the security created by any other Security Document, and
- (b) the Chargor shall not
  - (i) exercise any rights attached to the Investments in any manner which in the Security Agent's reasonable opinion is prejudicial to this Security or the security created by any other Security Document, and
  - (ii) without the prior written consent of the Security Agent, permit or agree to any variation of the rights attaching to the Investments, participate in any rights issue, elect to receive or vote in favour of receiving any dividend other than in the form of cash or participate in any resolution concerning a winding-up, liquidation or administration

#### **12.3 Rights after a post-Event of Default notification**

If at any time following the occurrence and during the continuance of an Event of Default, the Security Agent gives notice to the Chargor that this Clause 12.3 applies, then from the date of that notice

- (a) this Clause 12.3 shall apply,

- (b) the Security Agent or its nominee may at the Security Agent's discretion (and in the name of the Chargor or otherwise), exercise all voting and other rights attached to the Investments and all rights to receive dividends, interest and other monies paid on or to be received in respect of the Investments without any further consent or authority on the part of the Chargor, and
- (c) the Chargor shall not exercise any of those rights

#### 12.4 Calls

The Chargor shall, at all times until the Discharge Date, duly and promptly pay (or ensure that these are paid) all calls, instalments or other monies which may from time to time become due in respect of any of the Investments without deduction or set-off

### 13 INTELLECTUAL PROPERTY

At all times until the Discharge Date

- (a) the Chargor shall do all acts and things which may be necessary to preserve and maintain the subsistence and validity of its Intellectual Property, and
- (b) the Chargor shall not use or permit any of its Intellectual Property to be used in any way which may materially and adversely affect its value;

except to the extent that the Chargor and the Security Agent agree that such Intellectual Property is no longer of value to its business

### 14 ASSIGNED DOCUMENTS

The Chargor shall

- (a) not waive any rights under nor amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated any Assigned Document without the prior written consent of the Security Agent; and
- (b) diligently pursue any remedies available to it for any breach of, or in respect of any claim in relation to, any Assigned Document.

### 15 INVENTORY

#### 15.1 Documents of Title

The Chargor shall, if required by the Security Agent, deliver (or procure that there are delivered) to the Security Agent (or a nominee specified by the Security Agent acting on its behalf) all Warrants and other documents of title relating to or representing its Inventory together with any Instrument, other document or thing which the Security Agent may reasonably specify to perfect or improve the security over the Chargor's Inventory

**15.2 Inventory count**

The Chargor will conduct a physical count of its Inventory (other than Inventory in the physical possession of a third party as to which the Chargor has delivered to the Security Agent such evidence of the nature, extent and condition thereof as the Security Agent shall reasonably request and find reasonably satisfactory) at least once in each financial year, and after and during the continuation of an Event of Default at such other times as the Security Agent requests. The Chargor will promptly deliver to the Security Agent the results of each physical verification which the Chargor has made, or has caused any other person to make on its behalf, of its Inventory

**15.3 Location**

The Chargor will maintain Inventory, other than Inventory in transit, consignment stock held with customers, Inventory in the physical possession of a third party in relation to which the Chargor has delivered to the Security Agent evidence of the nature, extent and condition of such possession (as the Security Agent shall reasonably request and find reasonably satisfactory), and Equipment material to the conduct of its business, at the locations set out in Schedule 9 (*Location of Inventory*) unless the Security Agent shall have received at least five Business Days' prior written notice of a change to a location or locations and the Security Agent shall have acknowledged in writing that either (a) such change will not adversely affect the validity, perfection or priority of the Security Agent's security interest in the Inventory or (b) any reasonable action requested by the Security Agent in connection therewith has been completed or taken

**SECTION 4  
ENFORCEMENT OF SECURITY**

**16 ENFORCEMENT – GENERAL PROVISIONS**

**16.1 Enforcement**

On or at any time after the occurrence and during the continuance of an Event of Default this Security shall become immediately enforceable and the Security Agent may enforce all or any of its rights under this Debenture as it thinks fit. In particular, it may without further notice exercise in relation to the Secured Assets

- (a) the power of sale and all other powers conferred on mortgagees by the LPA (or otherwise by law) or on an administrative receiver by the IA, in either case as extended or otherwise amended by this Debenture,
- (b) to the extent that Clause 17 (*Right of appropriation*) applies, the power to appropriate the Secured Assets in or towards the payment and discharge of the Secured Obligations in accordance with Clause 17.2 (*Exercise of right of appropriation*), and
- (c) (without first appointing a Receiver) any or all of the rights which are conferred by this Debenture (whether expressly or by implication) on a Receiver, including those relating to Leases set out in Clause 18.2(d) (*Dealing with Secured Assets*)

**16.2 LPA provisions**

- (a) The Secured Obligations shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Debenture
- (b) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale) and s109 LPA (restricting the power to appoint a receiver) shall not apply to this Security

**16.3 Protection of third parties**

- (a) No purchaser, mortgagee or other person dealing with a Receiver or the Security Agent shall be bound to enquire whether its right to exercise any of its rights has arisen or become exercisable, or be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Receiver or the Security Agent
- (b) All of the protection to purchasers contained in ss104 and 107 LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Receiver or the Security Agent as if the Secured Obligations had become due and the statutory powers of sale and of appointing a Receiver in relation to the Secured Assets had arisen on the date of this Debenture

**16.4 Delegation**

- (a) The Security Agent may delegate to any person or persons all or any of the rights which are exercisable by it under this Debenture. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Security Agent may think fit.
- (b) A delegation under Clause 16.4(a) shall not preclude the subsequent exercise of those rights by the Security Agent itself nor preclude the Security Agent from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) The Security Agent shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

**16.5 No liability**

None of the Security Agent, any Receiver or any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Secured Assets for any loss on realisation or for any other action, default or omission for which it, he or she might be liable.

**16.6 Grant of Intellectual Property license**

For the purpose of enabling the Security Agent to exercise the rights and remedies under this Clause 16 at such time as the Security Agent shall be lawfully entitled to exercise such rights and remedies, the Chargor hereby

- (a) grants to the Security Agent, for the benefit of the Security Agent, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Chargor) to use, license or sublicense any intellectual property rights now owned or hereafter acquired by the Chargor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, and
- (b) irrevocably agrees that the Security Agent may sell any of the relevant Chargor's Inventory directly to any person including, without limitation, persons who have previously purchased the Chargor's Inventory from the Chargor and in connection with any such sale or other enforcement of the Security Agent's rights under this Debenture, may sell Inventory which bears any trademark owned by or licensed to the Chargor and any Inventory that is covered by any copyright owned by or licensed to the Chargor and the Security Agent may finish any work in process and affix any trademark owned by or licensed to the Chargor and sell such Inventory as provided in this Debenture.

## **17 RIGHT OF APPROPRIATION**

### **17.1 Application of right of appropriation**

This Clause 17 applies to the extent the Secured Assets constitute "financial collateral" and this Debenture constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003)

### **17.2 Exercise of right of appropriation**

If and to the extent that this Clause 17 applies, the Security Agent may appropriate the Secured Assets. If the Security Agent exercises its right of appropriation then it shall for these purposes value

- (a) any relevant Collection Account or other bank account and the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation, and
- (b) any other relevant Secured Asset by reference to an independent valuation or other procedure determined by the Security Agent, acting reasonably, at the time of the appropriation

## **18 APPOINTMENT OF RECEIVER**

### **18.1 Appointment of Receiver**

Without prejudice to any statutory or other powers of appointment of the Security Agent under the LPA as extended by this Debenture or otherwise, at any time after this Security has become enforceable or if the Chargor so requests in writing at any time the Security Agent may without further notice to the Chargor do any of the following

- (a) appoint by deed or otherwise (acting through a duly authorised officer) any one or more persons qualified to act as a Receiver to be a Receiver of all or any part of the Secured Assets,
- (b) either at the time of appointment or any time after that appointment fix his or their remuneration (without being limited by the maximum rate specified in s109(6) LPA), and
- (c) (except as otherwise required by statute) remove any Receiver and appoint another or others in his or her place

### **18.2 Powers of Receiver**

Every Receiver shall have in relation to the Secured Assets (every reference in this Clause 18.2 to "Secured Assets" being a reference only to all or any part of the Secured Assets in respect of which that Receiver was appointed) the powers granted by the LPA to any receiver appointed under it or to any mortgagor or mortgagee in possession and (whether or not the Receiver is an administrative receiver) the powers granted by the IA to any administrative receiver, all as varied and extended by this

Debenture In addition, but without limiting the preceding sentence, every Receiver shall have power to do the following:

- (a) **Collection:** enter on, take possession of, collect and get in the Secured Assets and collect and get in all rents and other income whether accrued before or after the date of his or her appointment and for those purposes make any demands and take any actions or other proceedings which may seem to him or her expedient,
- (b) **Compliance with Debenture.** comply with and perform all or any of the acts, matters, omissions or things undertaken to be done or omitted by the Chargor under this Debenture,
- (c) **Management of business:** carry on, manage, develop, reconstruct, amalgamate or diversify the business of the Chargor or any part of it in such manner as the Receiver shall in his or her discretion think fit,
- (d) **Dealing with Secured Assets:** sell or otherwise dispose of the Secured Assets, grant Leases, easements, rights or options over or in respect of them and surrender, accept the surrender or vary any Lease, agreement or arrangement relating to them This power may be exercised without the need to comply with ss99 and 100 LPA Any disposal or other dealing under this Clause 18 2(d) may be effected in the manner and on any terms which the Receiver thinks fit, for consideration consisting of cash, debentures or other obligations, shares or other valuable consideration and this consideration may be payable in a lump sum or by instalments spread over such period as the Receiver may think fit,
- (e) **Severance of assets:** sever from the premises to which they are annexed and sell separately (in accordance with Clause 18 2(d)) any plant, machinery or fixtures,
- (f) **Upkeep of Secured Assets:** repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Secured Assets as the Receiver shall think fit and effect, maintain, renew or increase indemnity insurance and other insurances and obtain bonds,
- (g) **Dealing with third parties** appoint or dismiss officers, employees, contractors or other agents and employ professional advisers and others on such terms (as to remuneration and otherwise) as the Receiver may think fit,
- (h) **Agreements:** perform, repudiate, terminate, amend or enter into any arrangement or compromise any contracts or agreements which the Receiver may consider expedient,
- (i) **Proceedings.** settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes which may arise in connection with the business of the Chargor or the Secured Assets and bring, prosecute, defend, enforce, compromise, submit to and discontinue any actions, suits, arbitrations or other proceedings,

- (j) **Uncalled capital:** make calls on the shareholders of the Chargor in respect of any of its uncalled capital,
- (k) **Rights in connection with Secured Assets** exercise or permit the Chargor or any nominee of the Chargor to exercise any rights incidental to the ownership of the Secured Assets in such manner as the Receiver may think fit,
- (l) **Subsidiaries:** form a subsidiary or subsidiaries of the Chargor and transfer, lease or license to it or them or any other person the Secured Assets on such terms as the Receiver may think fit,
- (m) **Assets and rights.** purchase, lease, hire or otherwise acquire any assets or rights of any description which the Receiver shall consider necessary or desirable for the carrying on, improvement or realisation of the Secured Assets or the business of the Chargor or otherwise for the benefit of the Secured Assets,
- (n) **Landlord and tenant powers.** exercise any rights conferred on a landlord or a tenant by any applicable law or regulation in relation to the Secured Assets,
- (o) **Raising money.** in the exercise of any of the rights conferred on the Receiver by this Debenture or for any other purpose to raise and borrow money either unsecured or secured and either in priority to, pari passu with or subsequent to this Security and generally on such terms as he or she may think fit,
- (p) **Receipts and discharges:** give valid receipts for all monies and execute all discharges, assurances and other documents which may be proper or desirable for realising the Secured Assets and redeem, discharge or compromise any Security Interest whether or not having priority to this Security or any part of it,
- (q) **All other acts:** execute and do all such other acts, things and documents as the Receiver may consider necessary or desirable for the realisation or preservation of the Secured Assets or incidental or conducive to any of the rights conferred on or vested in him or her under or by virtue of this Debenture or otherwise and exercise and do in relation to the Secured Assets, and at the cost of the Chargor, all the rights and things which he or she would be capable of exercising or doing if he or she were the absolute beneficial owner of the same, and
- (r) **Name of Chargor** use the name of the Chargor or his or her own name to exercise all or any of the rights conferred by this Debenture

### 18.3 Agent of the Chargor

Any Receiver appointed under this Debenture whether acting solely or jointly shall be deemed to be the agent of the Chargor and to be in the same position as a receiver appointed under the LPA and the Chargor shall be solely responsible for his or her acts, omissions, defaults, losses and misconduct and for his or her remuneration and the Security Agent shall not be in any way liable or responsible either to the Chargor or to any other person for any Receiver



**18.4 Joint appointment**

If at any time two or more persons have been appointed as Receivers of the same Secured Assets, each one of those Receivers shall be entitled to exercise individually all of the rights conferred on Receivers under this Debenture to the exclusion of the other or others in relation to any of the Secured Assets in respect of which he or she has been appointed unless the Security Agent shall state otherwise in the document appointing him or her

**19 APPOINTMENT OF ADMINISTRATOR**

**19.1 Appointment of Administrator**

- (a) The Security Agent may without notice appoint any one or more persons to be an administrator of the Chargor pursuant to Schedule B1, Paragraph 14.1A at any time after this Security has become enforceable
- (b) Clause 19.1(a) shall not apply to the Chargor if Schedule B1, Paragraph 14.1A does not permit an administrator of the Chargor to be appointed
- (c) Any appointment under Clause 19.1(a) shall be in writing signed by a duly authorised officer of the Security Agent.

**19.2 Replacement of an Administrator**

The Security Agent may (subject to any necessary approval from the court) end the appointment of any Administrator by notice in writing signed by a duly authorised officer and appoint under Clause 19.1 a replacement for any Administrator whose appointment ends for any reason

**20 APPLICATION OF PROCEEDS**

**20.1 Order of priority**

Any monies received by the Security Agent or any Receiver under this Debenture or under the rights conferred by this Debenture shall, after the occurrence of an Event of Default and payment of any claims having priority to this Security, be applied in the following order to the extent permitted by applicable law, but without prejudice to the right of the Security Agent to recover any shortfall from the Chargor

- (a) where applicable, in payment of all Losses of and incidental to the appointment of the Receiver and the exercise of all or any of his or her powers,
- (b) where applicable, in payment of the Receiver's remuneration at such rate as may be agreed with the Security Agent,
- (c) in accordance with Section 2.19(b) (*Payments Generally, Allocation of Proceeds, Sharing of Set-off*) of the Credit Agreement, and

- (d) if the Chargor is not under any further actual or contingent liability under the Credit Agreement, in payment of the surplus (if any) to the person or persons entitled to it

The application of monies received by an Administrator will be governed by the IA

#### 20.2 Security accounts

Until the Discharge Date (and whether or not an Event of Default has occurred) the Security Agent may, in its discretion, apply any part of the monies standing to the credit of any Collection Account, any Payment Account and any bank account referred to in Clause 3.1(h) (*Other bank accounts*) in accordance with Section 2.11(b) (*Repayment and Amortization of Loans, Evidence of Debt*) of the Credit Agreement

#### 20.3 Insurance proceeds

- (a) All monies received by the Chargor by virtue of any Insurance on the Secured Assets, whether or not effected under this Debenture
  - (i) shall be deemed part of the Secured Assets, and
  - (ii) (subject to any rights of third parties arising under any applicable law and regulation relating to the application of insurance monies or under any Lease under which any Mortgaged Property is demised or let to or by the Chargor) shall, save with the prior written consent of the Security Agent, be paid to the Security Agent. This shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Debenture
- (b) Any monies so paid to the Security Agent or otherwise received by the Security Agent by virtue of any insurance on the Secured Assets shall be applied by the Administrative Agent in accordance with the provisions of Sections 2.12(c) and (e) (*Prepayment of Loans*) of the Credit Agreement
- (c) Any monies received by the Chargor by virtue of any Insurance on the Secured Assets shall be held on trust for the Security Agent until those monies are paid to the Security Agent in accordance with this Clause 20.3

**SECTION 5  
GENERAL SECURITY PROVISIONS**

**21 GENERAL SECURITY PROVISIONS**

**21.1 Continuing security**

This Debenture is a continuing security and regardless of any intermediate payment or discharge in whole or in part to any Secured Party, shall be binding until the date (the "Discharge Date") on which

- (a) all the Commitments have been terminated,
- (b) all of the Secured Obligations (other than Unliquidated Obligations) have been unconditionally and irrevocably paid or discharged in full in cash to the satisfaction of the Security Agent, and
- (c) all Unliquidated Obligations, have been cash collateralised in a manner satisfactory to the Security Agent

**21.2 Additional security**

This Debenture is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of the Security Agent or any other Secured Party

**21.3 Waiver of defences**

The obligations of the Chargor under this Debenture will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 21.3, would reduce, release or prejudice any of its obligations under this Debenture, including (whether or not known to it or the Security Agent)

- (a) any time, waiver, consent or other indulgence granted to, or composition with, any Loan Party or any other person,
- (b) the release of any other Loan Party or any other person under the terms of any composition or arrangement with any creditor,
- (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 Interest over the assets of, any Loan Party or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any Instrument or any failure to take, or failure to realise the full value of, any Security Interest,
- (d) any incapacity or lack of power, authority or legal personality of or Insolvency or change in the members or status of the Chargor or any other person, or
- (e) any disclaimer, unenforceability, illegality, invalidity or ineffectiveness of any of the Secured Obligations or any other obligation of any person under any Loan Document or any other Instrument or Security Interest

**21.4 Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party to proceed against or enforce any Security Interest or other rights or claim payment from any other person before claiming from it under this Debenture. This waiver applies irrespective of any applicable law and regulation or any provision of any Loan Document to the contrary.

**21.5 Discretion in enforcement**

Until the Discharge Date, the Security Agent or any Receiver may,

- (a) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Obligations.

**21.6 Subsequent Security Interests**

At any time following:

- (a) the Security Agent or any other Secured Party's receipt of notice (either actual or constructive) of any subsequent Security Interest affecting the Secured Assets,
- (b) the Insolvency of the Chargor; or
- (c) any disposal of all or any of the Secured Assets in breach of Clause 7.2 (*No disposals*),

any Secured Party may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If a Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Insolvency commenced or the assignment or transfer occurred and from that time all payments made by the Chargor to the Secured Party or received by the Secured Party for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Debenture at the time when the Secured Party received or was deemed to have received that notice or, as the case may be, the Insolvency commenced or the assignment or transfer occurred.

**22 POWER OF ATTORNEY**

**22.1 Appointment**

The Chargor irrevocably and by way of security appoints the Security Agent and any Receiver and every delegate referred to in Clause 16.4 (*Delegation*) and each of them

jointly and also severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed to execute, deliver and perfect all Instruments and other documents and do any other acts and things which may be required or which the attorney may consider desirable

- (a) to carry out any obligation imposed on the Chargor by this Debenture;
- (b) to carry into effect any disposal or other dealing by the Security Agent or any Receiver,
- (c) to convey or transfer any right in land or any other asset,
- (d) to get in the Secured Assets, and
- (e) generally to enable the Security Agent and any Receiver to exercise the respective rights conferred on them by this Debenture or by applicable law and regulation,

and the Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of its powers and all monies spent by an attorney shall be deemed to be expenses incurred by the Security Agent under this Debenture

#### **22.2 Irrevocable power**

The Chargor acknowledges that each power of attorney granted by Clause 22.1 is granted irrevocably and for value as part of this Security to secure a proprietary interest of, and the performance of obligations owed to, the donee within the meaning of s4 Powers of Attorney Act 1971

### **23 RETENTION OF SECURITY**

#### **23.1 Release of Security**

Following the Discharge Date and at the request and cost of the Chargor, the Security Agent shall, as soon as reasonably practicable after receipt of that request, release and discharge this Security and re-assign the assets assigned to the Security Agent under this Debenture to the Chargor (or as it shall direct), at all times without recourse, representation or warranty and subject to the provisions of the Credit Agreement, Clauses 23.2 and 23.3 and the rights of any person having prior rights over those assets. Any release or discharge of this Security or re-assignment shall not release or discharge the Chargor from any liability to the Security Agent or any other Secured Party for the Secured Obligations or any other monies which exists independently of this Debenture

#### **23.2 Reinstatement**

- (a) Any release, settlement, discharge, re-assignment or arrangement (in this Clause 23, a "release") made by the Security Agent on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to Insolvency

- (b) If any avoidance, reduction or clawback occurs or order is made as referred to in Clause 23 2(a), then the release given by the Security Agent shall have no effect and shall not prejudice the right of the Security Agent to enforce this Security in respect of the Secured Obligations. As between the Chargor and the Security Agent, this Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Security Agent as security for the Secured Obligations.

### 23 3 Retention of security

- (a) The Security Agent may retain all or part of this Security, the documents of title and other documents relating to the Secured Assets and its other rights under this Debenture as security for the Secured Obligations for a period of 25 months after the Secured Obligations shall have been paid and discharged in full.
- (b) If at any time within that period of 25 months a petition is presented to a competent court for a winding-up order to be made in respect of the Chargor, steps are taken to wind up the Chargor voluntarily, an application is made to a competent court for an administration order to be made in respect of the Chargor, a notice of intention to appoint an administrator to the Chargor is filed at court or the appointment of an administrator to the Chargor takes effect, then the Security Agent may continue to retain all or part of this Security, those documents and those other rights for any further period as the Security Agent may in its absolute discretion determine.

## 24 PRIOR SECURITY INTERESTS

### 24 1 Redemption

The Security Agent may at any time

- (a) redeem, or procure the transfer to itself of, any prior Security Interest over any Secured Assets, or
- (b) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall be conclusive and binding on the Chargor.

### 24 2 Costs of redemption

All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption or transfer under Clause 24 1 shall be paid by the Chargor to the Security Agent on demand, in each case together with interest calculated in the manner referred to in Clause 27 1 (*Costs and expenses*) and Section 2 14(d) (*Interest*) of the Credit Agreement.

## 25 SECURITY AGENT PROVISIONS

### 25 1 Appointment of the Security Agent

- (a) Each of the Secured Parties has irrevocably appointed the Security Agent to act as its trustee in connection with the Security Documents.

- (b) Each of the Secured Parties has authorised the Security Agent to exercise the rights specifically given to the Security Agent under or in connection with the Loan Documents together with any other incidental rights.

**25.2 Role of the Security Agent**

- (a) The Security Agent shall hold the benefit of the Security Documents on trust for the Secured Parties
- (b) If the Security Agent receives notice from a party referring to this Debenture, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Secured Parties
- (c) The Security Agent does not have any duties except those expressly set out in the Loan Documents. In particular, the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000

**25.3 No fiduciary duties**

The Security 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

**25.4 Business with the Chargor**

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

**25.5 Discretions of the Security Agent**

- (a) The Security Agent may rely on
  - (i) any representation, notice, document or other communication believed by it to be genuine, correct and appropriately authorised, and
  - (ii) 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 Security Agent may assume that
  - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Article VII (*Events of Default*) of the Credit Agreement), and
  - (ii) any right vested in any Secured Party has not been exercised
- (c) The Security Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts
- (d) The Security Agent may act in relation to the Loan Documents through its personnel and agents

- (e) Notwithstanding that the Security 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 Security 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 this Debenture, the Security Agent shall be and is hereby authorised to assume without enquiry, in the absence of actual notice to the contrary, that the Chargor and the other parties to any of the Loan Documents (other than the Security Agent) is duly performing and observing all the covenants and provisions contained in or arising pursuant to this Debenture or any other Loan Document respectively relating to it and on its part to be performed and observed.

#### 25.6 Required Lenders' instructions

- (a) Unless a contrary indication appears in a Loan Document, the Security Agent shall
  - (i) act in accordance with any instructions given to it by the Required Lenders (or, if so instructed by the Required Lenders 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 Security Agent), and
  - (ii) 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 Security Agent may refrain
  - (i) 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
  - (ii) 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 Security Agent may act (or refrain from taking action) as it considers to be in the best interest of the Required Lenders.



- (e) The Security Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Loan Document

#### 25.7 Responsibility for documentation

The Security Agent is not responsible for

- (a) the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any Loan Party, the 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

#### 25.8 Exclusion of liability

- (a) Without limiting Clause 25.8(b), the Security 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 Security Agent in respect of any claim it might have against the Security 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 Security Agent may rely on this Clause 25.8(b)
- (c) The Security 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 Security Agent if the Security 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 Security Agent for that purpose
- (d) The Security Agent shall not be under any obligation to insure any of the Secured Assets 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 Security Agent shall not be responsible for any Losses occasioned to the Secured Assets, however caused, by the 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 Security Agent's own gross negligence or wilful misconduct. In particular the Security Agent shall be not responsible for any Losses which may be suffered as a result of any assets comprised in the Secured Assets, 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 Security Agent

- (f) The Security Agent shall have no responsibility to the Chargor as regards any deficiency which might arise because the Chargor is subject to any tax in respect of the Secured Assets or any income or any proceeds from or of them
- (g) The Security 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 Secured Assets

#### 25 9 Lenders' indemnity to the Security Agent

- (a) Each Lender shall (in proportion to its share of the Aggregate Commitments or, if the Aggregate Commitments are then zero, to its share of the Aggregate Commitments immediately prior to their reduction to zero) indemnify the Security Agent, within three Business Days of demand, against any Losses sustained or incurred by the Security Agent (otherwise than by reason of the Security Agent's gross negligence or wilful misconduct) in acting as the Security Agent under the Loan Documents (unless the Security Agent has been reimbursed by the Chargor pursuant to a Loan Document)
- (b) The Security Agent may, in priority to any payment to the Lenders, indemnify itself out of the Secured Assets in respect of, and pay and retain, all sums necessary to give effect to this indemnity and to all other indemnities given to it in the other Loan Documents in its capacity as Security Agent. The Security Agent shall have a lien on the security constituted over the Secured Assets and the proceeds of enforcement of this Debenture for all such sums

#### 25 10 Resignation

- (a) The Security Agent may resign and appoint one of its Affiliates acting through an office in the United Kingdom as successor by giving notice to the other parties
- (b) Alternatively the Security Agent may resign by giving notice to the other parties, in which case the Required Lenders may appoint a successor Security Agent
- (c) If the Required Lenders have not appointed a successor Security Agent in accordance with Clause 25 10(b) within 30 days after notice of resignation was given, the Security Agent may appoint a successor Security Agent (acting through an office in the United Kingdom)
- (d) The retiring Security Agent shall, at its own cost, make available to the successor Security Agent any documents and records and provide any assistance which the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Loan Documents

- (e) A notice of resignation from the Security Agent shall only take effect upon the appointment of a successor
- (f) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Loan Documents but shall remain entitled to the benefit of this Clause 25. Its successor and each of the other parties shall have the same rights and obligations amongst themselves as they would have had if the successor had been an original party
- (g) After consultation with the Borrower Representative, the Required Lenders may, by notice to the Security Agent, require it to resign in accordance with Clause 25 10(b). In this event, the Security Agent shall resign in accordance with Clause 25 10(b)

#### 25 11 Additional Security Agent

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

- (a) if it is necessary in performing its duties and if the Security Agent 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 Security Agent deems to be relevant, or
- (c) for the purposes of obtaining or enforcing any judgment or decree in any jurisdiction,

and the Security Agent will give notice to the other Parties of any such appointment

#### 25 12 Confidentiality

- (a) In acting as Security Agent for the Secured Parties, the Security 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 Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it
- (c) Notwithstanding any other provision of any Loan Document to the contrary, the Security Agent is not obliged to disclose to any other person
  - (i) any confidential information, or
  - (ii) 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

#### **25 13 Relationship with the Lenders**

The Security Agent may treat each Lender as a Lender, entitled to payments under this Debenture and acting through its Facility Office unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Debenture

#### **25 14 Credit appraisal by the Lenders**

Without affecting the responsibility of the Chargor for information supplied by it or on its behalf in connection with any Loan Document, each Lender confirms to the Security 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 Chargor,
- (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 Lender 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 Security 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

#### **25 15 Management time**

Any amount payable to the Security Agent by way of fees or indemnity under this Debenture or the Credit Agreement shall include the cost of utilising the Security Agent's management time or other resources (which will be calculated on the basis of such reasonable daily or hourly rates as the Security Agent may notify to the Chargor)

#### **25 16 Security Documents**

- (a) The Security Agent shall accept without investigation, requisition or objection whatever title any person may have to the assets which are subject to the Security Documents and shall not
  - (i) be bound or concerned to examine or enquire into the title of any person, or

- (ii) be liable for any defect or failure in the title of any person, whether that defect or failure was known to the Security 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 Security Agent under Clause 25 10, the resigning Security Agent shall execute and deliver any documents and do any other acts and things which may be necessary to vest in the successor Security Agent all the rights vested in the resigning Security Agent under the Security Documents
- (c) Each of the other Secured Parties
  - (i) authorises the Security Agent to hold each mortgage or charge created pursuant to any Loan Document in its sole name as collateral agent for the Secured Parties, and
  - (ii) requests the Land Registry to register the Security Agent as the sole proprietor of any mortgage or charge so created

#### 25 17 Distribution of proceeds of enforcement

- (a) To the extent that the Security Documents provide for the net proceeds of any enforcement to be applied against the Secured Obligations, the Security Agent shall pay them to the Administrative Agent and the Administrative Agent shall apply them in payment of any amounts due but unpaid under the Loan Documents, if applicable in the order set out in Section 2 19(b) (*Payments Generally, Allocation of Proceeds, Sharing of set-offs*) of the Credit Agreement. This shall override any appropriation made by the Chargor.
- (b) The Security Agent may, at its discretion, accumulate proceeds of enforcement in an interest bearing account in its own name.

#### 25 18 No obligation to remain in possession

If the Security 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.

#### 25 19 Security Agent's obligation to account

The Security 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 Chargor or any other person for anything except the Security Agent's own actual receipts which have not been distributed or paid to the Chargor or the persons entitled or at the time of payment believed by the Security Agent to be entitled to them, or
- (b) be liable to the Chargor or any other person for any principal, interest or Losses from or connected with any realisation by the Security Agent of the

Secured Assets or from any act, default, omission or misconduct of the Security Agent, its officers, employees or agents in relation to the Secured Assets or from any exercise or non-exercise by the Security Agent of any right exercisable by it under this Debenture unless they shall be caused by the Security Agent's own gross negligence or wilful misconduct

**25 20 Receiver's and delegate's obligation to account**

All the provisions of Clause 25 19 shall apply in respect of the liability of any Receiver or Administrator or delegate in all respects as though every reference in Clause 25 19 to the Security Agent were instead a reference to the Receiver or, as the case may be, Administrator or delegate

## SECTION 6 ADMINISTRATION

### 26 CREDIT AGREEMENT PROVISIONS

Sections 2.14(d) (*Interest*), 2.18A (*U.K. Tax*), 2.23 (*Judgment Currency*), 9.03 (*Expenses, Indemnity, Damage waiver*), 9.12 (*Confidentiality*) and 9.15 (*Disclosure*) of the Credit Agreement shall apply to this Debenture as if they were set out in full again here, with references to the Agents or the Lenders including the Security Agent and with any other changes which are necessary to fit this context.

### 27 COSTS

#### 27.1 Costs and expenses

The Chargor shall promptly on demand pay the Security Agent the amount of all costs and expenses (including legal fees) incurred by it in connection with

- (a) the negotiation, preparation and execution of this Debenture,
- (b) any actual or proposed amendment of or waiver or consent under or in connection with this Debenture requested by the Chargor,
- (c) any discharge or release of this Security,
- (d) the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of, this Debenture,
- (e) the taking or holding of this Security or any proceedings in relation to it or to all or any of the Secured Assets; and
- (f) any advice obtained in relation to any other matter or question arising out of or in connection with this Debenture,

together with interest calculated in the manner referred to in Section 2.14(d) (*Interest*) of the Credit Agreement from the date it is incurred or becomes payable up to the date of receipt by the Security Agent (both before and after judgment).

#### 27.2 Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Debenture, this Security or any judgment or order given in connection with this Debenture may at any time be subject and shall on demand indemnify the Security Agent against any losses resulting from any failure to pay or delay in paying the same.

### 28 INDEMNITY

#### 28.1 General indemnity

The Chargor shall on demand indemnify and keep indemnified the Security Agent and every Receiver, attorney, manager, agent or other person appointed by the Security

Agent under this Debenture and their respective employees in respect of all Losses incurred or suffered by any of them in or directly or indirectly as a result of the exercise or purported exercise of any of the rights vested in them under this Debenture and against all Losses suffered or incurred by any of them in respect of any matter or thing done or omitted relating to the Secured Assets, together with interest calculated in the manner referred to in Section 2 14(d) (*Interest*) of the Credit Agreement from the earlier of the date of demand and the date of payment by that person up to the date of receipt by that person (both before and after judgment) The Security Agent and any Receiver may retain and pay all those sums out of any monies received by it or him or her under this Debenture

**28 2 Indemnity for breach**

The Chargor shall on demand indemnify and keep indemnified the Security Agent in respect of all Losses occasioned by any breach of any of its covenants or other obligations under this Debenture or otherwise relating to all or any part of the Secured Assets, together with interest calculated in the manner referred to in Section 2 14(d) (*Interest*) of the Credit Agreement from the earlier of the date of demand by the Security Agent and the date of payment up to the date of receipt by the Security Agent (both before and after judgment)

**29 TRANSFERS**

**29 1 Security Agent**

The Security Agent may assign any or all of its rights and transfer any or all of its obligations under this Debenture to a successor appointed pursuant to Clause 25 10 (*Resignation*)

**29 2 Chargors**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Debenture

**29 3 Disclosure of information**

The Security Agent may disclose any information about the Chargor which it shall consider appropriate to any Affiliate, any of its professional advisers, any person to whom it is proposing to assign or transfer, or has assigned or transferred, any of its rights and obligations under this Debenture or to any person to whom information may be required to be disclosed by any applicable law and regulation

**30 SET-OFF**

The Security Agent may set-off any matured obligation due from the Chargor under this Debenture (to the extent beneficially owned by the Security Agent) against any matured obligation owed by the Security Agent to the Chargor, regardless of the place of payment, booking branch or currency of either obligation If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off



### **31 COMMUNICATIONS**

#### **31.1 Communications in writing**

Any communication to be made or provided under or in connection with this Debenture (including any notices, waivers, consents or other documents) shall be made or provided in English and in writing and, unless otherwise stated, may be delivered by fax, post or personal delivery

#### **31.2 Addresses**

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

- (a) (subject to Clause 31.2(b)) that identified in Section 9.01 (*Notices*) of the Credit Agreement or any substitute address, fax number or department or officer as the relevant Party may notify to the other party by not less than 15 Business Days' notice, or
- (b) may in the alternative in the case of any claim form, judgment or other notice of process on the Chargor be delivered or sent to its registered office from time to time

#### **31.3 Delivery**

- (a) Any communication made or provided by one Party to another under or in connection with this Debenture will only be effectively made or provided
  - (i) if delivered by fax, when received in legible form, or
  - (ii) if delivered by post or personal delivery, when it has been left at the relevant address or (subject to Clause 31.3(b)) five Business Days after being deposited in the post postage prepaid in an envelope addressed to the recipient at that address
- (b) Any communication to be made or provided to the Security Agent will be effectively made or provided only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer specified as part of its address details provided under Clause 31.2

### **32 CALCULATIONS AND CERTIFICATES**

#### **32.1 Accounts**

In any litigation or other proceedings arising out of or in connection with this Debenture, the entries made in the accounts maintained by the Security Agent or any other Secured Party are prima facie evidence of the matters to which they relate

**32.2 Certificates or determinations**

Any certificate or determination of the Security Agent as to any matter provided for in this Debenture is, in the absence of manifest error, conclusive evidence of the matters to which it relates

**33 PARTIAL INVALIDITY**

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

**34 REMEDIES AND WAIVERS**

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

**35 AMENDMENTS AND WAIVERS**

Any term of this Debenture may be amended or waived only with the written consent of the Security Agent and the Chargor

**36 COUNTERPARTS**

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

**37 CONDUCT OF BUSINESS**

No provision of this Debenture will

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

**SECTION 7**  
**GOVERNING LAW AND ENFORCEMENT**

**38 GOVERNING LAW**

This Debenture and all non-contractual obligations arising in connection with it shall be governed by, and shall be construed in accordance with, English law

**39 ENFORCEMENT**

**39.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a "Dispute")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (c) This Clause 39.1 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions

**EXECUTION**

The parties have shown their acceptance of the terms of this Debenture by executing it, in the case of the Chargor as a deed, at the end of the Schedules

**SCHEDULE 1**  
**COLLECTION AND PAYMENT ACCOUNTS**

**Part 1**

**1. Collection Accounts**

None as at the date of this Debenture

1  
1  
1  
1

## Part 2

### 2. Payment Accounts

Name of account holder	Name and address of entity at which account is held	Account details
Thomas Plant (Birmingham) Limited	Lloyds Bank plc Ariel House, 2138 Coventry Road, Sheldon, B26 3JW, Birmingham England	Account no: [REDACTED]20 Sort Code 30-92-99
Thomas Plant (Birmingham) Limited	Lloyds Bank plc Ariel House, 2138 Coventry Road, Sheldon, B26 3JW, Birmingham England	Account no [REDACTED]81 Sort Code 30-92-99
Thomas Plant (Birmingham) Limited	Lloyds Bank plc Ariel House, 2138 Coventry Road, Sheldon, B26 3JW, Birmingham England	Account no [REDACTED]96 Sort Code 30-92-99

**SCHEDULE 2  
PROPERTIES**

**Part 1  
Registered land**

(Freehold (including commonhold) or leasehold property (if any) in England and Wales of which the Chargor is registered as the proprietor at Land Registry)

County and District/ London Borough	Description of Property	Title Number
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**Part 2  
Unregistered land**

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at Land Registry of which the Chargor is the owner)

The freehold/leasehold property known as and comprised in the following title deed(s) or other document(s) of title:

Description	Date	Document	Parties
Plumbob House, 93-99 (odd numbers) Holloway Head, Birmingham	The date of the Debenture	Lease	(1) AJ Plant, RTH Plant and PWP Bushell as Managing Trustees of the Thomas Plant (Birmingham) Limited 1997 Retirement Benefit Scheme and (2) Thomas Plant (Birmingham) Limited
Plumbob House, Valepits Road, Garretts Green, Birmingham	The date of the Debenture	Lease	(1) AJ Plant, RTH Plant and PWP Bushell as Managing Trustees of the Thomas Plant (Birmingham) Limited 1997 Retirement Benefit Scheme and (2) Thomas Plant (Birmingham) Limited

**SCHEDULE 3  
SPECIFIED INVESTMENTS**

Name	County of Incorporation	Company Number
Thomas Plant (Birmingham 1927) Limited	England and Wales	00219394
Frederick Hill (Birmingham) Limited	England and Wales	00376756
Plumbob (Hardware) Limited	England and Wales	02697547
Kitchencraft (Housewares) Limited	England and Wales	02697575
Kitchencraft (Asia) Limited	Hong Kong	1546514

**SCHEDULE 4  
NOTICE OF CHARGE OF ACCOUNTS**

*[On Chargor's notepaper]*

To *[Name and address of other party]*

*[Date]*

Dear Sirs

*[Name and date of Account]*

We refer to an agreement dated [●] 201[●] between us and you (as amended or novated from time to time, the "Agreement")

We give you notice that by a Debenture (the "Debenture") dated [●] 201[●] and entered into by us in favour of [●] (as Security Agent, as defined in the Debenture), we have charged all our rights in the book debts [and other rights to receive payments] arising out of the Agreement

Please note the following

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Agreement,
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Agreement to [●] or such other account as the Security Agent may from time to time notify to you in writing,
- (c) 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 Security Agent's prior written consent, and
  - (ii) you are authorised to disclose any information in relation to the Agreement to the Security Agent at the Security Agent's request

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

Yours faithfully

*[Name of Chargor]*

By *[Name of signatory]*



SCHEDULE 5  
NOTICE OF ASSIGNMENT OF ASSIGNED DOCUMENT

*[On Chargor's notepaper]*

To *[Name and address of other party]*

*[Date]*

Dear Sirs

*[Name and date of Assigned Document]*

We refer to an agreement dated [●] 201[●] between us and you (as amended or novated from time to time, the "Agreement")

We give you notice that by a Debenture (the "Debenture") dated [●] 201[●] and entered into by us in favour of *[Name of Security Agent]* (as Security Agent, as defined in the Debenture), we have assigned all our rights under the Agreement including the right to receive any payments due under the Agreement

Please note the following

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Agreement,
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Agreement to such bank account as the Security Agent may from time to time specify in writing,
- (c) all of the powers, discretions, remedies and other rights which would, but for the Debenture, be vested in us under and in respect of the Agreement are exercisable by the Security Agent,
- (d) we have agreed not to waive any rights under nor amend, novate, rescind or otherwise terminate the Agreement without the prior written consent of the Security Agent,
- (e) 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 Security Agent's prior written consent, and
  - (ii) you are authorised to disclose any information in relation to the Agreement to the Security Agent at the Security Agent's request

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 Security Agent, [●], at [●] marked for the attention of [●]

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

## ACKNOWLEDGEMENT

To [●]

We acknowledge receipt of a notice dated [●] 201[●] addressed to us by *[Name of Chargor]* (the "Chargor") regarding an agreement dated [●] 201[●] between us and the Chargor (as amended or novated from time to time, the "Agreement")

We confirm that:

- (a) we consent to the assignment of the Agreement and will comply with the terms of that notice,
- (b) 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 Agreement,
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Agreement or if any event occurs which would permit us to terminate, cancel or surrender the Agreement we will
  - (i) immediately on becoming aware of it, give you written notice of that breach, and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice,
- (d) we confirm that no waiver of any of the Chargor's rights under and no amendment, novation, rescission or other termination by the Chargor of, the Agreement shall be effective without the prior written consent of the Security Agent, and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt

*[Name of other party]*

By *[Name of signatory]*

Dated

**SCHEDULE 6**  
**NOTICE OF ASSIGNMENT OF INSURANCE**

*[On Chargor's notepaper]*

To *[Name and address of insurer]*

*[Date]*

Dear Sirs

Policy number [●]

We give you notice that by a Debenture (the "Debenture") dated [●] 201[●] and entered into by us in favour of *[Security Agent]* (as Security Agent, as defined in the Debenture), we have assigned all our rights in the insurance policy, brief details of which are set out below (the "Policy") and all monies which may be payable to or received by us under it

Please note the following

- (a) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims, to such bank account as the Security Agent may from time to time specify in writing,
- (b) all of the powers, discretions, remedies and other rights which would, but for the Debenture, be vested in us under and in respect of the Policy are exercisable by the Security Agent, and
- (c) 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 Security Agent's prior written consent, and
  - (ii) you are authorised to disclose any information in relation to the Policy to the Security Agent at the Security Agent's request

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 Security 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]*

[On copy letter only ]

#### ACKNOWLEDGEMENT

To [Security Agent]

We acknowledge receipt of a notice dated [●] 201[●] addressed to us by [Name of Chargor]  
(the "Chargor") regarding the Policy (as defined in that notice)

We confirm that

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice,
- (b) 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 Policy, and
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will
  - (i) immediately on becoming aware of it, give you written notice of that breach, and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice

[Name of insurer]  
By [Name of signatory]

Dated

**SCHEDULE 7  
NOTICE OF CHARGE OF COLLECTION ACCOUNT**

*[On Chargor's notepaper]*

To *[Name and address of account bank]*

*[Date]*

Dear Sirs

Collection Account number[s]. [•]

We refer to Collection Account number[s] [•] (the "Collection Account[s]")

We give you notice that by a Debenture (the "Debenture") dated [•] 201[•] and entered into by us in favour of *[Security Agent]* (as Security Agent, as defined in the Debenture) we have charged all our rights in any credit balances on the Collection Account[s] (the "Balances") and the indebtedness represented by the Collection Account[s]

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

- (a) that all rights, interests and benefits whatsoever accruing to or arising from the Collection Account[s] or Balances shall be exercisable by and shall belong to the Security Agent. For the avoidance of doubt
  - (i) we are not permitted to withdraw any amount from the Collection Account[s] without the prior written consent of the Security Agent,
  - (ii) all instructions related to monies held in the Collection Account[s] must be signed by one authorised signatory of the Security Agent set out in the following list

Name	Position	Contact
Angie Koukouvani	Operations Specialist	Tel 001 312-732-7505
Angela Travis	Operations Specialist	Tel 001 312-732-7508
Mike Culbertson	Senior Operations Manager	Tel 001 312-732-7491
Alvin Lam	Structuring Portfolio Manager	Tel 001 212 270 0274
Rema Daher	Credit Analyst	Tel 001 212 270 0297
Helen Mathie	Assistant Vice President	Tel 020 7325 9724
Tim Jacob	Senior Vice President	Tel 020 7325 7457

- (iii) no transfers of monies from the Collection Account[s] can be effected at any time without prior receipt of written instructions from the Security Agent in compliance with the terms of this notice,
- (b) to disclose to the Security 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 Collection Account[s] which the Security Agent may, at any time and from time to time, request,
- (c) at any time and from time to time on receipt by you of any written instruction, including facsimile transmission or email, from the Security 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),
- (d) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Collection 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 Security 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),
- (e) that any existing payment instructions affecting the Collection Account[s] are to be terminated and all payments and communications in respect of the Collection Account[s] should be made only to the Security Agent, and
- (f) statements shall be supplied to both us and the Security Agent

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 Security Agent's prior written consent, and
- (ii) you are authorised to disclose any information in relation to the Collection Account[s] to the Security Agent at the Security Agent's request

Please note

- (1) you may from time to time be instructed, by the Security Agent (provided at their discretion), to transfer any amounts standing to the credit of the Collection Account[s] to the following account (or such other account as the Security Agent may from time to time notify to you in writing)

Name of account [●]

Number of account [●]

Bank/Bank address [●]

Sort code [●], and

- (2) you may be instructed by the Security Agent to set up an automatic direct debit transfer of any amounts standing to the credit of the Collection Account[s] on a daily basis to such account as the Security Agent may notify you in writing, including such an account in the name of the Security Agent

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 Security 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 [●]

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

We confirm that

- (a) we consent to the charge of the Collection 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 Collection Account[s] and/or the Balances (as defined in the Notice),
- (c) 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 Collection Account[s] or the Balances,
- (d) we undertake that, on our becoming aware at any time that any person other than the Security 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 Collection Account[s] or the Balances, we will immediately give written notice of that to the Security Agent,
- (e) no fees or periodic charges are payable in respect of the Collection Account[s] and/or Balances, and
- (f) we shall operate the Collection 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]  
Dated



**SCHEDULE 8  
NOTICE OF CHARGE OF PAYMENT ACCOUNT**

*[On Chargor's notepaper]*

To *[Name and address of account bank]*

*[Date]*

Dear Sirs

Payment Account number[s]: [●]

We refer to Payment Account number[s] [●] (the "Payment Account[s]")

We give you notice that by a Debenture (the "Debenture") dated [●] 201[●] and entered into by us in favour of [●] (as Security Agent, as defined in the Debenture) we have charged all our rights in any credit balances on the Payment Account[s] (the "Balances") and the indebtedness represented by the Payment Account[s]

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 Security 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 Payment Account[s] which the Security 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 Security 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 Payment 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 Security 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), and
- (d) statements shall be supplied to both us and the Security Agent

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 Security Agent's prior written consent, and
- (ii) you are authorised to disclose any information in relation to the Payment Account[s] to the Security Agent at the Security Agent's request



## ACKNOWLEDGEMENT

To [Security Agent]

We acknowledge receipt of a notice (the "Notice") dated [•] 201[•] addressed to us by [Name of Chargor] (the "Chargor") regarding Payment Account number[s] [•] (the "Payment Account[s]")

We confirm that

- (a) we consent to the charge of the Payment 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 Payment Account[s] and/or the Balances (as defined in the Notice),
- (c) 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 Payment Account[s] or the Balances,
- (d) we undertake that, on our becoming aware at any time that any person other than the Security 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 Payment Account[s] or the Balances, we will immediately give written notice of that to the Security Agent,
- (e) no fees or periodic charges are payable in respect of the Payment Account[s] and/or Balances, and
- (f) we shall operate the Payment 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]

Dated

**SCHEDULE 9  
LOCATION OF INVENTORY**

Plumbob House, 93-99 (odd numbers) Holloway Head, Birmingham B1 1QP

Plumbob House, Valepits Road, Garretts Green, Birmingham, B33 0TD

RGF Logistics Limited, Corby Cargo Centre, Weldon Road, Corby, Northants NN17 5UE

RGF Logistics Limited, Magnum House, Valepits Road, Garretts Green, Birmingham B33 0TD

Europa Worldwide Logistics Ltd, Europa House, Tilton Road, Birmingham, B9 4PP

**EXECUTION of the Debenture:**

**The Chargor**

SIGNED as a deed by *ANDREW PLANT*, )  
Director, duly authorised for and on behalf )  
of **THOMAS PLANT (BIRMINGHAM)** )  
LIMITED in the presence of )



Witness's signature



Witness's name  
(in capitals)

*ALISON O'KEEFE*

Witness's address

*One Eleven Edmund Street, Birmingham B32HT*

**The Security Agent**

SIGNED as a deed by [**•**], duly authorised )  
for and on behalf of **JPMORGAN** )  
**CHASE BANK, N.A.** in the presence of )

Witness's signature

Witness's name  
(in capitals).

Witness's address.

### The Chargor

Witness's signature

**Witness's address**

SIGNED as a deed by [•], duly authorised )  
for and on behalf of JPMORGAN )  
CHASE BANK, N.A. in the presence of ) Robert A. Kowalski

Robert A Kaulius  
Authorized Officer

Witness's address 277 PARK AVE, 2nd FL  
New York, NY 10172