



Registration of a Charge

Company name: **COOKE OPTICS LIMITED**

Company number: **03579622**



X7DYT3BE

Received for Electronic Filing: **07/09/2018**

Details of Charge

Date of creation: **31/08/2018**

Charge code: **0357 9622 0018**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED**

Brief description: **INTELLECTUAL PROPERTY INCLUDING US 2016170186 TYPE ANAMORPHIC OBJECTIVE LENS, AS WELL AS OTHERS. FOR MORE DETAILS, PLEASE REFER TO SCHEDULE 3 OF THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

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

Certified by:

TAYLOR WESSING LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3579622

Charge code: 0357 9622 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st August 2018 and created by COOKE OPTICS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th September 2018 .

Given at Companies House, Cardiff on 11th September 2018

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



Companies House



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

DATED

31 August 2018

THE COMPANIES IDENTIFIED IN SCHEDULE 1
(as original chargors)

in favour of

LUCID TRUSTEE SERVICES LIMITED
(as Security Agent)

COMPOSITE DEBENTURE

EXECUTION VERSION

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THIS DEBENTURE is made on

31 August 2018

BETWEEN

- (1) **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (the "**Original Chargors**") in favour of
- (2) **LUCID TRUSTEE SERVICES LIMITED** as security trustee and security agent for the Secured Parties on the terms and conditions set out in the Intercreditor Agreement (the "**Security Agent**"), which expression shall include any person for the time being appointed as security agent, trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement.

AGREED TERMS

1. Definitions and interpretation

1.1 Definitions

Terms defined in the Facilities Agreement shall, unless otherwise defined in this Debenture, have the same meaning when used in this Debenture or any Mortgage (as defined below) and in addition:

"Account" means any credit balance from time to time on any account opened or maintained by any of the Chargors with any financial institution (and any replacement account or subdivision or sub-account of that account) and all Related Rights;

"Acquisition Agreement" means the sale and purchase agreement dated 13 July 2018 relating to the sale and purchase of the shares in Cooke Optics Group Limited and made between the Company and the Vendors;

"Additional Chargor" means any entity which becomes a Chargor by executing a Deed of Accession;

"Charged Intellectual Property" means any and all material Intellectual Property owned by any Chargor now or in the future and which is necessary to the carrying out of the Group's business, including without limitation those rights listed in schedule 3 (*Details of Intellectual Property*);

"Charged Property" means all the assets and undertaking of any Chargor which from time to time are the subject of the Security created or expressed to be created in favour of the Security Agent by or pursuant to this Debenture and any Mortgage;

"Charges" means all or any of the Security created or expressed to be created by or pursuant to this Debenture and any Mortgage;

"Chargor" means an Original Chargor or an Additional Chargor;

"Collateral Rights" means all rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture or any Mortgage or by law;

"Company" has the meaning given to it in the Facilities Agreement;

"Declared Default" the occurrence of an Event of Default in respect of which the Agent has exercised any of its rights under clause 26.18 (*Acceleration*) or clause 26.19 (*Super Senior Acceleration*) of the Facilities Agreement;

"Deed of Accession" means a deed substantially in the form of schedule 9 (*Form of Deed of Accession*) or in any form agreed between the Parent and the Security Agent;

"Derivative Assets" means all assets derived from any of the Shares including all allotments, accretions, offers, rights, dividends, interest, income, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to any of the Shares and all stocks, shares, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, exchange, purchase, substitution, option, interest or otherwise in respect thereof;

"Enforcement Event" means a Declared Default;

"Excluded Insurance Proceeds" has the meaning given to it in the Facilities Agreement;

"Facilities Agreement" means the facilities agreement dated on or about the date of this Debenture and made between (1) the Parent, (2) the subsidiaries of the Parent listed therein as Original Borrowers, (3) the subsidiaries of the Parent listed therein together with the Parent as Original Guarantors, (4) Caledonia Investments PLC and Barclays Bank PLC as Arrangers, (5) the financial institutions listed therein as Original Lenders, (6) the Agent and (7) the Security Agent;

"Group" has the meaning given to it in the Facilities Agreement;

"Group Company" means a member of the Group;

"Hedging Agreement" has the meaning given to it in the Facilities Agreement;

"Insurance Policy" means any policy of insurance (including, without limitation, key-man insurance, life insurance or assurance) in which any Chargor may from time to time have an interest but excluding such policies of insurance to the extent that they relate to third party liability insurance, public liability insurance and any directors' and/or officers' insurance;

"Intellectual Property" means all patents, rights in inventions, trademarks, service marks, designs, business names, domain names, geographical indications, copyrights (including rights in computer software), registered designs, design rights, moral rights, database rights, rights in confidential information and know how, trade names, trade dress, formulas, trade secrets and other intellectual property rights and interests, whether registered or unregistered and including all applications for and the right to apply for the same, and any interests (including by way of licence or covenant not to sue) which may subsist anywhere in the world;

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date of this Debenture and made between, amongst others, (1) the Agent, (2) the Arrangers, (3) the Parent, (4) the Company and (5) the Security Agent;

"Intra-Group Loan" means any loan by a Chargor as lender to any other member of the Group as borrower;

"Intra-Group Loan Agreement" means any agreement pursuant to which an Intra-Group Loan is made;

"Investments" means:

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

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

"Legal Reservations" has the meaning given to it in the Facilities Agreement;

"LPA" means the Law of Property Act 1925;

"Material Real Property" means all Real Property of a Chargor other than:

- (a) any Rack Rent Lease; and
- (b) any freehold property with a market value of less than £1,500,000;

"Monetary Claims" means any book and other debts and monetary claims (other than Accounts) owing to a Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which a Chargor is a party and any other assets, property, rights or undertaking of a Chargor);

"Mortgage" means a mortgage or charge in respect of all the Material Real Property granted by a Chargor in favour of the Security Agent in accordance with clause 6 (*Further assurance*) substantially in the form of schedule 9 (*Form of Legal Mortgage*);

"Parent" has the meaning given to it in the Facilities Agreement;

"Permitted Security" has the meaning given to it in the Facilities Agreement;

"Permitted Transaction" has the meaning given to it in the Facilities Agreement;

"Rack Rent Lease" means any leasehold property that has a rack rent payable in respect of it and/or a term of less than 21 years to run as at the date of this Debenture or, if later, the date on which such leasehold property was acquired by the relevant Chargor;

"Real Property" means:

- (a) any freehold and leasehold property in England and Wales; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property, and includes all Related Rights;

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

"Related Rights" means, in relation to any asset (including the Shares, the Derivative Assets and the Investments):

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

"Secured Obligations" has the meaning given to such term in the Intercreditor Agreement;

"Secured Parties" has the meaning given to such term in the Intercreditor Agreement;

"Shares" means all of the shares listed at schedule 4 (*Details of Shares*) and all of the shares in the capital of any other limited liability company incorporated in England and Wales, in each case held by, to the order or on behalf of any Chargor from time to time;

"Specific Contracts" means each Intra-Group Loan Agreement, the Acquisition Agreement, any Hedging Agreement and any other document designated by the Security Agent and the Parent as a Specific Contract from time to time; and

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

1.1 *Interpretation*

In this Debenture or, as applicable, any Mortgage:

- (a) the rules of interpretation contained in clause 1.1 (*Construction*) of the Facilities Agreement shall apply to the construction of this Debenture or any Mortgage;
- (b) any reference to the **"Security Agent"**, the **"Chargors"**, the **"Agent"**, the **"Secured Parties"** or any other person shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests; and
- (c) (unless otherwise stated) references in this Debenture to any clause or schedule shall be to a clause or schedule contained in this Debenture.

1.2 *Third party rights*

- (a) Unless expressly provided to the contrary in this Debenture a person who is not a party hereto has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture.
- (b) Notwithstanding any term of this Debenture, the consent of any person who is not a party hereto is not required to rescind or vary this Debenture at any time.

1.3 *Inconsistency*

- (a) In the event of any inconsistency arising between any of the provisions of this Debenture or any Mortgage and the Facilities Agreement or the Intercreditor Agreement, the provisions of the Facilities Agreement or the Intercreditor Agreement (as the case may be) shall prevail.

- (b) To the extent that the provisions of this Debenture are inconsistent with those of any Mortgage, the provisions of that Mortgage shall prevail.

1.4 *Disposition of property*

The terms of the other Finance Documents and of any side letters relating to the Finance Documents are incorporated into this Debenture and any Mortgage to the extent required for any purported disposition of the Material Real Property contained in this Debenture or any Mortgage to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.5 *Incorporation of provisions into any Mortgage*

Clauses 1.1 (Interpretation), 6.1 (Further assurance: general), 6.3 (Implied covenants for title), 13 (Enforcement of Security), 14 (Extension and variation of the LPA), 15 (Appointment of Receiver or administrator), 16 (Powers of Receiver), 19 (Power of attorney), 28 (Governing law) and 29 (*Jurisdiction of English courts*) of this Debenture are incorporated into any Mortgage as if expressly incorporated into that Mortgage, as if references in those clauses to this Debenture were references to that Mortgage and as if all references in those clauses to Charged Property were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to, the Security Agent by or pursuant to that Mortgage.

1.6 *Mortgage*

It is agreed that each Mortgage is supplemental to this Debenture.

1.7 *Deed*

It is intended that this Debenture takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

1.8 *Full Title Guarantee*

Any charge or assignment which is expressed to be made with "full title guarantee" shall be construed so that the covenant implied by section 4(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to:

- (a) the state of repair of any relevant Real Property; or
- (b) any Rack Rent Lease, and

all covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 shall be subject to any Permitted Security.

2. Payment of Secured Obligations

2.1 *Covenant to pay*

Each Chargor hereby covenants with the Security Agent (as trustee for the Secured Parties) that it shall discharge all obligations, as and when they fall due in accordance with their terms, which the Chargors may at any time have to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents (including this Debenture and any Mortgage) including any liabilities in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety

or in some other capacity). Each Chargor shall pay to the Security Agent when due and payable every sum at any time owing, due or incurred by such Chargor to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities, provided that neither such covenant nor the security constituted by this Debenture or any Mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.

2.2 *Interest on demands*

If any Chargor fails to pay any sum on the due date for payment of that sum such Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined by and in accordance with the provisions of clause 12.3 (*Default Interest*) of the Facilities Agreement.

3. Fixed charges, assignments and floating charge

3.1 *Fixed charges*

Each Chargor hereby charges with full title guarantee in favour of the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which, so far as it relates to land in England and Wales vested in a Chargor at the date of this Debenture and listed in Part 1 of schedule 2 (*Details of Material Real Property*), shall be a charge by way of legal mortgage) all such Chargor's right, title and interest from time to time in and to each of the following assets (subject in each case to obtaining any necessary consent to such mortgage or fixed charge from any third party) in each case both present and future:

- (a) the Material Real Property;
- (b) the Tangible Moveable Property;
- (c) the Accounts;
- (d) the Charged Intellectual Property;
- (e) any goodwill and rights in relation to the uncalled capital of such Chargor;
- (f) the Investments and all Related Rights;
- (g) the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise); and
- (h) all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture and all Related Rights.

3.2 *Assignments*

Each Chargor hereby assigns with full title guarantee to the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, subject to a proviso for re-assignment on redemption, all such Chargor's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party and without

prejudice to such Chargor's obligations under clause 5.1 (*Consent of third parties*) in each case both present and future:

- (a) the proceeds of any Insurance Policy (excluding any Excluded Insurance Proceeds); and
- (b) each of the Specific Contracts,

and, in each case, all Related Rights (save that the exercise of all rights and remedies in connection with any such Specific Contracts or their Related Rights, the exercise of any discretions or judgements, the giving of any waivers or consents and any entitlement to all proceeds and claims arising therefrom shall, in the absence of an Enforcement Event, be exercised at the sole discretion of the Company, subject always to the terms of the Facilities Agreement).

3.3 *Floating charge*

- (a) Each Chargor hereby charges with full title guarantee (with all covenants implied therein pursuant to the Law of Property (Miscellaneous Provisions) Act 1994 being subject to and qualified by reference to the Legal Reservations) in favour of the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of such Chargor, other than any asset which is situated in England and Wales and which is validly and effectively charged under the laws of England and Wales by way of fixed security created under this Debenture in favour of the Security Agent as security for the Secured Obligations.
- (b) The floating charge created by this clause 3.3 shall be deferred in point of priority to all fixed security validly and effectively created by a Chargor under the Finance Documents in favour of the Security Agent as trustee for the Secured Parties as security for the Secured Obligations.
- (c) Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this clause 3.3.

4. **Crystallisation of floating charge**

4.1 *Crystallisation: by notice*

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

- (a) an Enforcement Event has occurred; or
- (b) the Security Agent reasonably and in good faith considers that any of the Charged Property specified in that notice may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Security Agent reasonably and in good faith considers that it is necessary in order to protect the priority of the security constituted by the floating charge created by clause 3.3 (*Floating charge*).

4.2 *Crystallisation: automatic*

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

- (a) any Chargor creates or attempts to create any Security (other than any Permitted Security) over any of the Charged Property; or
- (b) any Chargor disposes or attempts to dispose of all or any of the Charged Property (other than as expressly permitted under the Facilities Agreement); or
- (c) any person levies or attempts to levy any distress, execution or other process or seizes any goods pursuant to any rent arrears recovery process, against any of the Charged Property which is not discharged within 5 Business Days; or
- (d) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of any Chargor or an administrator is appointed to any Chargor, save where part of a Permitted Transaction; or
- (e) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to any Chargor or files such a notice with the court.

4.3 *Landlord's consent*

If under the terms of any lease under which it holds an interest in any Material Real Property, a Chargor is not permitted to charge its interest in such Material Real Property (either absolutely or conditionally, including requiring the consent of any third party) (each an "**Excluded Property**");

- (a) such Chargor undertakes as soon as reasonably practicable to apply for the relevant consent or waiver of prohibition or condition (and in any event within 10 Business Days of the date of this Debenture or, as the case may be, within 10 Business Days of the date of the acquisition of the relevant Excluded Property) and, in respect of any such Excluded Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours to obtain that consent as soon as possible and to keep the Security Agent informed of the progress of its negotiations;
- (b) subject to clause 4.3(c):
 - (i) unless and until the relevant condition or waiver has been satisfied or obtained, such Excluded Property shall be excluded from the charge created by clause 3.1 (Fixed charges) and from the operation of clause 6 (*Further assurance*);
 - (ii) no breach of the Facilities Agreement nor any other Finance Document shall occur by virtue of the relevant Chargor's failure to have obtained such consent or waiver of prohibition or condition; and
 - (iii) if a landlord indicates in writing that it proposes to commence, or commences an action of forfeiture of the relevant lease, the Security Agent shall, unless a Material Event of Default has occurred and is continuing, irrevocably release from the floating charge created by clause 3.3 (*Floating charge*), the relevant Chargor's interest in the lease;

- (c) clause 4.3(b) shall only apply where the relevant Chargor has complied with its obligations under clause 4.3(a); and
- (d) upon receipt by the Security Agent of evidence in writing of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent under clause 3.1 (Fixed charges) and shall be subject to the operation of clause 6 (*Further assurance*). If required by the Security Agent at any time following receipt of that waiver or consent, the relevant Chargor will forthwith execute a valid legal mortgage in such form as the Security Agent shall reasonably require.

4.4 *Intellectual Property Restricting Charging*

If a Chargor has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its interest in any Intellectual Property (each an "**Excluded Intellectual Property**");

- (a) such Chargor undertakes as soon as reasonably practicable to apply for the relevant consent or waiver of prohibition or condition (and in any event within 10 Business Days of the date of this Debenture or, as the case may be, within 10 Business Days of the date of the acquisition of the relevant Excluded Intellectual Property) and, in respect of any such Excluded Intellectual Property which provides that the relevant third party will not unreasonably withhold its consent to charging, to use reasonable endeavours to obtain that consent as soon as possible and to keep the Security Agent informed of the progress of its negotiations.
- (b) subject to clause 4.4(c):
 - (i) unless and until the relevant condition or waiver has been satisfied or obtained, such Excluded Intellectual Property shall be excluded from the charge created by clause 3.1 (*Fixed charges*) and from the operation of clause 6 (*Further assurance*);
 - (ii) no breach of the Facilities Agreement nor any other Finance Document shall occur by virtue of the relevant Chargor's failure to have obtained such consent or waiver of prohibition or condition;
- (c) clause 4.4(b) shall only apply where the relevant Chargor has complied with its obligations under clause 4.4(a); and
- (d) upon receipt by the Security Agent of evidence in writing of the relevant waiver or consent, the relevant formerly Excluded Intellectual Property shall stand charged to the Security Agent under clause 3.1 (*Fixed charges*) and shall be subject to the operation of clause 6 (*Further assurance*). If required by the Security Agent (acting reasonably), at any time following receipt of that waiver or consent, the relevant Chargor will forthwith execute a valid fixed charge or legal assignment in such form as the Security Agent shall reasonably require.

4.5 *Floating charge default & forfeiture carve out*

If any Security created pursuant to clause 3.3 (*Floating charge*) breaches the terms of (i) any lease under which a Chargor holds any leasehold property, or (ii) any Intellectual Property in which a Chargor has an interest under any licence or other agreement, such breach shall not in turn constitute a breach of any of the relevant undertakings, representations or warranties given by any Obligor under any Finance Document.

5. Perfection of security

5.1 *Consent of third parties*

The Chargors shall use reasonable endeavours to procure any consents (in form and content reasonably satisfactory to the Security Agent) necessary, including any consent necessary for a Mortgage, to enable the assets of the Chargors to be the subject of an effective fixed charge or assignment pursuant to the terms of clause 3 (*Fixed charges, assignments and floating charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such security provided that each Chargor shall not be required to comply with this clause 5.1 where the relevant asset is not (in the reasonable opinion of the Company, having notified the Security Agent of the same) material or where, if the relevant Chargor were to comply with this clause 5.1, such compliance would (in the reasonable opinion of the Company, having notified the Security Agent of the same) be reasonably likely to be materially adverse to any of its commercial relationships.

5.2 *Notices of assignment and charge*

- (a) Each Chargor shall deliver (or procure delivery) to the relevant counterparty (with a copy to the Security Agent):
 - (i) in respect of each Insurance Policy the proceeds of which are assigned pursuant to clause 3.2 (*Assignments*), a notice of assignment substantially in the form set out in schedule 5 (*Form of Notice of Assignment of Insurances*) duly executed by it promptly following the execution of this Debenture or any Deed of Accession or promptly upon such Chargor entering into a new Insurance Policy;
 - (ii) in respect of each Specific Contract assigned pursuant to clause 3.2 (*Assignments*) a notice of assignment substantially in the form set out in schedule 7 (*Form of Notice of Assignment of Specific Contract*) duly executed by it promptly following the execution of this Debenture or any Deed of Accession or promptly upon such Chargor entering into a Specific Contract other than in respect of each Intra Group Loan Agreement provided that notice has been given by each relevant Chargor in accordance with clause 5.2(b) below; and
 - (iii) in respect of all leases relating to Material Real Property mortgaged or charged pursuant to clause 3.1 (*Fixed charges*) or any Mortgage, a notice of charge substantially in the form set out in schedule 8 (*Form of Notice of Charge of Lease*) promptly following the execution of this Debenture or any Deed of Accession or promptly upon such Chargor entering into a lease relating to Material Real Property,and in each case such Chargor shall use its reasonable endeavours to procure that each notice is acknowledged promptly by the relevant counterparty.
- (b) The execution of this Debenture or a Deed of Accession by a Chargor party to an Intra-Group Loan Agreement shall constitute notice to and acknowledgement from each other Chargor party to such Intra-Group Loan Agreement of the charge created by this Debenture or a Deed of Accession over that Intra-Group Loan Agreement.

5.3 *Notices of charge: Accounts*

Each Chargor shall promptly following execution of this Debenture or any Deed of Accession and promptly upon the request of the Security Agent from time to time, in

respect of any Account for which such a notice has not already been delivered, promptly deliver (or procure delivery of) to the relevant account bank, with a copy to the Security Agent, a notice of charge in the form set out in schedule 6 (*Form of Notice of Charge of Account*) or such other form as the Security Agent shall agree or require duly executed by or on behalf of such Chargor and shall use its reasonable endeavours to procure that such notice is acknowledged by the relevant bank or financial institution with which that Account is opened or maintained.

5.4 *Real Property: delivery of documents of title*

Each Chargor shall, as soon as reasonably practicable following the execution of this Debenture or any Deed of Accession in respect of any Material Real Property specified in schedule 2 (*Details of Material Real Property*) and promptly following the acquisition of any interest in any other freehold or leasehold property with a value of or for a consideration of over £1,500,000 (in each case determined on the basis of each individual acquisition or related series of acquisitions) and, in the case of leasehold property only, with a term in excess of 21 years, deliver to the Security Agent (or procure delivery of), and the Security Agent shall be entitled to hold and retain, all deeds, certificates and other documents of title relating to such property.

5.5 *Note of Mortgage*

In the case of any Material Real Property, title to which is or will be registered under the Land Registration Act 2002, which is acquired by or on behalf of a Chargor after the execution of this Debenture, such Chargor shall promptly notify the Security Agent of the title number(s) and, contemporaneously with the making of an application to the Land Registry for the registration of such Chargor as the Registered Proprietor of such property, apply to the Chief Land Registrar to enter a notice of any Mortgage on the Charges Register of such property.

5.6 *Further advances*

- (a) Subject to the terms of the Facilities Agreement, each Lender (as defined in the Facilities Agreement) is under an obligation to make further advances to the Borrowers and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture.
- (b) Each Chargor consents to an application being made to the Chief Land Registrar to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Charged Property.

5.7 *Application to the Land Registry*

Each Chargor consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship Register of any property which is, or is required to be, registered and which forms part of the Material Real Property:

"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 [●] in favour of Lucid Trustee Services Limited of [●] referred to in the charges register."

5.8 *Delivery of share certificates*

Each Chargor shall, on, or as soon as reasonably practicable after, the date of this Debenture or any Deed of Accession or on, or promptly after, the date on which any Shares are issued or transferred to it after the date of this Debenture, deposit with the Security Agent (or procure the deposit of):

- (a) all certificates or other documents of title to such Shares; and
- (b) stock transfer forms in such form as the Security Agent shall require with the name of the transferee, the consideration and the date kept blank but otherwise duly completed and executed by or on behalf of such Chargor in relation to such Shares.

5.9 *Registration of Intellectual Property*

Without prejudice to the generality of any other clause in this Debenture, each Chargor shall at any time or times, if requested by the Security Agent, promptly and at its own expense, execute all such documents and do all acts that the Security Agent may reasonably require to record the interest of the Security Agent in any registers in the world relating to any Charged Intellectual Property to the extent required by, and pursuant to, the requirements set out in the Facilities Agreement.

5.10 *Service of notices of Enforcements Events*

The Security Agent shall not deliver a payment notice under any notice of charge or assignment or any other notice of an occurrence of an Enforcement Event to any third party until an Enforcement Event has occurred.

6. **Further assurance**

6.1 *Further assurance: general*

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-clause 6.1(b).
- (b) Subject to the Agreed Security Principles, each Chargor shall promptly enter into a Mortgage over any future acquired Material Real Property.

6.2 *Necessary action*

Subject to the Agreed Security Principles each Chargor shall at its own expense take all such action as is available to it (including making all filings and registrations) as the Security Agent, any Receiver or administrator may properly consider expedient for the purpose of the creation, perfection, protection, confirmation or maintenance of any security created or intended to be created in favour of the Security Agent, any Receiver or administrator by or pursuant to this Debenture and any Mortgage.

6.3 *Implied covenants for title*

Subject to clause 1.8 (*Full Title Guarantee*), the obligations of each Chargor under this Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

7. **Negative pledge and disposals**

7.1 *Security*

Each Chargor shall not at any time during the subsistence of this Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the Charged Property other than Permitted Security.

7.2 *No disposal of interests*

Each Chargor shall not at any time during the subsistence of this Debenture or any Mortgage, except as permitted pursuant to the Facilities Agreement:

- (a) execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the Charged Property; or
- (b) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property; or
- (c) (a) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (b) allow or grant any person any licence or right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the validity or enforceability of the security created by this Debenture in respect of the Charged Property or the ability of the Security Agent to exercise any of the Collateral Rights; or
- (d) assign or otherwise dispose of any interest in any Account.

8. **Shares and investments**

8.1 *Shares: before an Enforcement Event*

Prior to the occurrence of an Enforcement Event, each Chargor shall:

- (a) unless prohibited by the Facilities Agreement or the Intercreditor Agreement, be entitled to receive and retain all dividends, interest and other monies arising from the Shares and/or Related Rights and apply the same at its sole discretion; and
- (b) be entitled to exercise all voting rights in relation to and the powers attached to the Shares provided that such Chargor shall not exercise such voting rights in any manner which is in breach of any Finance Document, or otherwise permit or agree to any variation of the rights attaching to or conferred by any of the Shares which would materially and adversely affect the validity or enforceability of the security created by this Debenture.

8.2 *Shares: after an Enforcement Event*

Upon the occurrence of an Enforcement Event:

- (a) no Chargor may exercise any voting rights in respect of the Shares and must immediately pay any dividends, interest or other monies arising from the Shares and/or Related Rights it receives from the occurrence of such Enforcement Event into an Account;
- (b) the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from such Chargor):
 - (i) exercise (or refrain from exercising) any voting rights in respect of the Shares;
 - (ii) apply all dividends, interest and other monies arising from the Shares in accordance with clause 17 (*Application of monies*);

- (iii) transfer the Shares into the name of such nominee(s) of the Security Agent as it shall require; and
- (iv) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:
 - (A) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such event);
 - (B) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (C) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

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

8.3 *Investments and Shares: payment of calls*

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares (other than such calls or payments which it is disputing in good faith), and in any case of default by such Chargor in such payment, the Security Agent may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Security Agent shall be reimbursed by such Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed at the rate and in accordance with clause 2.2 (*Interest on demands*).

8.4 *Investments: delivery of documents of title*

Without prejudice to clause 5.8 (*Delivery of share certificates*), after the occurrence of an Enforcement Event, each Chargor shall, promptly on the request of the Security Agent, deliver (or procure delivery) to the Security Agent, and the Security Agent shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which such Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Security Agent may reasonably request (in such form and executed as the Security Agent may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

8.5 *Investments: exercise of rights*

No Chargor shall exercise any of its rights and powers in relation to any of the Investments in any manner which would materially and adversely affect the validity or enforceability of the security created by this Debenture.

8.6 *No restrictions on transfer*

Each Chargor shall:

- (a) ensure that the Shares and Related Rights are at all times free from any restriction on transfer (whether under any relevant constitutional documents or

otherwise) by the Security Agent (or its nominee(s)) to perfect or enforce the security conferred or intended to be conferred by this Debenture; and

- (b) following an Enforcement Event, procure that the board of directors of each Chargor approves any transfer of any of the Shares and Related Rights desired to be made by the Security Agent in the exercise of the rights, powers and remedies conferred upon it by this Debenture or by law.

8.7 *PSC notices*

If a Chargor fails to comply with clause 23.7(e) of the Facilities Agreement, the Security Agent may elect to provide such information as it may have on behalf of the relevant Chargor.

9. **Accounts**

9.1 *Accounts: notification and variation*

Each Chargor, during the subsistence of this Debenture:

- (a) shall promptly deliver to the Security Agent on the date of this Debenture and in the case of an Additional Chargor on the date of any Deed of Accession executed by such Additional Chargor, details of each Account maintained by it with any bank or financial institution (other than with the Security Agent); and
- (b) shall not permit or agree to any variation of the rights attaching to any Account where such variation would materially and adversely affect the validity and enforceability of the security created by this Debenture.

9.2 *Accounts: operation before an Enforcement Event*

Prior to the occurrence of an Enforcement Event, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account, subject to the terms of the Facilities Agreement.

9.3 *Accounts: operation after an Enforcement Event*

After the occurrence of an Enforcement Event, no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Agent.

9.4 *Accounts: application of monies*

Upon the occurrence of an Enforcement Event or this security otherwise becoming enforceable pursuant to clause 13.1 (*Enforcement*), the Security Agent shall be entitled without notice to apply, transfer or set off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with clause 17 (*Application of monies*).

10. **Monetary Claims**

10.1 *Dealing with Monetary Claims: before an Enforcement Event*

Prior to the occurrence of an Enforcement Event, each Chargor may get in and realise Monetary Claims in the ordinary course of business and may utilise the proceeds of the

realisation of the Monetary Claims at its discretion, subject to the terms of this Debenture, the Facilities Agreement or the Intercreditor Agreement.

10.2 *Release of Monetary Claims: after an Enforcement Event*

After the occurrence of an Enforcement Event each Chargor may continue to get in and realise Monetary Claims in the ordinary course of business but, except with the prior written consent of the Security Agent, no Chargor shall be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

11. Insurances

11.1 *Insurance: undertakings*

Each Chargor shall at all times during the subsistence of this Debenture keep the Charged Property insured in accordance with the terms of the Facilities Agreement.

11.2 *Insurance: default*

If a Chargor defaults in complying with clause 11.1 (*Insurance: undertakings*), the Security Agent may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies reasonably expended by the Security Agent in doing so shall be reimbursed by such Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed at the rate specified in clause 2.2 (*Interest on demands*).

11.3 *Application of insurance proceeds*

All monies received by a Chargor under any Insurance Policies relating to the Charged Property shall (subject to the rights and claims of any person having prior rights to such monies):

- (a) prior to the occurrence of an Enforcement Event, be applied in accordance with the terms of the Facilities Agreement; and
- (b) after the occurrence of an Enforcement Event, be held by such Chargor on trust for the Security Agent pending payment to the Security Agent for application in accordance with clause 17 (*Application of monies*) and such Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

12. Property

12.1 *Material Real Property: notification*

Each Chargor shall promptly notify the Security Agent of any contract, conveyance, transfer or other disposition or the acquisition by such Chargor (or its nominee(s)) of any Material Real Property.

12.2 *Lease covenants*

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

- (a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee, in each case where a failure to do so would have a Material Adverse Effect; and
- (b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property which is necessary for the conduct of its business becomes subject to determination or any right of re-entry or forfeiture prior to the expiration of its term.

13. Enforcement of Security

13.1 *Enforcement*

At any time after the occurrence of an Enforcement Event, or if a Chargor requests the Security Agent to exercise any of its powers under this Debenture or any Mortgage, the security created by or pursuant to this Debenture or any Mortgage is immediately enforceable and the Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (a) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property and the Security Agent (or its nominee(s)) shall have an immediate and absolute power of sale or other disposition over the Charged Property (including, without limitation, the power to execute, seal, deliver or otherwise complete any transfers or other documents required to vest any of the Shares and/or Related Rights in the Security Agent, any of its nominees or in any purchaser of any of the Shares and/or Related Rights); and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers.

13.2 *No liability as mortgagee in possession*

Neither the Security Agent nor any of its nominees nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable, and in particular the Security Agent (or its nominee(s)) or any Receiver shall not be liable for any loss occasioned by any exercise or non-exercise of rights attached to the Shares or the Related Rights or by any failure to report to any Chargor any notice or other communication received in respect of the Shares, in any case save where caused by its gross negligence or wilful misconduct.

13.3 *Right of appropriation*

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of any Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**")) the Security Agent shall have, at any time after the occurrence of an Enforcement Event, the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree

that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (b) in the case of Investments and/or Shares, the market price of such Investments and/or Shares determined by the Security Agent by reference to a public index or by such other process as the Security Agent may reasonably select, including independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

13.4 *Effect of moratorium*

The Security Agent shall not be entitled to exercise its rights under clause 13.1 (Enforcement), clause 15.1 (Appointment and removal) (other than clause 15.1(e)) or clause 4 (*Crystallisation of floating charge*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to schedule A1 of the Insolvency Act 1986.

14. **Extension and variation of the LPA**

14.1 *Extension of powers*

The power of sale or other disposal conferred on the Security Agent, its nominee(s) and any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under Section 101 of the LPA and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture and each Mortgage (provided always that such powers are not exercisable until after the occurrence of an Enforcement Event).

14.2 *Restrictions*

The restrictions contained in sections 93 and 103 of the LPA shall not apply to this Debenture and each Mortgage or to the exercise by the Security Agent of its right to consolidate all or any of the Charges with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to any Chargor on or at any time after the occurrence of an Enforcement Event.

14.3 *Power of leasing*

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

14.4 *Transfer of Security*

- (a) At any time after the occurrence of an Enforcement Event, the Security Agent may:
 - (i) redeem any prior Security against any Charged Property; and/or
 - (ii) procure the transfer of any such Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee or chargee; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.

- (b) Each Chargor shall pay to the Security Agent immediately on demand the costs and expenses incurred by the Security Agent in taking any action contemplated by clause 14.4(a), including the payment of any principal or interest.

14.5 *Suspense account*

If the Charges are enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or any Receiver) may pay the proceeds of any recoveries effected by it into a suspense account unless and/or until such monies, when aggregated with all other monies being held by the Security Agent pending application towards discharge of the liabilities owed by the Debtors (as defined in the Intercreditor Agreement) under the Finance Documents to the Senior Creditors (as defined in the Intercreditor Agreement), would fully discharge those liabilities.

15. **Appointment of Receiver or administrator**

15.1 *Appointment and removal*

After the occurrence of an Enforcement Event, the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without prior notice to any Chargor and in relation to each Chargor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;
- (b) appoint two or more Receivers of separate parts of the Charged Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); and
- (e) appoint one or more persons to be an administrator of such Chargor.

15.2 *Capacity of Receivers*

Each person appointed to be a Receiver pursuant to clause 15.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities (save in the case of fraud, wilful default and/or gross negligence) and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the LPA).

15.3 *Statutory powers of appointment*

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the LPA (as extended by this

Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Property. Except as provided in clause 13.4 (*Effect of moratorium*), any restriction imposed by law on the right of a mortgagee to appoint a receiver (including under section 109(1) of the LPA) does not apply to this Debenture.

16. Powers of Receiver

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

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

17. Application of monies

All monies received or recovered by the Security Agent, its nominee(s) or any Receiver pursuant to this Debenture and each Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the LPA) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with clause 18.1 (*Order of application*) of the Intercreditor Agreement.

18. Protection of purchasers

18.1 Consideration

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

18.2 *Protection of purchasers*

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

19. **Power of attorney**

19.1 *Appointment and powers*

Subject to clause 19.2 (*Exercise of power of attorney*), each Chargor by way of security irrevocably and severally appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on such Chargor by this Debenture (including the execution and delivery of any Mortgages, deeds, charges, assignments or other security and any transfers of the Charged Property); and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers, authorities and discretions conferred on them by or pursuant to this Debenture or any Mortgage or by law (including the exercise of any right of a legal or beneficial owner of the Charged Property) and (without prejudice to the generality of the foregoing) to execute as a deed or under hand and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it may reasonably deem proper in or for the purpose of exercising any of such rights, powers, authorities and discretions.

19.2 *Exercise of power of attorney*

The Security Agent may only exercise the power of attorney granted by a Chargor pursuant to clause 19.1 (*Appointment and powers*) following:

- (a) the occurrence of an Enforcement Event; or
- (b) the failure by such Chargor to comply with any further assurance or perfection of security obligations required by the terms of this Debenture or any Mortgage within five Business Days of such further assurance or perfection of security obligation arising.

19.3 *Ratification*

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers save in relation to any breach by the Security Agent of the provisions of clause 19.2 (*Exercise of power of attorney*).

19.4 *Security Agent's power to remedy breaches*

If any Chargor fails to perform any of the covenants contained in this Debenture within five Business Days of such obligation arising, it shall be lawful for the Security Agent, but the Security Agent shall have no obligation, to take such action on behalf of such Chargor (including, without limitation, the payment of money) as may in the Security Agent's reasonable opinion be required to ensure that such covenants are performed.

Any losses, costs, charges and expenses reasonably incurred by the Security Agent in taking such action shall be reimbursed by such Chargor on demand.

20. Effectiveness of Security

20.1 *Continuing security*

- (a) The Charges shall remain in full force and effect as a continuing security for the Secured Obligations unless and until the Secured Obligations have been irrevocably and unconditionally discharged in full and the Finance Parties have no further obligation to make any advance available to any Obligor pursuant to any Finance Document.
- (b) No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

20.2 *Cumulative rights*

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

20.3 *Remedies and waivers*

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

20.4 *No liability*

None of the Security Agent, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or any Mortgage or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful misconduct upon its part.

20.5 *Partial invalidity*

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

20.6 *Waiver of defences*

Neither the obligations of each Chargor under this Debenture and each Mortgage nor the Charges will be affected by an act, omission, matter or thing which, but for this

clause, would reduce, release or prejudice any of its obligations under any of the Charges (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any person; or
- (b) the release of any person under the terms of any composition or arrangement with any creditor of any member of the Group; or
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security; or
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person; or
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security or of the Secured Obligations (including, without limitation, any increase to the Secured Obligations as may be agreed by the Parent from time to time); or
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations; or
- (g) any insolvency or similar proceedings.

20.7 *Immediate recourse*

Each Chargor waives any right it may have of first requiring any Secured Party (or the Security Agent or agent on its behalf) to proceed against any other Chargor or Obligor or any other person or enforce any other rights or security or claim payment from any person before claiming from such Chargor under this Debenture or any Mortgage. This waiver applies irrespective of any law or any provision of this Debenture to the contrary or any Mortgage.

20.8 *Deferral of rights*

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

- (a) to be indemnified by any Obligor;
- (b) to claim any contribution from any other Chargor or any guarantor of any Obligor's obligations under this Debenture or under any other Finance Document;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, this Debenture or any Mortgage by any Secured Party;

- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under this Debenture or any Mortgage;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

21. Release of security

21.1 *Redemption of security*

Upon the Security Agent being satisfied (acting reasonably) that the Secured Obligations have been irrevocably and unconditionally discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor, any Obligor or any other person under any of the Finance Documents, the Security Agent shall, at the request and cost of the Chargors, release and cancel the security constituted by this Debenture and procure the reassignment to the relevant Chargors of the property and assets assigned to the Security Agent pursuant to this Debenture, in each case subject to clause 21.2 (*Avoidance of payments*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

21.2 *Avoidance of payments*

If the Security Agent (on the basis of legal advice (with all reasonable costs incurred in relation to seeking such advice to be paid by the Company) received from a reputable firm of solicitors) reasonably considers that any amount paid or credited to it is likely to be avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of each Chargor under, and the security created by, this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

21.3 *Permitted disposals*

Where a Chargor makes a disposal permitted by the terms of the Facilities Agreement, the Security Agent shall at the request and cost of that Chargor, take such action necessary (including the provision of a letter of non-crystallisation) to release the Charged Property which is the subject of such disposal from the security granted by that Chargor and constituted by this Debenture or any Mortgage.

22. Set-off

Without prejudice to any right of set-off the Security Agent may have under any other Finance Document or otherwise, if any time deposit matures on any account a Chargor has with the Security Agent prior to the release of all of the Charged Property pursuant to clause 21.1 (*Redemption of security*) when:

- (a) an Enforcement Event has occurred; and
- (b) no Secured Obligation is due and payable,

that time deposit will automatically be renewed for any further maturity which the Security Agent considers appropriate, acting reasonably.

23. Subsequent security interests

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

24. Assignment

The Security Agent may assign and transfer all or any of its rights and obligations under this Debenture or any Mortgage in accordance with the Finance Documents. The Security Agent shall be entitled to disclose such information concerning each Chargor and this Debenture or any Mortgage as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

25. Notices

The provisions of clause 35 (*Notices*) of the Facilities Agreement shall apply to this Debenture.

26. Discretion and delegation

26.1 *Discretion*

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

26.2 *Delegation*

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself. Neither the Security Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

27. Counterparts

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

28. Governing law

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

29. Jurisdiction of English courts

- 29.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of, or connected with this Debenture or any Mortgage (including a dispute regarding the existence, validity or termination of this Debenture or any Mortgage or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Debenture or any Mortgage) (a "**Dispute**").
- 29.2 The parties to this Debenture agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.
- 29.3 Notwithstanding clause 29.1 above, 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.

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

SCHEDULE 1**Original Chargors**

Name	Jurisdiction	Registered Number	Registered Office
Chaplin Midco Limited	England and Wales	11442839	1 Cooke Close Thurmaston Leicester LE4 8PT
Chaplin Bidco Limited	England and Wales	11442932	1 Cooke Close Thurmaston Leicester LE4 8PT
Cooke Optics Group Limited	England and Wales	09460256	1 Cooke Close Thurmaston Leicester LE4 8PT
Cooke Optics Holdings Limited	England and Wales	09458913	1 Cooke Close Thurmaston Leicester LE4 8PT
Cooke Optics Limited	England and Wales	03579622	1 Cooke Close Thurmaston Leicester LE4 8PT
Cooke Optics TV Limited	England and Wales	09660091	1 Cooke Close Thurmaston Leicester LE4 8PT

SCHEDULE 2

Details of Material Real Property

Part 1 - Registered Land

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

None as at the date of this deed.

Part 2 - Unregistered Land

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

None as at the date of this deed.

SCHEDULE 3


Details of Intellectual Property

Part 1 - Patent and Patent Applications

No.	Type	Territory	Status	Priority Date	Registered Proprietor
US2016170186 US15/053,394	Anamorphic Objective Lens	United States	Published and a Notice of Allowance should be issued shortly	4 April 2013	Cooke Optics Limited
GB2543589 GB2543589	Anamorphic Objective Zoom Lens	United Kingdom	Granted	15 December 2015	Cooke Optics Limited
US2016103302 US9841538	Anamorphic Objective Zoom Lens	United States	Granted	4 April 2013	Cooke Optics Limited
US2015212301 US9239449	Anamorphic Objective Zoom Lens	United States	Granted	4 April 2013	Cooke Optics Limited
GB2528738A	Anamorphic Objective Zoom Lens	United Kingdom	Pending	10 April 2015	Cooke Optics Limited
US2014300973 US9341827	Anamorphic Objective Prime Lens	United States	Granted	4 April 2013	Cooke Optics Limited
US2014147103	Camera	United	Granted	29	Cooke Optics Limited

No.	Type	Territory	Status	Priority Date	Registered Proprietor
US8811808	Lens Assembly	States		November 2012	
GB2513993	Anamorphic Objective Prime Lens	United Kingdom	Granted	4 April 2013	Cooke Optics Limited
GB2508471	Camera Lens Assembly	United Kingdom	Granted	29 November 2012	Cooke Optics Limited

Part 2 - Trade Marks and Trade Mark Applications

Mark	No.	Territory	Status	Renewal Date	Registered Proprietor
COOKE	RN: 0316149 AN: 00595893	Benelux	Registered	1 February 2023	Cooke Optics Limited
COOKE	RN: DE916741 AN: R29454	Germany	Registered	17 November 2022	Cooke Optics Limited
COOKE	RN: 1329489 AN: 1329489	United Kingdom	Registered	11 December 2024	Cooke Optics Limited
/ I 	RN: 3530990 SN: 78303458	United States	Registered	11 November 2018	Cooke Optics Limited
COOKE	RN: 852286 SN:	United States	Registered	9 July 2028	Cooke Optics Limited

Mark	No.	Territory	Status	Renewal Date	Registered Proprietor
	72274091				
PANCHRO	RN: 3779634 SN: 78974543	United States	Registered	20 April 2020	Cooke Optics Limited
S4	RN: 2871653 SN: 78254666	United States	Registered	10 August 2024	Cooke Optics Limited
S4/I	RN: 4703434 SN: 86348603	United States	Registered	17 March 2025 (Declaration of Use date 17 March 2021)	Cooke Optics Limited
THE COOKE LOOK	RN: 3657255 SN: 77636016	United States	Registered	21 July 2019	Cooke Optics Limited
COOKE	RN: 2249083 AN: 1988-056569	Japan	Registered	30 July 2020	Cooke Optics Limited
ZGC	RN: 4321667 SN: 85400508	United States	Registered	16 April 2023	ZGC, Inc.

Part 3 - Registered Designs and Applications for Registered Designs

None at the date of this deed.

Part 4 - Domain Names

Domain Name	Registered Proprietor
Cookeoptics.co.uk	Lester Zellan
Cookeoptics.com	Lester Zellan
Cookeoptics.tv	Lester Zellan
Shotoncooke.com	Lester Zellan

SCHEDULE 4

Details of Shares

Chargor	Name of Company in which Shares are held	Class of Shares	Number of Shares held	Issued Share Capital
Chaplin Midco Limited	Chaplin Bidco Limited	Ordinary	1	£1.00
Chaplin Bidco Limited	Cooke Optics Group Limited	A Shares	522,500	£6,308,793.34
		B Shares	332,483	
		C Shares	145,000	
		D Shares	17	
		A Preference Shares	6,288,679	
		B Preference Shares	6,288,679	
		Preferred Ordinary Shares	1,011,434	
Cooke Optics Group Limited	Cooke Optics Holdings Limited	Ordinary	1	£1.00
Cooke Optics Holdings Limited	Cooke Optics Limited	Ordinary	16,290	£16,290
Cooke Optics Limited	Cooke Optics TV Limited	Ordinary	1	£1.00

SCHEDULE 5

Form of Notice of Assignment of Insurances

To: [Insurer]

Date: [●]

Dear Sirs

We hereby give you notice that we have assigned to [Security Agent] (the "**Security Agent**") pursuant to a debenture entered into by us in favour of the Security Agent dated [●] 2018 (subject to a provision for reassignment) all our right, title and interest in and to the proceeds of [insert description and number of relevant insurance policy] (the "**Policy**").

With effect from the date of your receipt of this notice we instruct you to:

1. make all payments and claims under or arising from the Policy (in accordance with the terms of that Policy) to us until such time as you receive notice from the Security Agent instructing you otherwise ("**Payment Notice**"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any claims and payments under or arising from the Policy as set out in such Payment Notice;
2. note the interest of the Security Agent on the Policy; and
3. disclose to the Security Agent, without further approval from us, such information regarding the Policy as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy.

We will remain liable to perform all our obligations under the Policy and the Security Agent is under no obligation of any kind whatsoever under the Policy nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy.

This notice and all matters including non-contractual obligations arising out of or in connection with it are governed by English law. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Agent at [●] marked for the attention of [●].

Yours faithfully

.....
For and on behalf of
[Company]

To: [Security Agent]

Date: [●]

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

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

For and on behalf of [Insurer]

By:

SCHEDULE 6

Form of Notice of Charge of Account

To: [Account Bank]

Date: [●]

Dear Sirs

Re: [name of relevant Chargor] – Security over Bank Account

Name of Account	Account number and sort code

We hereby give you notice that we have charged to [Security Agent] (the "**Security Agent**") pursuant to a debenture entered into by us in favour of the Security Agent dated [●] all of our right, title and interest in and to the accounts with you listed above (together, the "**Accounts**"), including all monies from time to time standing to the credit of such Accounts and the debts represented thereby.

We hereby irrevocably instruct and authorise you:

1. to credit to each Account all interest from time to time earned on the sums of money held in that Account;
2. to disclose to the Security Agent, without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure, such information relating to the Accounts and the sums in each Account as the Security Agent may request you to disclose to it, and following receipt by you of a written notice from the Security Agent of the occurrence of an Enforcement Event:
 - (a) to hold all sums from time to time standing to the credit of each Account to the order of the Security Agent;
 - (b) to pay or release all or any part of the sums from time to time standing to the credit of each Account only in accordance with the written instructions of the Security Agent; and
 - (c) to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions.

By counter-signing this notice, the Security Agent confirms that we may make withdrawals from the Accounts in accordance with the terms of the Finance Documents until such time as the Security Agent notifies you in writing that an Enforcement Event has occurred and that such permission is withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Security Agent.

These instructions cannot be revoked or varied without the prior written consent of the Security Agent.

This notice and all matters including non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Security Agent at [●] marked for the attention of [●] with a copy to ourselves.

Yours faithfully

For and on behalf of
[Chargor]

Counter-signed by

.....
[●]
The Security Agent

To: [Security Agent]

Date: [●]

Dear Sirs

Re: [name of relevant Chargor] – Security over Bank Account

Name of Account	Account number and sort code

We confirm receipt of a notice dated [●] (the "**Notice**") from [●] (the "**Company**") of a charge, upon the terms of a Debenture dated [●], over all of the Company's right, title and interest in and to in the accounts in the name of the Company with us listed above (together, the "**Accounts**"), including all monies from time to time standing to the credit of such Accounts and the debts represented thereby.

We confirm that:

1. we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms;
2. we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest;
3. we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off, combination, consolidation, counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums;
4. until you notify us in writing of the occurrence of an Enforcement Event and further confirm that withdrawals by the Company are prohibited, the Company may make withdrawals from the Accounts; upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories; and
5. we will not seek to modify, vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent.

This letter and all matters including non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

By:.....

For and on behalf of

[Account Bank]

SCHEDULE 7

Form of Notice of Assignment of Specific Contract

To: [Counterparty]

Date: [●]

Dear Sirs

We hereby give you notice that we have assigned to [Security Agent] ("**Security Agent**") pursuant to a debenture entered into by us in favour of the Security Agent dated [●] 2018 (the "**Debenture**") all our right, title and interest in and to [insert details of contract] (the "**Contract**") including all monies which may be payable to us in respect of the Contract.

With effect from the date of your receipt of this notice:

1. all payments by you to us under or arising from the Contract should be made to us until such time as you receive notice from the Security Agent instructing you otherwise ("**Payment Notice**"). Upon receipt of a Payment Notice we instruct you to comply with all payment instructions in respect of any payments to be made under or arising from the Contract as set out in the Payment Notice;
2. upon your receipt of a Payment Notice from the Security Agent:
 - (a) all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
 - (b) all rights to compel performance of the Contract are exercisable by the Security Agent although we shall remain liable to perform all the obligations assumed by it under the Contract; and
 - (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Agent to the exclusion of us and no changes may be made to the terms of the Contract otherwise than as provided for in the Facilities Agreement between, amongst others, ourselves and the Security Agent dated [●] 2018;
3. you are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent as well as to us; and
4. these instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Security Agent.

This notice and all matters including non-contractual obligations arising out of or in connection with it are governed by English law. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [●] marked for the attention of [●].

Yours faithfully

For and on behalf of
[Chargor]

To: [Security Agent]

Date: [●]

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

We further confirm that no amendment, waiver or release of any of such rights, interests and benefits arising under the Contract shall be effective without the prior written consent of the Security Agent, unless it is of a minor technical or non-operational nature or in any way which could not be reasonably expected materially and adversely to affect the interests of the Security Agent.

For and on behalf of [Counterparty]

By:

SCHEDULE 8

Form of Notice of Charge of Lease

To: [Landlord]

Date: [●]

PURSUANT TO the lease of which particulars appear in paragraph 1 below, **NOTICE IS HEREBY GIVEN** that the disposition, of which particulars appear in paragraph 2 below, has taken place.

1. LEASE	
1.1 Date:	
1.2 Term:	
1.3 Parties:(1) (2)	
1.4 Demised Premises:	
2. DISPOSITION:	Charge contained in a Debenture
2.1 Date:	[●]
Parties:(1) (2)	[Chargor] as the Chargor [Security Agent] as the Security Agent
2.3 Name and Address of the Security Agent:	[Security Agent] [Address]

NOTES: [1. The registration fee is enclosed.]

It is requested that notice be given to the Security Agent of any breach of covenant by the tenant under the Lease.

This Notice is sent in duplicate and it is requested that one copy is signed as provided below and returned to the Security Agent.

Signed
[Chargor]

RECEIVED a notice of which this is a duplicate

Signed.....
[Landlord]

Date:

SCHEDULE 9

Form of Legal Mortgage

THIS DEED is dated [] 20[•]

BETWEEN

- (1) [INSERT NAME OF COMPANY] registered in England and Wales with company number [•] (the "Chargor"); and
- (2) [INSERT NAME OF SECURITY TRUSTEE] of [•] as Security Agent (the "Security Agent").

AGREED TERMS

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

AGREED TERMS

1. Definitions

Terms defined in the Facilities Agreement shall, unless otherwise defined in the Debenture or this Mortgage, have the same meaning in this Mortgage and in addition:

"Debenture" means the debenture dated [•] 2018 between, inter alia, the Chargor and [Security Agent] as the Security Agent;

"Facilities Agreement" means the facilities agreement dated [on or about the date of this Mortgage] and made between (1) the Parent, (2) the subsidiaries of the Parent listed therein as Original Borrowers, (3) the subsidiaries of the Parent listed therein together with the Parent as Original Guarantors, (4) Caledonia Investments PLC and Barclays Bank PLC as Arrangers, (5) the financial institutions listed therein as Original Lenders, (6) the Agent and (7) the Security Agent the Company;

"Mortgaged Property" means:

- (a) the property specified in the schedule (*Details of Mortgaged Property*); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property, and includes all Related Rights;

"Permitted Security" has the meaning given to it in the Facilities Agreement;

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

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;

- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

2. Fixed Security

The Chargor hereby charges with full title guarantee with all covenants implied therein pursuant to the Law of Property Miscellaneous Provisions) Act 1994 being subject to and qualified by reference to the Legal Reservations and any Permitted Security) in favour of the Security Agent as security for the payment and discharge when due and payable of the Secured Obligations, by way of legal mortgage all the Chargor's right, title and interest from time to time in the Mortgaged Property.

3. Application to the Chief Land Registrar

The Chargor hereby consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship register of any property which is, or is required to be, registered forming part of the Mortgaged Property:

"No [**disposition or specify type of disposition**] of the registered estate [(other than a charge)] by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the mortgage dated [●] in favour of [*Security Agent name*] of [address] referred to in the charges register or [their conveyancer or *specify appropriate details*]]."

4. Further advances

- 4.1 Each Lender is under an obligation to make further advances to the Chargor and that obligation will be deemed to be incorporated into this Mortgage as if set out in this Mortgage.
- 4.2 The Chargor hereby consents to an application being made to the Chief Land Registrar to enter the obligation to make further advances on the Charges register of any registered land forming part of the Mortgaged Property.

5. Release of security

5.1 *Redemption of security*

Upon the Secured Obligations being discharged in full and none of the Secured Parties being under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor, an Obligor or any other person under any agreement between the Security Agent and the Chargor, the Security Agent shall, at the request and cost of the Chargor, release and cancel the security constituted by this

Mortgage and procure the reassignment to the Chargor of the property and assets assigned to the Security Agent pursuant to this Mortgage, in each case subject to clause 21.2 (Avoidance of payments) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

5.2 *Avoidance of payments*

If the Security Agent (on the basis of legal advice (with all reasonable costs incurred in relation to seeking such advice to be paid by the Company) received from a reputable firm of solicitors) reasonably considers that any amount paid or credited to it is likely to be avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under, and the security constituted by, this Mortgage shall continue and such amount shall not be considered to have been irrevocably paid.

5.3 *Permitted Disposals*

Where the Company makes a disposal of any Mortgaged Property permitted by the terms of the Facilities Agreement, the Security Trustee shall, at the request and cost of the Company, take such action necessary (including the provision of a letter of non-crystallisation) to release the Mortgaged Property which is the subject of such disposal from the security constituted by this Deed.

6. **Third party rights**

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

7. **Governing law**

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

8. **Counterparts**

This Deed may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed. Any party may enter into this Mortgage by signing any such counterpart.

This deed has been entered into as a deed on the date stated at the beginning of this Deed.

SCHEDULE

Details of Mortgaged Property

County and District/ London Borough	Description of Property	Title Number
[•]	[•]	[•]

SCHEDULE 10

Form of Deed of Accession

THIS DEED is dated [] 20[•]

BETWEEN

- (1) [INSERT NAME OF COMPANY] registered in England and Wales with company number [•] (the "Additional Chargor"); and
- (2) [INSERT NAME OF SECURITY TRUSTEE] of [•] as security trustee (the "Security Agent").

INTRODUCTION

- (A) The Additional Chargor is a Subsidiary of the Parent.
- (B) The Parent and others have entered into a debenture dated [•] 2018 (the "Debenture") between the Parent, the Chargors under and as defined in the Debenture and the Security Agent.
- (C) The Additional Chargor has agreed to enter into this Deed and to become an Additional Chargor under the Debenture.
- (D) The Security Agent and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand.
- (E) The Security Agent holds the benefit of this Deed on trust for the Secured Parties on the terms of the Finance Documents.

IT IS AGREED AS FOLLOWS:

1. Definitions and Interpretation

Terms defined in the Debenture have the same meaning in this Deed unless given a different meaning in this Deed. This Deed is a Finance Document.

2. Accession and covenant to pay

2.1 With effect from the date of this Deed the Additional Chargor:

- (a) will become a party to the Debenture as a Chargor; and
- (b) will be bound by all the terms of the Debenture which are expressed to be binding on a Chargor.

For the purposes of section 859D(2)(c) of the Companies Act 2006, the parties note that this includes the negative pledge provisions of clause 7 (Negative pledge and disposals) of the Debenture.

- 2.2 The Additional Chargor hereby covenants with the Security Agent (as trustee for the Secured Parties) that it shall discharge all obligations, as and when they fall due in accordance with their terms, which the Chargors may at any time have to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents (including the Debenture and any Mortgage) including any liabilities in respect of any further advances made under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity). The Additional Chargor shall pay to the Security Agent when due and payable every sum at any time owing, due or incurred by the Additional Chargor to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities, **provided that** neither such covenant nor the security constituted by the Debenture or any Mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law.
- 2.3 Neither the covenant to pay in clause 2.2 above nor the Security constituted by this Deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law.

3. Grant of Security

3.1 *Fixed Security*

The Additional Chargor hereby charges with full title guarantee in favour of the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which, so far as it relates to land in England and Wales vested in a Chargor at the date of this Debenture and listed in schedule 1 (Details of Material Real Property) of this Deed shall be a charge by way of legal mortgage) all the Additional Chargor's right, title and interest from time to time in and to each of the following assets (subject in each case to obtaining any necessary consent to such mortgage or fixed charge from any third party) in each case both present and future:

- (a) the Material Real Property;
- (b) the Tangible Moveable Property;
- (c) the Accounts;
- (d) the Charged Intellectual Property;
- (e) any goodwill and rights in relation to the uncalled capital of the Additional Chargor;
- (f) the Investments and all Related Rights;
- (g) the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise); and
- (h) all Monetary Claims other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Deed and all Related Rights.

4. Assignments

The Additional Chargor hereby assigns with full title guarantee to the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, subject to a proviso for re-assignment on redemption, all the Additional Chargor's right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party), in each case both present and future:

- (a) the proceeds of any Insurance Policy; and
- (b) each of the Specific Contracts,

and, in each case, all Related Rights (save that the exercise of all rights and remedies in connection with any such Specific Contracts or their Related Rights, the exercise of any discretions or judgements, the giving of any waivers or consents and any entitlement to all proceeds and claims arising therefrom shall, in the absence of an Enforcement Event, be exercised at the sole discretion of the Company, subject always to the terms of the Facilities Agreement).

5. Floating Charge

- 5.1 The Additional Chargor hereby charges with full title guarantee with all covenants implied therein pursuant to the Law of Property (Miscellaneous Provisions) Act 1994 being subject to and qualified by reference to the Legal Reservations and any Permitted Security) in favour of the Security Agent as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of the Additional Chargor, other than any asset which is situated in England and Wales and which is validly and effectively charged under the laws of England and Wales by way of fixed security created under this Deed in favour of the Security Agent as security for the Secured Obligations.
- 5.2 The floating charge created by this clause 5 shall be deferred in point of priority to all fixed security validly and effectively created by a Chargor under the Finance Documents in favour of the Security Agent as trustee for the Secured Parties as security for the Secured Obligations.
- 5.3 Paragraph 13 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this clause 5.

6. Land Registry Restriction

The Additional Chargor consents to an application being made to the Chief Land Registrar to enter the following restriction in the Proprietorship Register of any property which is, or is required to be, registered and which forms part of the Material Real Property:

"No [**disposition or specify type of disposition**] of the registered estate [(other than a charge)] by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the debenture dated [●] in favour of [*Security trustee name*] of [address] or [their conveyancer or specify appropriate details]]."

7. Miscellaneous

7.1 *Construction of Debenture*

With effect from the date of this Deed the Debenture will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this Deed);

7.2 *References in Debenture*

With effect from the date of this Deed any reference in the Debenture to this Deed and similar phrases will include this deed and:

- (a) all references in the Debenture to schedule 2 (Details of Material Real Property) (or any part of it) will include a reference to schedule 1 (Details of Material Real Property) to this Deed (or relevant part of it);
- (b) all references in the Debenture to schedule 3 (Details of Intellectual Property) (or any part of it) will include a reference to schedule 2 (Details of Intellectual Property) to this Deed (or relevant part of it);
- (c) all references in the Debenture to schedule 4 (Details of Shares) (or any part of it) will include a reference to schedule 3 (Details of Shares) to this Deed (or relevant part of it).

8. Governing Law

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

9. Jurisdiction

9.1 *English courts*

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

9.2 *Convenient forum*

The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

9.3 *Exclusive jurisdiction*

This clause 9 is for the benefit of the Security Agent only. As a result and notwithstanding clause 9.1 (English courts), it does not prevent the Security Agent 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.

10. [Service of Process]

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor:

- (a) irrevocably appoints [●] as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed and any Finance Document; and
- (b) agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned.]

11. Counterparts

This Deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument.

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

SCHEDULE 1

Details of Material Real Property

Part 1 - Registered Land

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

Chargor	County and District/ London Borough	Description of Property	Title Number

Part 2 - Unregistered Land

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

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

Chargor	County and District/ London Borough	Description of Property	Title Number

SCHEDULE 2

Details of Intellectual Property

Part 1 - Patent and Patent Applications

[•]

Part 2 - Trade Marks and Trade Mark Applications

[•]

Part 3 - Registered Designs and Applications for Registered Designs

[•]

Part 4 - Domain Names

[•]

SCHEDULE 3

Details of Shares

Chargor	Name of Company in which Shares are held	Class of Shares	Number of Shares held	Number of Shares held
[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]

EXECUTION PAGES TO COMPOSITE DEBENTURE

CHARGORS

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SECURITY AGENT

SIGNED for and on behalf of **LUCID**)
TRUSTEE SERVICES LIMITED)


Christopher Eastlake
Authorised Signatory