



Registration of a Charge

Company name: **AUDIO NETWORK LIMITED**

Company number: **04257337**



X88ZRL77

Received for Electronic Filing: **04/07/2019**

Details of Charge

Date of creation: **25/06/2019**

Charge code: **0425 7337 0012**

Persons entitled: **WILMINGTON TRUST (LONDON) LIMITED**

Brief description: **NOT APPLICABLE**

Contains fixed charge(s).

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

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:

KAREN GALLAGHER



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4257337

Charge code: 0425 7337 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th June 2019 and created by AUDIO NETWORK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th July 2019 .

Given at Companies House, Cardiff on 5th July 2019

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

I certify that, save for material redacted pursuant to section 859G of the Companies Act 2006, the enclosed copy of the security instrument delivered as part of this application for registration in accordance with section 859A of the Companies Act 2006 is a correct copy of the original security instrument.

Signature: K. Gallagher

Name: KAREN GALLAGHER

Title: SOLICITOR

Date: 03/07/19

DEBENTURE

dated

25 June 2019

between

ENTERTAINMENT ONE UK HOLDINGS LIMITED

and

THE OTHER COMPANIES listed in Schedule 1

as Chargors

and

WILMINGTON TRUST (LONDON) LIMITED

acting as Security Agent

MILBANK LLP
London

CONTENTS

Clause	Page
1. Definitions and Interpretation	2
2. Payment of Secured Obligations	7
3. Grant of Security	8
4. Crystallisation of Floating Charge	10
5. Perfection of Security	11
6. Further Assurance	14
7. Representations and Warranties	15
8. General Undertakings	16
9. Shares and Investments	18
10. Accounts	20
11. Monetary Claims	20
12. Distribution Agreements	21
13. Intellectual Property	22
14. Enforcement of Security	22
15. Appointment of Administrator	24
16. Appointment of Receiver	24
17. Extension and Variation of the Law of Property Act 1925	26
18. Discretion and Delegation	26
19. No Liability	27
20. Application of Monies	27
21. Protection of Purchasers	28
22. Power of Attorney	29
23. Effectiveness of Security	30
24. Set-Off	33
25. Value Added Tax and Indemnities	33
26. Rights, Waivers and Determinations	34
27. Changes to the Parties	35
28. Notices	35
29. Governing Law	36
30. Counterparts	36
31. Jurisdiction	36
32. Conflict with Intercreditor Agreement	36
33. Waiver of Immunity	36
Schedule 1 Details of Original Chargors	38
Schedule 2 Details of Real Property	39

Part I	Registered Land.....	39
Part II	Unregistered Land	39
Schedule 3	Details of Accounts	40
Schedule 4	Details of Shares.....	44
Schedule 5	Details of Investments	46
Schedule 6	Details of Material Intellectual Property	47
Schedule 7	Account Notice.....	48
Part A	Form of Account Notice.....	48
Part B	Form of Acknowledgement of Account Notice.....	49
Schedule 8	Insurance Notice.....	50
Part A	Form of Insurance Notice.....	50
Part A	Form of Acknowledgement of Insurance Notice.....	51
Schedule 9	Distribution Agreement Notice.....	52
Part A	Form of Distribution Agreement Notice.....	52
Part B	Form of Acknowledgement of Distribution Agreement Notice	52
Schedule 10	Monetary Claims Notice.....	54
Part A	Form of Monetary Claim Notice	54
Part B	Form of Acknowledgement of Monetary Claims Notice	54
Schedule 11	Form of Accession Document	56

THIS DEBENTURE is made on 25 June 2019

BY:

- (1) **THE COMPANIES** details of which are set out in Schedule 1 (*Details of Original Chargors*) (each an “**Original Chargor**”); and
- (2) **WILMINGTON TRUST (LONDON) LIMITED**, a company incorporated under the laws of England under registration number 05650152, having its registered office at Third Floor, 1 King’s Arms Yard, London EC2R 7AF, as security trustee for the Secured Parties on the terms and conditions set out in the Intercreditor Agreement and this Debenture (the “**Security Agent**”, which expression shall include any person for the time being appointed as Security Agent for the purposes of and in accordance with the Intercreditor Agreement and this Debenture).

RECITALS:

- (A) Each Chargor is a party to the credit and guaranty agreement dated as of December 21, 2018 and entered into between, amongst others, the borrowers (including Entertainment One UK Holdings Limited), the guarantors named therein (including each of the Chargors), the lenders named therein, JPMorgan Chase Bank, N.A. as administrative agent and issuing bank and JPMorgan Chase Bank, N.A., Toronto Branch as Canadian agent as amended from time to time (the “**Credit Agreement**”), pursuant to which the lenders agreed to make revolving loans to the borrowers, accept and discount bankers’ acceptances and participate in letters of credit issued for the account of the borrowers, all in accordance with the terms thereof.
- (B) Entertainment One Ltd, an indirect parent company of each of the Chargors, issued the £425,000,000 4½% senior secured notes due 2026 to certain initial purchasers (the “**Senior Secured Notes**”) pursuant to the terms of the Senior Secured Notes Indenture and any additional notes issued from time to time under the Senior Secured Notes Indenture (as defined in the Intercreditor Agreement). Each Chargor is a guarantor under the Senior Secured Notes.
- (C) Each Chargor is also a party to the intercreditor agreement dated 25 June 2019 and entered into between, among others, Entertainment One Ltd as the company and senior secured notes issuer, the debtors named therein (including each of the Chargors), J.P. Morgan Chase Bank, N.A. as RCF agent, Deutsche Trustee Company Limited as senior secured notes trustee, Wilmington Trust (London) Limited as security agent, and certain entities named therein, as amended from time to time (the “**Intercreditor Agreement**”), which sets out certain rights of the creditors of the debtors named therein.
- (D) To provide assurance to the Secured Parties under the Secured Debt Documents (each such term as defined in the Intercreditor Agreement), each Chargor has agreed to provide security to the Secured Parties from time to time, being represented by the Security Agent, to secure the obligations and liabilities under the Secured Debt Documents.

-
- (E) Pursuant to the Intercreditor Agreement, the Security Agent shall hold any security created hereunder on behalf of the Secured Parties in accordance with the terms of this Debenture and the Intercreditor Agreement.
- (F) It is intended that this Deed shall take effect as a deed by those parties that execute it as such.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Debenture, have the same meanings when used in this Debenture and in addition:

“Accession Document” means a deed of accession substantially in the form set out in Schedule 11 (*Form of Accession Document*) (or such other form as may be specified by the Security Agent).

“Account” means all present and future accounts opened or maintained by the Chargors, including but not limited to the accounts specified in Schedule 3 (*Details of Accounts*) of this Debenture and any renewal, resignation or replacement account or subdivision or sub-account of that account in England and Wales and all Related Rights.

“Account Notice” means a notice of charge substantially in the form set out in Part A (Form of Account Notice) Schedule 7 (*Account Notice*) or in such other form as may be specified by the Security Agent.

“Additional Chargor” means a person who has acceded to this Debenture as an Additional Chargor by executing an Accession Document.

“Charged Distribution Agreement” means any Distribution Agreement which is not a Non Charged Asset.

“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 Accession Document (and references to the Charged Property shall include references to any part of it).

“Charged Monetary Claim” means any Monetary Claim which is not a Non Charged Asset.

“Chargor” means each Original Chargor and each Additional Chargor.

“Collateral Rights” means all rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture or by law.

“Delegate” means any person appointed pursuant to Clause 18.2 (*Delegation*) and any person appointed as an attorney of the Security Agent and/or any Receiver.

“Derivative Rights” means, in relation to any Shares or Investments, as the case may be:

-
- (a) all dividends, interest, distributions and other income paid or payable on or in respect of those Shares or Investments;
 - (b) all stocks, shares, securities or other property derived from those Shares or Investments;
 - (c) all other allotments, accretions, rights, benefits and advantages of any kind accruing, offered or otherwise derived from or incidental to those Shares or Investments (whether by way of redemption, bonus, preference, option, substitution, conversion, exchange or otherwise); and
 - (d) all other Related Rights in relation to those Shares.

“Distribution Agreement” means any and all existing and future agreements entered into by a Chargor pursuant to which such Chargor sells, leases, licenses or assigns distribution rights or other exploitation rights to any item of Product (as defined in the Credit Agreement) to un-Affiliated Person (as defined in the Credit Agreement), in each case as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time but excluding any such agreement only to the extent and for so long as the terms of such agreement or any requirement of Applicable Law (as defined in the Credit Agreement) (x) validly prohibit the creation by such Chargor of a security interest in such agreement in favour of the Security Agent (after giving effect to any Applicable Law (as defined in the Credit Agreement) or principles of equity) or (y) would result in a termination pursuant to the terms of any such agreement (other than to the extent that any such term would be rendered ineffective pursuant to any other Applicable Law (as defined in the Credit Agreement) or principles of equity).

“Distribution Agreement Notice” means a notice in the form set out in *Schedule 9 (Distribution Agreement Notice)* or in such other form as may be specified by the Security Agent.

“Event of Default” means any “Event of Default” as defined in the Intercreditor Agreement.

“Excluded Asset” shall have the meaning given to that term in the Credit Agreement (and “Excluded Assets” shall be construed accordingly).

“Insurance Notice” means a notice of assignment in the form set out in Part A of Schedule 8 (*Insurance Notice*) or in such other form as may be specified by the Security Agent.

“Insurance Policies” means all present and future contracts and policies of insurance in which any Chargor may from time to time have an interest) and all Related Rights.

“Intellectual Property” means all present and future patents, trade marks, service marks, designs, trade names, business names, copyrights, design rights, domain names, waivers of moral rights, inventions, rights in confidential information, rights in know-how, trade secrets and any other intellectual property rights and interests, whether registered or unregistered, tangible or intangible and foreign or domestic (including but not limited to all such rights in any material Product and material Film Product Rights), together with

the benefit of all rights to use or exploit any such assets (including any licences and sub-licences), all applications, renewals and extensions, and all rights to apply, for any such assets and all other Related Rights whether or not specifically listed herein, which may subsist in any part of the world and including any partial right to any of the foregoing, to the extent to which they are jointly owned.

“Investments” means

- (a) securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit) (but not including the Shares); and
- (b) warrants, options or other rights to subscribe for, purchase or otherwise acquire any securities and investments,

whether in bearer or registered form and all other interests in any person (including any of the same specified in Schedule 5 (*Details of Investments*) and all Derivative Rights, whether any of the same are held directly by or to the order of any Chargor or are deposited with or registered in the name of any trustee, fiduciary, depositary, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee on behalf of any Chargor (in each case whether or not on a fungible basis) or whether the same have been delivered to or to the order of the Security Agent (or any of its nominees).

“Lien” means any mortgage, copyright mortgage, pledge, security interest, hypothec, encumbrance, lien or charge or any other claim of any kind whatsoever (including, without limitation, any conditional sale or other title retention agreement, any agreement to grant a security interest at a future date, any lease in the nature of security, and the filing of, or agreement to give, any financing statement under the PPSA or the Uniform Commercial Code of any jurisdiction (each such defined term as defined in the Credit Agreement)).

“Material Adverse Effect” has the meaning given to such term in the Credit Agreement.

“Monetary Claim” means all present and future book debts, other debt, receivable and monetary claims owing to any Chargor and any proceeds thereof (including any claim or sum of money deriving from or relating to any Distribution Agreement or Charged Distribution Agreement, Intellectual Property, the proceeds of any Insurance Policy, any court order or judgment, any pension fund, or any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of any Chargor) and all Related Rights.

“Monetary Claims Notice” means a notice in the form set out in Schedule 10 (*Monetary Claims Notice*) or in such other form as may be specified by the Security Agent.

“Non Charged Asset” means any asset which is not subject to an effective charge or assignment pursuant to Clause 3.1 (*Fixed Charges*) or Clause 3.2 (*Assignments*) as a result of the operation of Clause 3.4 (*Exceptions*).

“Quasi-Security” means a transaction in which a Chargor:

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

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

“Real Property” means:

- (a) any freehold or immovable property wherever located now or hereafter belonging to the Chargors or any of them (including without limitation the freehold property in England and Wales specified in Schedule 2 (*Details of Real Property*); and
- (b) any buildings, fixtures and fittings (including trade fixtures and fittings) and fixed plant or machinery from time to time situated on or forming part of such freehold, leasehold or immovable property,

and all Related Rights.

“Receiver” means a receiver or receiver and manager or (if applicable), administrative receiver, appointed under this Debenture.

“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, covenants for title, negotiable and non-negotiable instruments, guarantees, indemnities, security, liens, reservation of proprietary rights, rights of tracing or remedies in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset and, in the case of an Account, any credit balance from time to time on that Account.

“Secured Obligations” has the meaning given to that term in the Intercreditor Agreement.

“Shares” means all present and future shares in any member of the Group held by, to the order of, or on behalf of, any Chargor at any time (including but not limited to any of the same specified in Schedule 4 (*Details of Shares*) provided that such shares constitute “Pledged Securities” under the terms of the Credit Agreement.

“Tangible Moveable Property” means all present and future plants, machinery, office equipment, computers, furnishings, vehicles, every tangible item of Product (as defined

in the Credit Agreement) and other chattels (together with any spare parts, replacements or modifications) and all Related Rights.

“VAT” means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature.

1.2 Construction

- (a) In this Debenture:
- (i) unless a contrary indication appears, any reference to any “**Chargor**”, any “**Debtor**”, the “**Security Agent**” or any “**Secured Party**” shall be construed so as to include its successors, permitted assigns and permitted transferees;
 - (ii) “**assets**” includes present and future properties, revenue and rights of every description;
 - (iii) “**including**” means including without limitation and “**includes**” and “**included**” shall be construed accordingly;
 - (iv) a “**Secured Debt Document**” or any other agreement or instrument is a reference to that Secured Debt Document or other agreement or instrument as amended, supplemented or otherwise modified, renewed or replaced from time to time or novated (however fundamentally);
 - (v) a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing; and
 - (vi) a “**regulation**” includes any regulation, rule, official directive request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- (b) Clause and Schedule headings are for ease of reference only.
- (c) An Event of Default is “**continuing**” if it has not been remedied or waived in accordance with the terms of the Secured Debt Documents.
- (d) A provision of law is a reference to that provision as amended or re-enacted.
- (e) Words importing the plural shall include the singular and vice versa.
- (f) The security created by or pursuant to this Debenture, and the rights of the Security Agent under this Debenture, shall be enforceable notwithstanding any change in the constitution of the Security Agent or its absorption into, or amalgamation with, any other person or the acquisition of all or any part of its undertaking by any other person.
- (g) The terms of the Secured Debt Documents (other than this Debenture) and of any side letters between the parties thereto (or any of them) in relation to any Secured Debt Document are incorporated into this Debenture to the extent required to ensure

that any purported disposition of the Real Property contained in this Debenture is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989. For the purposes of registering this Debenture at H.M. Land Registry, the Secured Debt Documents (other than this Debenture) do not form part of the terms and conditions of this Debenture.

- (h) In this Debenture, “**Related Rights**” shall include, without limitation, all rights relating to any Investments which are deposited with or registered in the name of any trustee, fiduciary, depository, custodian, nominee or clearing house or system, investment manager, charge or other similar person or their nominee on behalf of any Chargors (in each case whether or not on a fungible basis) (including all rights and claims against such person).

1.3 **Third Party Rights**

A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Debenture unless the contrary is specifically provided herein, but even then the parties hereto shall at all times be entitled to rescind or vary this Debenture without the consent of the person concerned.

1.4 **Qualifying Floating Charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Debenture (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

2. **PAYMENT OF SECURED OBLIGATIONS**

2.1 **Covenant to Pay**

Each Chargor as primary obligor hereby covenants with the Security Agent (for its own benefit and as security trustee for the Secured Parties) that it shall forthwith on demand of the Security Agent discharge all of the Secured Obligations and 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 security trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Secured Debt Documents (including this Debenture), including any liability in respect of Extended Commitments, Extended Loans or the Incremental Facility (each such term as defined in the Credit Agreement) or any other further advances made under the Secured Debt 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, and provided that neither this covenant nor the security created by or pursuant to this Debenture shall extend to or include any obligation 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 Demand**

If any Chargor fails to pay any amount payable by it under the Debenture on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual

payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on such amount) calculated on a daily basis at the rate determined in accordance with the default interest provisions of the Secured Debt Documents. Any interest accruing under this Clause 2.2 shall be payable by the relevant Chargor on demand by the Security Agent.

3. GRANT OF SECURITY

3.1 Fixed Charges

Subject to Clause 3.4 (*Exceptions*), each Chargor hereby charges with full title guarantee in favour of the Security Agent (for its own benefit and as security trustee for the Secured Parties) as continuing security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to Real Property in England and Wales vested in such Chargor shall be a charge by way of first legal mortgage), all such Chargor's present and future rights, title and interest from time to time in and to each of the following assets:

- (a) the Real Property;
- (b) the Tangible Moveable Property (other than any Tangible Moveable Property which is otherwise subject to a legal mortgage pursuant to this Debenture);
- (c) the material Intellectual Property;
- (d) any goodwill and rights in relation to the uncalled capital of such Chargor;
- (e) the Shares and all Derivative Rights;
- (f) the Investments;
- (g) the Monetary Claims;
- (h) the Accounts; and
- (i) if not effectively assigned by Clause 3.2 (*Assignments*), all its rights, title and interest in (and proceeds and claims under) the Insurance Policies and the Distribution Agreements.

3.2 Assignments

Subject to Clause 3.4 (*Exceptions*), each Chargor hereby assigns absolutely with full title guarantee to the Security Agent (for its own benefit and as security trustee for the Secured Parties) as further continuing security for the payment and discharge of the Secured Obligations all such Chargor's present and future:

- (a) rights, title and interest from time to time in and proceeds and claims under the Insurance Policies and all Related Rights; and
- (b) rights, title and interest from time to time in and proceeds and claims under the Distribution Agreements.

3.3 Floating Charge

Each Chargor hereby charges with full title guarantee in favour of the Security Agent (for its own benefit and as security trustee for the Secured Parties) as further continuing security for the payment and discharge of the Secured Obligations, by way of first floating charge, the whole of such Chargor's undertaking and all its assets, whatsoever and wheresoever, both present and future, including those assets not validly and effectively charged by way of first fixed security pursuant to Clause 3.1 (*Fixed Charges*) or assigned by way of security pursuant to Clause 3.2 (*Assignments*).

3.4 Exceptions

- (a) The charge over or assignment of any asset charged or assigned by any Chargor pursuant to Clause 3.1 (*Fixed Charges*) or Clause 3.2 (*Assignments*) shall be effective only to the extent that the creation or subsistence of that charge or assignment:
 - (i) is not an Excluded Asset; and/or
 - (ii) in relation to assets which are subject to third party arrangements (which are permitted or not prohibited by the Credit Agreement), would not give any third party the right to cancel or terminate all or any of that Chargor's rights in relation to that asset, provided that reasonable endeavours to obtain consent to charging any such assets shall be used by the Chargors if the relevant asset is material and if, in the view of Entertainment One Ltd (acting reasonably), taking such security is not likely to have an adverse impact on commercial relationships with third parties or otherwise force the relevant Chargor or any other Chargor to incur any material cost, save that, this shall not prevent security from being given over any receipt or recovery under the relevant contract, lease or license.
- (b) To the extent that the creation or subsistence of the floating charge over any asset charged by any Chargor pursuant to Clause 3.3 (*Floating Charge*) is prohibited by law or regulation or the terms upon which such asset is held and/or would, except as contemplated in the Security Documents, result in the cancellation or termination of, or give any third party the right to cancel or terminate, all or any of that Chargor's rights in relation to that asset, upon a request in writing by the relevant Chargor, the Security Agent may exercise its discretion (without requiring approval or consent from any other Secured Party) to release such specific asset from the floating charge as it sees fit at the costs and expense of that Chargor, provided that commercially reasonable endeavours have been used by the relevant Chargor to obtain the relevant consent.
- (c) This Clause 3.4 is without prejudice to Clause 6 (*Further Assurance*).

3.5 Details of Charged Property

The fact that no details of any Charged Property are included in any relevant Schedule to this Debenture does not affect the validity or enforceability of any security created by or pursuant to this Debenture or any Accession Document.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation by Notice

The Security Agent may, at any time by notice in writing to the relevant Chargor, convert the floating charge created by Clause 3.3 (*Floating Charge*) into a fixed charge with immediate effect as regards all or any part of the Charged Property of the relevant Chargor specified in that notice if:

- (a) an Event of Default has occurred and is continuing;
- (b) the Security Agent reasonably considers it desirable to do so in order to protect or preserve the security created by or pursuant to this Debenture over the relevant Charged Property and/or its priority, value or enforceability; or
- (c) the Security Agent is of the view that any asset charged under the floating charge created under this Debenture is in danger of being seized or sold under any form of distress, attachment, execution or other legal process or is otherwise in jeopardy.

The service by the Security Agent of any notice pursuant to this Clause 4.1 in relation to the Charged Property of any relevant Chargor shall not be construed as a waiver or abandonment of the Security Agent's rights to serve similar notices in respect of any other Charged Property or of any other rights of the Security Agent under this Debenture.

4.2 Automatic Crystallisation

- (a) If:
 - (i) any Chargor creates or takes any step to create any Lien (except as permitted by the Secured Debt Documents) over any of the Charged Property which is subject to the floating charge created under this Debenture;
 - (ii) any person takes any step to levy any expropriation, attachment, sequestration, distress, execution or other legal process against any such Charged Property;
 - (iii) the members of any Chargor convene a meeting for the purposes of considering any resolution for its winding-up, dissolution, or a compromise, assignment or arrangement with any creditor;
 - (iv) any meeting of the directors of any Chargor is convened for the purpose of considering any resolution for the administration of, or the appointment of an administrator in respect of, that Chargor;
 - (v) any person (entitled to do so) gives notice of its intention to appoint an administrator to any Chargor or files such a note with the court; or
 - (vi) any other floating charge created by any Chargor crystallises for any reason,
- the floating charge created under this Debenture shall automatically (without notice) and with immediate effect be converted into a fixed charge over all Charged Property which is subject to the floating charge created under this Debenture.

4.3 De-crystallisation

If the floating charge over any Charged Property created by or pursuant to Clause 3.3 (*Floating Charge*) is converted into a fixed charge under this Clause 4, it shall be converted to a floating charge over such Charged Property if the Security Agent (in its absolute discretion) gives a notice in writing to the relevant Chargor to that effect.

4.4 Ranking

The floating charge created by each Chargor ranks:

- (a) behind all the fixed charges created by that Chargor hereunder; but
- (b) in priority to any other Lien over the Charged Property of that Chargor except as permitted by the Secured Debt Documents which as a matter of law will rank in priority to the security created under this Debenture, and Liens created by a Receiver appointed hereunder ranking in priority thereto.

5. PERFECTION OF SECURITY

5.1 Delivery of Documents

- (a) *Shares*: Each Chargor shall promptly upon execution of this Debenture deposit with the Security Agent (or as it shall direct) all share certificates and other documents of title representing, or evidencing ownership of, the Shares to which it is entitled, together with stock transfer forms (executed in blank by or on behalf of such Chargor and left undated) in respect of such Shares; and promptly following the accrual or issue to, or the acquisition or receipt by, it (or any of its nominees) of any Shares or any Derivative Rights relating to any Shares deposit with the Security Agent (or any of its nominees) (or procure such deposit of) all stock and share certificates or other documents of, or evidencing, title or the right to title relating to such Shares or, as the case may be, Derivative Rights, together with stock transfer forms or other instruments of transfer duly completed to the Security Agent's reasonable satisfaction in respect of such Shares or, as the case may be, Derivative Rights and such other documents as the Security Agent may require (in such form and executed as the Security Agent may reasonably require) for the purpose of perfecting or protecting its security over such Shares or Derivative Rights or for registering any such Shares or Derivative Rights in the name of the Security Agent (or any of its nominees).
- (b) *Investments*: Each Chargor shall promptly upon the request of the Security Agent from time to time deliver to the Security Agent (or any of its nominees) (or procure such delivery of) all Investments to which it (or any of its nominees) is then entitled, together with:
 - (i) (except to the extent that the same have been deposited with a clearance system, settlement system or custodian acceptable to the Security Agent) all stock and share certificates or other documents of, or evidencing, title or the right to title relating to such Investments;

-
- (ii) stock transfer forms or other instruments of transfer duly completed to the Security Agent's satisfaction in respect of such Investments; and
 - (iii) such other documents as the Security Agent may reasonably require (in such form and executed as the Security Agent may reasonably require) for the purpose of perfecting or protecting its security over such Investments or for registering such Investments in the name of the Security Agent (or any of its nominees) or in the name of any Receiver or Delegate.
- (c) *Monetary Claims:* Each Chargor shall promptly following the occurrence of an Event of Default which is continuing and upon the request of the Security Agent from time to time deliver to the Security Agent (or any of its nominees) (or procure such delivery of) all documents relating to its Monetary Claims as the Security Agent may require for the purpose of perfecting its security over such Monetary Claims.
- (d) *Insurances:* Each Chargor shall promptly following the occurrence of an Event of Default which is continuing and upon the request of the Security Agent from time to time deliver to the Security Agent (or any of its nominees) (or procure such delivery of) each of the Insurance Policies relating to its Charged Property (but subject to the provisions of any lease of that Charged Property), a copy of each of the premium receipts relating to such Insurance Policies or other evidence of the payment of all premiums and other monies payable under such Insurance Policies satisfactory to the Security Agent and such other documents relating to such Insurance Policies as the Security Agent may reasonably require.

5.2 Notices of Assignment and Charge

- (a) Subject to Clause 5.2(c), each Chargor shall within 10 Business Days of the date of this Debenture serve an Account Notice in respect of each Account listed Schedule 3 (*Details of Accounts*) (and promptly upon the opening of any new Account, serve an Account Notice in respect of each such new Account).
- (b) Each Chargor shall use commercially reasonable endeavours to procure that each Account Notice served pursuant to Clause 5.2(a) is acknowledged by the addressee within 20 Business Days of service of such notice. If the relevant Chargor has used its commercially reasonable endeavours but has not been able to obtain acknowledgement or acceptance, its obligation to obtain acknowledgement or acceptance shall cease on the expiry of that 20 Business Day period.
- (c) There shall be no obligation to serve an Account Notice in respect of an Account if service of such Account Notice would prevent the relevant Chargor from using the relevant Account in the ordinary course of its business. If this clause (c) applies, the relevant Chargor shall not be required to serve the Account Notice until the occurrence of an Event of Default which is continuing.
- (d) Upon the occurrence of an Event of Default which is continuing, each Chargor shall immediately serve:

-
- (i) a Monetary Claims Notice with respect to Monetary Claims or Charged Monetary Claims (as applicable);
 - (ii) a Distribution Agreement Notice as with respect to the Distribution Agreements or Charged Distribution Agreements (as applicable); and
 - (iii) an Insurance Notice in respect of each Insurance Policy which is subject to a charge or assignment under Clause 3.2 (*Assignment*) and Clause 3.3 (*Floating Charge*) of this Debenture.

5.3 After-Acquired Real Property

- (a) If after the date hereof any Chargor acquires any Real Property, title to which is (or is required to be) registered under the Land Registration Act 2002, that Chargor shall immediately thereafter, notify the Security Agent in writing of the address and details of the property (including details of the value of the property acquired, and if applicable, the title number(s) of the property) and, at the time it applies to the Land Registry to be registered as the registered proprietor of the property, apply to the Land Registry to register the fixed charge contained in this Debenture and the applicable restriction in accordance with Clause 5.4 on the Proprietorship Register and Charges Register of the property.
- (b) Each Chargor shall, in relation to any leasehold property which it acquires after the date of this Debenture, be required to perform its obligations under paragraph (a) above only to the extent that the terms of any lease applicable to that property do not prohibit the creation of a legal charge over the property (and where the consent of a landlord is required to charge such property, the relevant Chargor shall use its commercially reasonable endeavours to obtain such consent from the landlord). This paragraph (b) is without prejudice to Clause 6 (*Further Assurance*).

5.4 Registration at H.M. Land Registry

- (a) In the case of any Real Property of any Chargor, title to which is (or is required to be) registered under the Land Registration Act 2002, such Chargor shall:
 - (i) (in any case where that Real Property is not already so registered and is required to be so registered) promptly apply to H.M. Land Registry for first registration of the title to that Real Property and promptly notify the Security Agent of its title number following such registration;
 - (ii) (in any case where that Chargor is not already so registered) promptly apply to H.M. Land Registry for the registration of it as the Registered Proprietor of that Real Property and promptly deliver to the Security Agent official copies of its title following such registration; and
 - (iii) promptly apply to H.M. Land Registry to register this Debenture on the Charges Register of that Real Property.
- (b) Each Chargor consents to an application being made to the Land Registry to register a restriction in the Proprietorship Register of any registered land forming part of the Real Property and shall itself apply to register the following restriction:

“No disposition (in particular no transfer, charge, mortgage or lease) of the registered estate by the proprietor of the registered estate, or by the proprietor of any future registered charge, is to be completed by registration without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Wilmington Trust (London) Limited, as trustee and agent, referred to in the Charges Register [or its conveyancer [or specify appropriate details] or, if appropriate, signed on such proprietor’s behalf by [its secretary or conveyancer [or specify appropriate details]].”

- (c) The security created by or pursuant to this Debenture secures present and further advances. Subject to the terms of the Intercreditor Agreement, certain Secured Parties may make further advances to the Debtors or members of the Group and such obligation will be deemed to be incorporated into this Debenture as if set out in full in this Debenture. Each Chargor shall promptly apply to H.M. Land Registry to enter a note of the obligation to make further advances on the Charges Register of all Real Property of such Chargor which is or will be registered under the Land Registration Act 2002.
- (d) In respect of any Real Property of any Chargor title to which is registered under the Land Registration Act 2002 at the date of this Debenture.
- (e) In the case of any Real Property of any Chargor title to which is not, and is not required to be, registered under the Land Registration Act 2002, such Chargor shall promptly apply to register this Debenture at the Land Charges Registry if the deeds, certificates and other documents of title relating to such Real Property are not deposited with the Security Agent.

5.5 Registration of Intellectual Property

- (a) Each Chargor shall promptly upon the request of the Security Agent (where such request is provided in accordance with the Secured Debt Documents) from time to time, and at the Chargor’s own expense, do all such acts and execute all such documents as are required to record the interests of the Secured Parties granted under this Debenture in any Intellectual Property registrations or applications, with the relevant national or supranational registry, office or other Intellectual Property authority.
- (b) The Security Agent may, at its own discretion, undertake the actions described in Clause 5.5(a) and to the extent the Security Agent undertakes such actions, each Chargor shall provide all reasonable assistance to the Security Agent in completing the registrations referred to therein.

6. FURTHER ASSURANCE

6.1 General Further Assurance

Each Chargor shall promptly and at its own expense execute all such documents (including assignments, transfers, conveyances, mortgages or assurances (whether in favour of the Security Agent or any of its nominees)) and do all such acts and things (including making any filings or registrations and/or giving any notices, orders, directions

or instructions) as the Security Agent may reasonably require (and in form and substance satisfactory to the Security Agent (acting reasonably)):

- (a) to perfect or protect the security created (or intended to be created) by such Chargor pursuant to this Debenture (including, without limitation, the execution by such Chargor of a mortgage, charge or other document over all or any of the assets constituting (or intended to constitute) Charged Property of such Chargor) and/or to perfect or protect the priority of such security;
- (b) to confer on the Security Agent security over any property and assets of such Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred on the Security Agent by or pursuant to this Debenture;
- (c) to facilitate the realisation of the Charged Property of such Chargor; and/or
- (d) to exercise the Collateral Rights.

6.2 Implied Covenants

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

6.3 Security Documents

Any security document required to be executed by a Chargor pursuant to the terms of Clause 5.3 (*After-Acquired Real Property*) or Clause 6.1 (*General Further Assurance*) shall contain clauses corresponding to the provisions set out in this Debenture.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties

Each Chargor makes the representations and warranties set out in this Clause 7 to the Security Agent (for its own benefit and as security trustee for the Secured Parties) and acknowledges that each of the Secured Parties has entered into the Secured Debt Documents to which it is party in reliance on such representations and warranties.

7.2 Ownership of Charged Property

- (a) It is the absolute legal and beneficial owner of, and has good title to all of the Charged Property, free from any Liens (except as permitted by the Secured Debt Documents).
- (b) It has not agreed to create any Lien (except as permitted by the Secured Debt Documents) over any of its Charged Property.

7.3 Persons with Significant Control regime

- (a) It has not issued and does not intend to issue any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Shares which constitute Charged Property.

-
- (b) It has not received any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Shares which constitute Charged Property.

7.4 Accuracy of Particulars of Charged Property

The information provided in the Schedules is true, complete, up-to-date and accurate in all material respects.

7.5 Shares

- (a) The shares held by each Chargor as described in Schedule 4 (*Details of Shares*) constitute the entire issued share capital of the relevant member of the Group as at the date of this Debenture.
- (b) So far as the Chargors are aware, there are no duplicate copies of any of the certificates relating to the Shares.

7.6 Times for making Representations and Warranties

The representations and warranties set out in this Clause 7 are made by each Chargor on the date of this Debenture; and

- (a) in respect of the representations under Clause 7.2 (*Ownership of Charged Property*) and Clause 7.3 (*Persons with Significant Control regime*) (as applicable), are deemed to be repeated by (i) each Chargor on the date any representations are deemed to be repeated under any Secured Debt Document and (ii) in respect of any new assets acquired by a Chargor after the date of this Debenture that forms part of the Charged Property, the relevant Chargor on the date of acquiring such Charged Property, with reference to the facts and circumstances existing at such time; and
- (b) with respect to any Additional Chargor, are made on the date of its accession to this Debenture, with reference to the facts and circumstances existing at such time and with respect to the representation under Clause 7.4 (*Accuracy of Particulars of Charged Property*) shall be made with respect to the Schedules attached to the relevant Accession Document.

8. GENERAL UNDERTAKINGS

8.1 Duration of Undertakings

Each Chargor undertakes to the Security Agent (for its own benefit and as security trustee for the Secured Parties) in the terms of the following provisions of this Clause 8 and the provisions of Clauses 9 (*Shares and Investments*) to 11 (*Monetary Claims*) (inclusive), such undertakings to commence on the date of this Debenture and to continue throughout the subsistence of this Debenture for so long as any Secured Obligations are or may become payable.

8.2 Negative Pledge

Each Chargor shall not create, agree to create or permit to subsist any Lien or Quasi-Security (except as permitted by the Secured Debt Documents) over all or any part of the

Charged Property or do anything else prohibited by the terms of the Secured Debt Documents.

8.3 Disposals

Each Chargor shall not, except as permitted by the Secured Debt Documents:

- (a) whether by a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary), sell, lease, lend, license, assign, transfer or otherwise dispose of any asset (other than trading stock which is sold on arm's length terms in the ordinary course of a Chargor's trading and for the purpose of carrying on that Chargor's business) or the right to receive or to be paid the proceeds arising on the disposal of the same; or
- (b) without limiting and in addition to paragraph (a) above:
 - (i) execute any transfer, assignment or other disposition of all or any part of the Charged Property or create any legal or equitable estate or other interest in, or over, or otherwise relating to, the Charged Property;
 - (ii) lend any Shares to any person; or
 - (iii) agree or purport to do any of the foregoing.

8.4 Persons with Significant Control regime

- (a) In respect of any Shares which constitute Charged Property, the relevant Chargor shall promptly:
 - (i) notify the Security Agent of its intention to issue, or its receipt of, any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 and provide to the Security Agent a copy of any such warning notice or restrictions notice;
 - (ii) respond to that notice within the prescribed timeframe; and
 - (iii) provide to the Security Agent a copy of the response sent/received in respect of such notice.
- (b) For the purposes of withdrawing any restrictions notice or for any application to the court under Schedule 1B of the Companies Act 2006, the relevant Chargor shall (and shall ensure that the relevant members of the Group will) provide such assistance as the Security Agent may reasonably request in respect of any Shares which constitute Charged Property and provide the Security Agent with all information, documents and evidence that it may reasonably request in connection with the same.

8.5 Power to Remedy

- (a) If any Chargor fails to comply with any of the undertakings set out in Clauses 9 (*Shares and Investments*) to 13 (*Intellectual Property*) (inclusive), such Chargor shall permit (and hereby irrevocably authorises) the Security Agent and/or such

persons as the Security Agent may nominate to take such action on behalf of such Chargor as shall be necessary to ensure that such undertakings are complied with.

- (b) Each Chargor shall promptly indemnify the Security Agent against any loss, cost or liability incurred by it or any of its officers, employees, agents and attorneys as a result of any breach by any Chargor of any of the undertakings set out in Clauses 9 (*Shares and Investments*) to 13 (*Intellectual Property*) (inclusive) or as a result of, or in connection with, the exercise or purported exercise of any of the rights and powers conferred on the Security Agent by paragraph (a) above.
- (c) The exercise by the Security Agent of any of its rights under this Clause 8.5 shall not make it liable to account as a mortgagee in possession.

9. SHARES AND INVESTMENTS

9.1 Shares: Before an Event of Default

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

- (a) pay all dividends, interest, distributions and other income arising from the Shares charged by it only in accordance with the terms of the Secured Debt Documents; and
- (b) exercise all voting and other rights and powers attached to or conferred by such Shares, provided that it shall not do so:
 - (i) for any purpose which is inconsistent with any of the Secured Debt Documents; or
 - (ii) in any manner which:
 - (A) would facilitate, or otherwise permit or agree to any variation of the rights attached to such Shares which may in any way depreciate, jeopardise or otherwise prejudice the value to the Security Agent of the security created or expressed to be created over such Shares;
 - (B) would cause an Event of Default to occur;
 - (C) would, in the reasonable opinion of the Security Agent, prejudice the value of the security created by or pursuant to this Debenture or the ability of the Security Agent to exercise any of the Collateral Rights; or
 - (D) would or might result in permission or agreement being given to any compromise, capital reorganisation, conversion, exchange, repayment or takeover offer affecting or in respect of any of the Shares.

9.2 Shares: After an Event of Default

- (a) At any time after the occurrence of an Event of Default which is continuing, the Security Agent may at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from such Chargor):

-
- (i) apply all dividends, interest, distributions and other income arising from the Shares in accordance with Clause 10.2 (*Application of Monies*) and any such dividends, interest, distributions and other income which may be received by any Chargor (or any of its nominees) shall be promptly paid over to the Security Agent to be applied in accordance with that Clause and pending such payment shall be held in trust for the Security Agent (for its benefit and as security trustee for the Secured Parties);
 - (ii) transfer the Shares into the name of the Security Agent (or any of its nominees) as it shall require;
 - (iii) exercise (or direct the exercise of) or refrain from exercising any and all voting and other rights attached to or conferred by the Shares; and/or
 - (iv) exercise (or direct the exercise of) or refrain from exercising any and all rights and powers conferred on or exercisable by the legal or beneficial owner of the Shares 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.
- (b) For the purposes of paragraph (a) above, each Chargor shall comply (and shall procure that each of its nominees comply) with any directions of the Security Agent or any Receiver or Delegate concerning the exercise of:
- (i) any voting and other rights and powers attached to or conferred by the Shares charged by it; and/or
 - (ii) any rights and powers conferred on or exercisable by it as the legal or beneficial owner of such Shares,

and shall promptly execute and/or deliver to the Security Agent or any Receiver or Delegate such forms of proxy as it or he requires with a view to enabling such person as it or he selects to exercise those rights and/or powers.

9.3 Shares and Investments: Payment of Calls

Each Chargor shall pay when due all calls or other payments which may be or become due from it in respect of any of the Shares or Investments charged by it and, in any case of default by any 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 such demand until the date of payment at the rate and in accordance with Clause 2.2 (Interest on Demand).

9.4 No Restrictions on Transfer

Each Chargor shall procure that the Shares are at all times free from any restriction on transfer (whether under any relevant constitutive documents or otherwise) by the Security Agent (or any of its nominees) for the purpose of perfecting or enforcing the security created or expressed to be created by or pursuant to this Debenture.

9.5 Investments: Instructions and Documents

Without limiting Clause 5 (*Perfection of Security*), each Chargor shall promptly give all such instructions and/or execute and/or deliver all such documents relating to the Investments and the Shares charged by it as the Security Agent may require for the purpose of perfecting or protecting its security over any such Investments or Shares and/or for the purpose of registering any such Investments or Shares in its name (or in the name of any of its nominees) and/or for the purpose of facilitating the realisation of any such Investments or Shares by the Security Agent or any Receiver or Delegate pursuant to this Debenture.

10. ACCOUNTS

10.1 Operation of Accounts

- (a) Prior to the occurrence of an Event of Default which is continuing, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account in the ordinary course of its business but subject to the terms of the Secured Debt Documents.
- (b) No Chargor shall, at any time after the occurrence of an Event of Default which is continuing, 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.

10.2 Application of Monies

The Security Agent shall, at any time after the security created by or pursuant to this Debenture has become enforceable, 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 10.2 (*Application of Monies*).

11. MONETARY CLAIMS

11.1 Before an Event of Default

Prior to the occurrence of an Event of Default which is continuing, each Chargor may deal with the Monetary Claims owing to it in accordance with the terms of the Secured Debt Documents.

11.2 After an Event of Default

After the occurrence of an Event of Default which is continuing, no Chargor shall without the prior written consent of the Security Agent be entitled to withdraw, transfer or otherwise deal with the Monetary Claims except by getting in and realising them in the ordinary and proper course of its business and paying the proceeds of those Monetary Claims into an account in its name or as the Security Agent may direct (and such proceeds shall be held upon trust by such Chargor for the Security Agent (as security trustee for the Secured Parties) prior to such payment). The Security Agent may designate different accounts for different proceeds.

11.3 Documents

After the occurrence of an Event of Default which is continuing and without limiting Clause 5 (*Perfection of Security*), each Chargor shall promptly execute and/or deliver to the Security Agent all such documents relating to its Monetary Claims as the Security Agent may require for the purpose of protecting its security over such Monetary Claims and/or for the purpose of facilitating the realisation of such Monetary Claims by the Security Agent or any Receiver or Delegate pursuant to this Debenture.

11.4 Application of Insurance Proceeds

All monies received under any Insurance Policies shall, prior to the occurrence of an Event of Default which is continuing, be applied (subject to the rights and claims of any person having prior rights to such monies) in accordance with the terms of the Secured Debt Documents and after the occurrence of an Event of Default which is continuing, each Chargor shall hold such monies upon trust for the Security Agent (as security trustee for the Secured Parties) pending payment of such monies to the Security Agent for application in accordance with Clause 20 (*Application of Monies*) and waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Property.

12. DISTRIBUTION AGREEMENTS

12.1 Security Agent's Powers of Enforcement

At any time after the security created by or pursuant to this Debenture has become enforceable, the Security Agent may, without limitation and in addition to any other powers conferred by this Debenture:

- (a) exercise all such rights, powers and discretions as any Chargor is then entitled to exercise (or might, but for the terms of this Debenture, be entitled to exercise) in relation to the Distribution Agreements to the exclusion of that Chargor;
- (b) collect, demand and receive, recover by legal process and compound and give acquittances for all or any monies due or to become due under or in connection with the Distribution Agreements and give a good discharge on behalf of the relevant Chargor for all or any monies received by it under or in connection with the Distribution Agreements; and
- (c) do such acts, deeds and things as the Security Agent may reasonably consider necessary or proper for or in relation to any of the rights, powers, discretions and remedies referred to above.

12.2 Preservation of Distribution Agreements

- (a) Each Chargor shall duly observe and perform the material terms and conditions of the Distribution Agreements and diligently protect and enforce the rights of the Secured Parties under all Distribution Agreements in a manner consistent with prudent business judgment and subject to the terms and conditions of the Distribution Agreements, in each case so as not reasonably expected to have a Material Adverse Effect.

-
- (b) Each Chargor shall take such steps as necessary or expedient (including on the advice of legal advisors the institution of legal proceedings) to diligently protect and enforce the rights of the relevant Chargor under its Distribution Agreements in a manner consistent with prudent business judgment and subject to the terms and conditions of such Distribution Agreements, in each case, except as could not reasonably be expected to have a Material Adverse Effect, all such steps to be taken at the expense of the relevant Chargor.

13. INTELLECTUAL PROPERTY

13.1 Preservation of Intellectual Property

- (a) Each Chargor shall make such applications, registrations and renewals, pay such renewal fees, registration taxes and other similar expenses, and do all other things as are reasonably necessary to protect, maintain and register (where appropriate) any of its Intellectual Property and to keep its Intellectual Property in full force and effect to the extent required by the terms of the Secured Debt Documents.
- (b) Each Chargor shall use reasonable endeavours to ensure that its Intellectual Property is at all times free from any restriction which would or might prevent the Security Agent from taking the full benefit of the rights conferred to it under this Debenture in relation to such Intellectual Property.
- (c) Each Chargor shall use protect and safeguard its Intellectual Property in accordance with requirements of the Secured Debt Documents.
- (d) Each Chargor shall promptly notify the Security Agent of any infringement or suspected infringement of any of its Intellectual Property which may come to its notice and supply the Security Agent with all information in its possession relating to such infringement or suspected infringement where such infringement could reasonably be expected to have a Material Adverse Effect.

13.2 Information

- (a) Subject to the Agreed Security Principles, each Chargor shall, upon reasonable request of the Security Agent, promptly supply the Security Agent with such information as the Security Agent may from time to time reasonably request with respect to any of its Intellectual Property.
- (b) Each Chargor undertakes to deliver to the Security Agent a complete and accurate list of all of the registered (including applications to register) Intellectual Property owned by it (in the form of Schedule 6 (*Details of Material Intellectual Property*)) within 14 days following the date of this Debenture. Such list shall also identify the Intellectual Property that is material to such Chargor and the Group as a whole.

14. ENFORCEMENT OF SECURITY

14.1 Enforcement

At any time after the occurrence of an Event of Default which is continuing, the security created by or pursuant to this Debenture shall be 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);
- (b) take possession of and hold or dispose of all or any part of the Charged Property; and
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or receivers.

14.2 Redemption of Prior Liens

- (a) At any time after the security created by or pursuant to this Debenture has become enforceable or at any time after any powers conferred by any prior Lien over all or any part of the Charged Property shall have become exercisable, the Security Agent or any Receiver or Delegate may redeem that prior Lien or procure the transfers of it to itself.
- (b) The Security Agent may settle and agree the accounts of the person or persons entitled to such prior Lien(s) (and any accounts so settled and agreed shall be conclusive and binding on the relevant Chargor).
- (c) Each Chargor shall pay to the Security Agent on demand all principal monies, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer in respect of its Charged Property.

14.3 Right of Appropriation

In relation to any part of the Charged Property that constitutes "financial collateral" (as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003) (the "Regulations"), the Security Agent shall, at any time after the occurrence of an Event of Default which is continuing, have the right to appropriate all or any part of such financial collateral in or towards the discharge of the security for the payment and discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be the market price of the relevant Charged Property, determined by the Security Agent by reference to any relevant public index or market, or such other reasonable method of valuation in respect of the relevant assets as the Security Agent may select, including independent valuation. The parties further 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.

14.4 Contingencies

If the Security Agent enforces the security created by or pursuant to this Debenture at a time when no amounts are due under the Secured Debt Documents but at a time when

amounts may or will become so due, the Security Agent or any Receiver or Delegate may pay the proceeds of any recoveries made by it into a suspense account.

15. APPOINTMENT OF ADMINISTRATOR

At any time after the security created by or pursuant to this Debenture has become enforceable, the Security Agent (acting through an authorised office of the Security Agent) may, without prior notice to any Chargor, appoint:

- (a) one or more persons to be an administrator of any Chargor; and
- (b) another person (or persons) as an additional or replacement administrator (or administrators).

16. APPOINTMENT OF RECEIVER

16.1 Appointment and Removal

- (a) At any time after the security created by or pursuant to this Debenture has become enforceable or if requested to do so by any Chargor, the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without prior notice to any Chargor:
 - (i) appoint one or more persons to be a Receiver in respect of the Charged Property;
 - (ii) remove (so far as it is lawfully able) any Receiver so appointed; and
 - (iii) appoint another person (or persons) as an additional or replacement Receiver (or Receivers).
- (b) Any Receiver may be appointed in respect of the whole or any part of the Charged Property specified in the instrument appointing him and different Receivers may be appointed in respect of different parts of the Charged Property.
- (c) Section 109(1) of the Law of Property Act 1925 shall not apply to this Debenture.

16.2 Statutory Powers of Appointment

The powers of appointment of a Receiver conferred on the Security Agent by this Debenture shall be in addition to all statutory and other powers of appointment conferred by the Law of Property Act 1925 (as extended by this Debenture), the Insolvency Act 1986 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.

16.3 Capacity

Each Receiver shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver (except as otherwise stated in the instrument of appointment);

-
- (b) deemed for all purposes to be the agent of the relevant Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for any Secured Party; 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 Law of Property Act 1925).

16.4 Powers of Receiver

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

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagees and mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and the power to do or omit to do anything which the 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 the Receiver considers incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property); or
 - (iii) bringing to his hands any assets of the relevant Chargor constituting, or which when got in would be, Charged Property.

16.5 Relationship with Security Agent

To the fullest extent permitted by law, any right, power or discretion conferred by this Debenture (expressly or impliedly) upon a Receiver may, at any time after the security created by or pursuant to this Debenture becomes enforceable, be exercised by the Security Agent, without prior notice to any Chargor in relation to any Charged Property, irrespective of whether or not it has taken possession of the Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

16.6 Receiver as Agent

Each Receiver shall be the agent of the relevant Chargor, which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

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

17.1 Extension of Powers

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

17.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Agent or any Receiver of its right to consolidate all or any of the security created by or pursuant to this Debenture with any other security in existence at any time or to its power of sale, which powers shall be immediately exercisable by the Security Agent or any Receiver without notice to any Chargor at any time after the security created by or pursuant to this Debenture has become enforceable.

17.3 Power of Leasing

The statutory powers of leasing and accepting surrenders of leases shall be immediately exercisable by the Security Agent or any Receiver at any time after the security created by or pursuant to this Debenture has become enforceable and the Security Agent and any Receiver may make any lease or agreement for a lease and/or accept any surrenders of leases and/or grant options on such terms as it shall think fit without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

17.4 Fixtures

The statutory power of sale under Section 101 of the Law of Property Act 1925 is extended so as to authorise the Security Agent or any Receiver to sever any fixtures from the property to which they are attached and to sell them separately from such property.

18. DISCRETION AND DELEGATION

18.1 Discretion

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

18.2 Delegation

Subject to the terms and conditions of the Intercreditor Agreement, each of the Security Agent and any Receiver shall have full power to delegate to any person (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including any power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise of those powers, authorities or discretions by the Security Agent or the Receiver, any revocation of the delegation or any subsequent delegation of any such powers, authorities and discretions. Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of, any Delegate.

19. NO LIABILITY

19.1 Liability of Security Agent, Receiver and Delegate

Subject to the terms and conditions of the Intercreditor Agreement, none of the Security Agent, any Receiver or Delegate or any of their respective officers, employees, agents or attorneys shall be liable to any Chargor, any Secured Party or any other person by reason of:

- (a) taking any action permitted by the Secured Debt Documents;
- (b) taking possession of or realising all or any part of the Charged Property;
- (c) any neglect, default or omission in connection with the Charged Property; or
- (d) the exercise, or the attempted or purported exercise, of any of the Collateral Rights, except in the case of gross negligence, wilful default or fraud upon its part.

19.2 No Liability as Mortgagee in Possession

Without limiting Clause 19.1 (*Liability of Security Agent, Receiver and Delegate*), entry into or taking possession of all or any part of the Charged Property shall not render the Security Agent or any Receiver or Delegate liable to account as mortgagee in possession and, if and whenever the Security Agent or any Receiver or Delegate enters into or takes possession of the Charged Property, it or he shall be entitled at any time at its discretion to go out of such possession.

20. APPLICATION OF MONIES

20.1 Order of Application

All monies received or recovered by the Security Agent or any Receiver or Delegate pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights to such monies and by way of variation of the provisions of the Law of Property Act 1925) be applied (notwithstanding any purported appropriation by any Chargor) in accordance with Clause 16.1 (*Order of Application*) of the Intercreditor Agreement.

20.2 Suspense Account

The Security Agent and any Receiver or Delegate may place and keep (for such time as it shall think prudent) any monies received or recovered pursuant to this Debenture or the powers conferred by it in a separate suspense account for so long as and in such manner as the Security Agent may from time to time determine (to the credit of either the relevant Chargor or the Security Agent as the Security Agent shall think fit) and the Receiver or Delegate may retain the same for such period as he and the Security Agent considers expedient without having any obligation to apply the same or any part thereof in or towards discharge of the Secured Obligations. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Security Agent to be a fair market rate.

20.3 Notice of Subsequent Liens

At any time after the Security Agent or any other Secured Party receives notice (whether actual or constructive) of:

- (a) any subsequent Lien or other interest affecting all or any of the Charged Property;
- (b) any assignment, transfer or other disposal of the Charged Property which is prohibited by the terms of the Secured Debt Documents; or
- (c) any other matter which may cause any security created by or pursuant to this Debenture to cease to be a continuing security,

all payments by or on behalf of the relevant Chargor to the Security Agent (whether in its capacity as Security Agent or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Agent received such notice.

21. PROTECTION OF PURCHASERS

21.1 Protection of Purchasers

- (a) No person dealing with the Security Agent or any Receiver or Delegate shall be bound to enquire:
 - (i) whether the rights conferred by or pursuant to this Debenture or any other Secured Debt Document have arisen or become exercisable;
 - (ii) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
 - (iii) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or
 - (iv) as to the application of any money borrowed or raised or whether any amount remains secured by this Debenture.
- (b) All the protection afforded to purchasers contained in Sections 104, 107 and 109 of the Law of Property Act 1925, section 42(3) of the Insolvency Act 1986 (where a

Receiver is an administrative receiver) or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent or any Receiver or Delegate.

21.2 Good Discharge

The receipt of the Security Agent, any Receiver or Delegate shall be an absolute and conclusive discharge to any purchaser of the Charged Property and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver or Delegate and, in making any sale or disposal of any of the Charged Property or in making any acquisition, the Security Agent or any Receiver or Delegate may do so for such consideration, in such manner and on such terms as it thinks fit.

22. POWER OF ATTORNEY

22.1 Appointment and Powers

Each Chargor by way of security irrevocably appoints the Security Agent and each Receiver and Delegate severally (with full power of substitution) to be its attorney and in its name, on its behalf and as its act and deed to execute, seal, deliver and perfect all documents and do all acts and things which the attorney may consider to be required or desirable for:

- (a) carrying out any act or thing which any Chargor is obliged to do (but has not done) under this Debenture (including, without limitation, the execution and delivery of charges over, transfers, conveyances, mortgages, assignments and assurances of, and other instruments relating to, any of the Charged Property and/or the giving of any notices, orders, directions or instructions in connection with any of the Charged Property); and/or
- (b) enabling the Security Agent or any Receiver or Delegate to exercise, or delegate the exercise of, any of the Collateral Rights (including the exercise of any right of a legal or beneficial owner of the Charged Property);

provided that such power of attorney may only be exercised following: (i) the occurrence of an Event of Default which is continuing and/or (ii) where the relevant Chargor has failed to comply with the relevant further assurance or perfection obligation (and any grace period applicable thereto has expired).

22.2 Ratification

Each Chargor ratifies and agrees to ratify and confirm all things done, and all documents executed, by any attorney in the exercise or purported exercise of the power of attorney granted by it in Clause 22.1 (*Appointment and Powers*).

23. EFFECTIVENESS OF SECURITY

23.1 Continuing Security

The security created by or pursuant to this Debenture is a continuing security and will extend to the ultimate balance of sums payable by any Chargor in respect of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

23.2 Reinstatement of Security

If any payment by any Chargor or any discharge given by a Secured Party (whether in respect of the obligations of any Debtor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency, administration or any similar event:

- (a) the liability of each Chargor and the security created by or pursuant to this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) each Secured Party shall be entitled to recover the value or amount of that payment or security from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

The Security Agent may concede or compromise any claim that any payment or discharge is liable to be avoided or reduced.

23.3 Waiver of Defences

- (a) Neither the obligations of any Chargor under this Debenture, nor the security created by or pursuant to this Debenture nor the Collateral Rights 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 Secured Debt Documents or any such security or Collateral Rights (without limitation and whether or not known to it or to any Secured Party) including:
 - (i) any time, waiver or consent granted to, or composition with, any person;
 - (ii) the release of any person under the terms of any composition or arrangement with any creditor of any member of the Group;
 - (iii) 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;
 - (iv) any incapacity, or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
 - (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Secured Debt Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in

any facility or the addition of any new facility under any Secured Debt Document or other document or security;

- (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Debt Document or any other document or security; or
 - (vii) any insolvency or similar proceedings.
- (b) No Secured Party shall be concerned to establish or investigate the powers or authorities of any of the Debtors or their respective officers or agents, and monies obtained or Secured Obligations incurred by any Debtor in purported exercise of such powers or authorities (or by any person purporting to be a Debtor) shall be deemed to form part of the Secured Obligations, and “Secured Obligations” shall be construed accordingly.
- (c) For the avoidance of doubt, each Chargor shall be bound by this Debenture notwithstanding the fact that not all of the other members of the Group may have executed any Secured Debt Document.

23.4 Chargor Intent

Without prejudice to the generality of Clause 23.3 (*Waiver of Defences*), each Chargor expressly confirms that it intends that this Debenture shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Debt Documents and/or any facility or amount made available under any of the Secured Debt Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

23.5 Immediate Recourse

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

23.6 Primary liability of Chargor

Each Chargor shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and the Charged Property shall be deemed to be a principal security for the Secured Obligations. The liability of each Chargor under this Debenture and the charges contained in this Debenture shall not be impaired by any forbearance, neglect, indulgence, abandonment, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the Security

Agent or any other Secured Party, or by any other act, event or matter whatsoever whereby the liability of the relevant Chargor (as a surety only) or the charges contained in this Debenture (as secondary of collateral charges only) would, but for this provision, have been discharged.

23.7 Appropriations

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

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

23.8 Deferral of Chargors' Rights

Until all the Secured Obligations have been unconditionally and irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of the performance by it of its obligations under the Secured Debt Documents:

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

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution, to the extent necessary to enable the Secured Obligations to be paid in full, on trust for the Security Agent (as security trustee for the Secured Parties) and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 10.2 (*Application of Monies*).

23.9 Additional Security

The security created by or pursuant to this Debenture and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantees or security now or subsequently held by any Secured Party.

23.10 Security held by Chargors

No Chargor shall without the prior written consent of the Security Agent hold any security from any Debtor in respect of its liability under the Secured Debt Documents. Each Chargor will hold any security held by it in breach of this Clause on trust for the Security Agent (as security trustee for the Secured Parties).

24. SET-OFF

24.1 Set-off

A Secured Party may, at any time after the security created by or pursuant to this Debenture has become enforceable, set off any Secured Obligations due from any Chargor under the Secured Debt Documents against any obligation (contingent or otherwise) owing by that Secured Party to that Chargor and apply any credit balance to which that Chargor is entitled on any account with that Secured Party in accordance with Clause 10.2 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of such account). Each Secured Party may exercise such rights, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If the relevant obligation is unliquidated or unascertained, the Secured Party may set off the amount it estimates in good faith will be the final amount of such obligation once it becomes unliquidated or ascertained.

25. VALUE ADDED TAX AND INDEMNITIES

25.1 All amounts expressed to be payable under this Debenture by any Chargor to any Secured Party which (in whole or in part) constitute the consideration for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply, and accordingly, if VAT is chargeable on any supply made by any Secured Party to any Chargor under this Debenture, that Chargor shall pay to such Secured Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT (and such Secured Party shall promptly provide an appropriate VAT invoice to such Chargor).

25.2 Where a Secured Debt Document requires any Chargor to reimburse a Secured Party for any costs or expenses, that Chargor shall also at the same time pay and indemnify such Secured Party against all VAT incurred by such Secured Party in respect of the costs or expenses to the extent that the Secured Party reasonably determines that neither it nor any other member of any group of which it is a member for VAT purposes is entitled to credit or repayment from the relevant tax authority in respect of the VAT.

25.3 The provisions of this Clause 25 (*Value Added Tax*) shall also apply to any amount payable under this Debenture to any Receiver or Delegate.

25.4 General Indemnity

Each Chargor shall, notwithstanding any release or discharge of all or any part of the security created by or pursuant to this Debenture, within three (3) Business Days of demand indemnify the Security Agent, any Receiver and any Delegate against any cost, loss or liability incurred by any of them or by any of their respective officers, employees,

agents and attorneys as a result of any breach by any Chargor of the provisions of this Debenture or the exercise or purported exercise of any of the rights and powers conferred on any of them by this Debenture or otherwise in connection with the security created by or pursuant to this Debenture.

25.5 Currency Indemnity

- (a) If any sum due from any Chargor under this Debenture (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:
 - (i) making or filing a claim or proof against that Chargor;
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
 - (iii) applying the Sum in satisfaction of any of the Secured Obligations,
- (b) that Chargor shall as an independent obligation, within three (3) Business Days of demand, indemnify the Security Agent against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to the Security Agent at the time of its receipt of such Sum.
- (c) Each Chargor waives any right it may have in any jurisdiction to pay any amount under this Debenture in a currency or currency unit other than that in which it is expressed to be payable.

25.6 Indemnities Separate

Each indemnity in each Secured Debt Document shall constitute a separate and independent obligation from the other obligations in that or any other Transaction Security Document, give rise to a separate and independent cause of action, apply irrespective of any indulgence granted by any Secured Party, continue in full force and effect despite any judgment, order, claim, proof for a liquidated amount in respect of any Secured Obligations or any other judgment or order and apply whether or not any claim under it relates to any matter disclosed by any Chargor or otherwise known to the Security Agent.

26. RIGHTS, WAIVERS AND DETERMINATIONS

26.1 Ambiguity

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

26.2 Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any other Secured Party or any Receiver or Delegate, any Collateral Right shall operate as a waiver, nor shall any single or partial exercise of any Collateral Right prevent any further or other exercise of that, or the exercise of any other, Collateral Right. The Collateral Rights are cumulative and not exclusive of any rights or remedies provided by law.

26.3 Partial Invalidity

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

26.4 Determination

Any certificate or determination by the Security Agent, any other Secured Party or any Receiver or Delegate under any Secured Debt Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

27. CHANGES TO THE PARTIES

27.1 Transfer by the Security Agent

The Security Agent may assign and transfer all or any of its rights and obligations under this Debenture in accordance with the terms of the Intercreditor Agreement. The Security Agent shall be entitled to disclose such information in accordance with the terms of the Intercreditor Agreement concerning any Chargor and this Debenture as the Security Agent considers appropriate to any actual or proposed direct or indirect successor, provided such person agrees to be bound by the confidentiality provisions of the Secured Debt Documents, or to any person to whom information may be required to be disclosed by any applicable law.

27.2 Changes to the Chargor

Each Chargor consents to members of the Group becoming Chargors as contemplated by the Secured Debt Documents and irrevocably appoints Entertainment One UK Holdings Limited (and Entertainment One UK Holdings Limited hereby accepts such appointment) as its attorney, with full power of substitution, for the purposes of executing any Accession Document.

28. NOTICES

28.1 Communications in Writing

Any communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, may be made by fax, letter, electronic mail or in portable document format.

28.2 Addresses

The provisions of Clause 28 (*Notices*) of the Intercreditor Agreement apply to this Debenture as if they were set out in full in this Debenture and as if references therein to “this Agreement” were references to “this Debenture”.

29. GOVERNING LAW

This Debenture and all non-contractual obligations arising out of it shall be governed by English law.

30. COUNTERPARTS

This Debenture 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 Debenture. Any party may enter into this Debenture by signing any such counterpart.

31. JURISDICTION

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture or the consequences of its nullity or any non-contractual obligation arising out of or in connection with this Deed) (a “Dispute”).
- (b) The Chargors and the Security Agent agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither the Chargors nor the Security Agent will argue to the contrary.
- (c) This Clause 31 (*Jurisdiction*) is for the benefit of the Security Agent only. As a result and notwithstanding subsection (a) 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.

32. CONFLICT WITH INTERCREDITOR AGREEMENT

In the event of any inconsistency or conflict between the terms of this Debenture and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

33. WAIVER OF IMMUNITY

To the extent that any Chargor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), such Chargor irrevocably agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction.

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

Schedule 1
Details of Original Chargors

Name	Registered number	Registered address
Alliance Films (UK) Dark Skies Limited	08089268	45 Warren Street, London, United Kingdom, W1T 6AG
Alliance Films (UK) Development Limited	07874800	45 Warren Street, London, United Kingdom, W1T 6AG
Alliance Films (UK) Limited	03408170	45 Warren Street, London, United Kingdom, W1T 6AG
Alliance Films (UK) Sinister 2 Limited	08492468	45 Warren Street, London, United Kingdom, W1T 6AG
Audio Network Limited	04257337	School Farm Studios Gestingthorpe Road, Little Maplestead, Halstead, Essex, CO9 2SN
Audio Network Music Rights Ltd	09288356	The Johnson Building 77 Hatton Garden 3rd Floor, London, England, EC1N 8JS
Entertainment One Overseas Holdings Limited	08464589	45 Warren Street, London, United Kingdom, W1T 6AG
Entertainment One UK Holdings Limited	06269098	45 Warren Street, London, United Kingdom, W1T 6AG
Entertainment One UK Limited	02989602	45 Warren Street, London, United Kingdom, W1T 6AG
eOne Films (EITS) Limited	09017507	45 Warren Street, London, United Kingdom, W1T 6AG
eOne Films Insidious 3 Limited	08726433	45 Warren Street, London, United Kingdom, W1T 6AG
Trax 54 Limited	09288295	The Johnson Building 77 Hatton Garden 3rd Floor, London, England, EC1N 8JS

Schedule 2
Details of Real Property

Part I
Registered Land

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

Chargor	County and district/London borough	Description of property	Title Number
Presently none other than Excluded Assets			

Part II
Unregistered Land

(Freehold and/or leasehold property (if any) in England and Wales
title to which is not registered at H.M. Land Registry
and 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	Description	Date	Document	Parties
Presently none other than Excluded Assets				

Schedule 3
Details of Accounts

Chargor	Currency	Account number	BIC	Bank
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Alliance Films (UK) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Audio Network Limited	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom
Audio Network Limited	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom
Audio Network Limited	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom

Audio Network Limited	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom
Audio Network Limited	REDACTED	REDACTED	REDACTED	HSBC, UK2
Audio Network Limited	REDACTED	REDACTED	REDACTED	HSBC, UK2
Audio Network Limited	REDACTED	REDACTED	REDACTED	HSBC, UK1
Audio Network Limited	REDACTED	REDACTED	REDACTED	HSBC, UK2
Audio Network Music Rights Ltd	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom
Audio Network Music Rights Ltd	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom
Entertainment One UK Holdings Ltd	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Holdings Ltd	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Holdings Ltd	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Holdings Ltd	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom

Entertainment One UK Holdings Ltd	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom

Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
Entertainment One UK Limited	REDACTED	REDACTED	REDACTED	JP Morgan Chase, United Kingdom
eOne Films (EITS) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
eOne Films (EITS) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
eOne Films (EITS) Limited	REDACTED	REDACTED	REDACTED	Barclays Bank, United Kingdom
Trax 54 Limited	REDACTED	REDACTED	REDACTED	Coutts & Co, United Kingdom

Schedule 4
Details of Shares

Chargor	Details of company in which shares are held	Number of issued shares held by Chargors	Share certificate number(s)	Description of issued shares held by Chargors (par value etc)
Audio Network Limited	Audio Network Music Rights Ltd	100	2	100 ordinary shares of £1.00 each
Audio Network Limited	Trax 54 Limited	100	2	100 ordinary shares of £1.00 each
Entertainment One UK Holdings Limited	Entertainment One UK Limited	112,833	61	112,833 ordinary shares of £1 each
Entertainment One UK Holdings Limited	Alliance Films (UK) Limited	53,015,119	26	53,015,119 Ordinary Shares of £1 each
Entertainment One UK Holdings Limited	Astley Baker Davies Limited	70 A ordinary shares	4	70 A Ordinary shares of £1 each
Entertainment One UK Holdings Limited	Whizz Kid Entertainment Limited	13,556 A ordinary shares	-	13,556 A ordinary shares of £1 each
Entertainment One UK Holdings Limited	Audio Network Limited	17,305,466 ordinary shares	866	17,305,466 ordinary shares of £0.01 each
Entertainment One UK Limited	Entertainment One UK Rights Limited	1	2	1 ordinary share of £1
Entertainment One UK Limited	Medusa Communications and Marketing Limited	100 A ordinary shares 5 B ordinary shares	7 8	100 A ordinary shares of £1 each 5 B ordinary shares of £1 each

Chargor	Details of company in which shares are held	Number of issued shares held by Chargors	Share certificate number(s)	Description of issued shares held by Chargors (par value etc)
Entertainment One UK Limited	Film Resources Limited	100	3	100 ordinary shares of £1 each
Alliance Films (UK) Limited	Alliance Films (UK) Development Limited	1	2	1 ordinary share of £1
Alliance Films (UK) Limited	Alliance Films (UK) Dark Skies Limited	1	2	1 ordinary share of £1
Alliance Films (UK) Limited	Suite Distribution Limited	1	2	1 ordinary share of £1
Entertainment One UK Holdings Limited	Entertainment One Overseas Holdings Limited	2	3	2 ordinary shares of £1 each
		10,952,955	4	10,952,955 ordinary shares of £1 each
Alliance Films (UK) Limited	Alliance Films (UK) Sinister 2 Limited	1	2	1 ordinary share of £1
Alliance Films (UK) Limited	eOne Films Insidious 3 Limited	1	2	1 ordinary share of £1
Alliance Films (UK) Limited	eOne Films (EITS) Limited	1	1	1 ordinary share of £1
Alliance Films (UK) Limited	eOne Features (Development) Limited	1	1	1 ordinary share of £1
Alliance Films (UK) Limited	eOne Features (Ritual) Limited	1	1	1 ordinary share of £1
Alliance Films (UK) Limited	eOne Features (S&O) Limited	1	1	1 ordinary share of £1

Schedule 5
Details of Investments

Chargor	Name of issuer/[Debtor]/ company	Description of investments	Certificated - Yes/No	Document evidencing or indicating title
Presently None				

Schedule 6
Details of Material Intellectual Property

Registration Number	Filing Date	Expiry Date	Representation	Classes	Territory	List of Goods/Services	Status/Action	Proprietor

Schedule 7
Account Notice

Part A
Form of Account Notice

To: [Account Bank]

Dated: [●]

We refer to a debenture (the “**Debenture**”) dated [●] and made between ourselves, Wilmington Trust (London) Limited as security trustee for the Secured Parties (as defined in the Debenture) (the “**Security Agent**”) and others.

Unless otherwise defined in this letter, terms and expressions defined in the Debenture shall bear the same meanings when used in this letter.

We hereby give you notice that, pursuant to the Debenture, we have charged to the Security Agent (as security trustee for the Secured Parties), as security for the payment and discharge of the Secured Obligations, all of our right, title and interest from time to time in and to all sums which may at any time be standing to the credit of the accounts identified in the schedule to this notice and any other accounts from time to time maintained with you by the us (the “**Charged Accounts**”) and all Related Rights.

Please note that, under the terms of the Debenture, subject to paragraph 2 below, we are entitled to receive, withdraw or otherwise transfer any credit balance on the Charged Accounts without the prior written consent of the Security Agent until an Event of Default has occurred and is continuing.

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

1. upon receipt by you of a notice from the Security Agent that the security has become enforceable and instructions in writing from the Security Agent at any time and from time to time thereafter, to release any amount of the Account Funds and to otherwise act in accordance with such instructions, without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions or the validity thereof; and
2. following receipt of a written notice in accordance with paragraph 1 above,:
 - (a) to comply with the terms of any written notice, statement or instructions in any way relating or purporting to relate to the Charged Accounts, the Account Funds or the debts represented thereby which you may receive at any time after a notice that the security has become enforceable from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the jurisdiction for such notice, statement or instructions or the validity thereof; and

-
- (b) to provide to the Security Agent, without further approval from the Chargor, such information regarding the Charged Accounts and matter relating to it as the Security Agent may from time to time in writing request.

Nothing in this letter or in any instructions which you may receive from the Security Agent as referred to above will prevent you from exercising any rights of counterclaim, rights of set-off or any other equities whatsoever which you may have from time to time against us in respect of the Account Funds or the debts represented thereby or any part thereof.

The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent give you notice in writing revoking them.

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

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by sending an acknowledgement addressed to the Security Agent and copied to us in the form enclosed.

Yours faithfully

For and on behalf of

[Chargor]

Schedule

IBAN	Swift BIC

Part B

Form of Acknowledgement of Account Notice

To: [Security Agent]

Copy to: [Chargor]

Date: [●]

We acknowledge receipt of the above notice and confirm the matters set out above.

Yours faithfully

[Account Bank]

Schedule 8
Insurance Notice

Part A
Form of Insurance Notice

To: [Insurer]

Dated: [●]

We refer to a debenture (the “**Debenture**”) dated [●] and made between ourselves, Wilmington Trust (London) Limited as security trustee for the Secured Parties (as defined in the Debenture) (the “**Security Agent**”) and others.

Unless otherwise defined in this letter terms and expressions defined in this Debenture shall bear the same meanings when used in this letter.

We further refer to [*description and number of contract of insurance or policy of insurance*] dated [●] (the “**Policy**”) between yourselves and ourselves.

We hereby give you notice that pursuant to the Debenture we have assigned absolutely, with full title guarantee to the Security Agent (as security trustee for the Secured Parties) as security for the payment and discharge of the Secured Obligations, all of our right, title and interest in and to the proceeds of the Policy.

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

1. upon receipt by you of a notice from the Security Agent that the security has become enforceable and instructions in writing from the Security Agent at any time and from time to time thereafter:
 - (a) to disclose to the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the proceeds of the Policy as the Security Agent may, at any time and from time to time, request you to disclose to it; and
 - (b) to comply with the terms of any written notice, statement or instructions in any way relating or purporting to relate to the proceeds of the Policy which you may receive at any time and from time to time thereafter from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the jurisdiction for such notice, statement or instructions or the validity thereof.

All other payments and claims under or arising from the policy may be made to the Chargor unless you receive written notice to the contrary from the Security Agent in which case all other payments and claims must be made to the Security Agent by transfer to such account as it may from time to time direct in writing.

Notwithstanding the assignment by way of security contained in the Debenture, we shall remain liable under the Policy to observe and perform all obligations assumed by us under the Policy

and the Security Agent shall have no obligation or liability whatsoever under or in respect of the Policy and no obligation or liability whatsoever in the event of any failure by us to observe and perform our obligations under the Policy.

The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent give you notice in writing revoking them.

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

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by sending an acknowledgement addressed to the Security Agent and copied to us in the form attached hereto.

Yours faithfully

For and on behalf of

[*Chargor*]

Part A

Form of Acknowledgement of Insurance Notice

To: [Security Agent]

Copy to: [*Chargor*]

Date: [●]

We acknowledge receipt of the above notice and confirm the matters set out above.

Yours faithfully

[*Insurer*]

Schedule 9
Distribution Agreement Notice

Part A
Form of Distribution Agreement Notice

To: [Counterparty]

Dated: [●]

We refer to a debenture (the “**Debenture**”) dated [●] and made between ourselves, Wilmington Trust (London) Limited as security trustee for the Secured Parties (as defined in the Debenture) (the “**Security Agent**”) and others

We hereby give you notice that pursuant to the Debenture we have charged in favour of the Security Agent all of our right, title and interest from in and to [*specify relevant Distribution Agreements*] and any documents which are entered into pursuant to or in connection with any such agreements (together the “**Agreements**”).

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

1. to perform all your obligations under or in connection with the Agreements in favour of the Security Agent to the exclusion of ourselves and to allow the Security Agent to exercise all or any of our rights, powers and discretions under or in connection with the Agreements to the exclusion of ourselves; and
2. to pay all monies payable by you to us under or in connection with the Agreements to the Security Agent for which monies the Security Agent may give a good receipt on behalf of ourselves.

The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent give you notice in writing revoking them.

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

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing a copy of this letter and sending it to the Security Agent, copied to us.

Yours faithfully

[Chargor]

Part B
Form of Acknowledgement of Distribution Agreement Notice

To: [Chargor] (the “**Chargor**”)

Copy: [Security Agent]

Dated: [●]

Dear Sirs

We hereby acknowledge receipt of the above notice and accept the instructions and authorisations contained therein and undertake to act in accordance and comply with the terms thereof.

In consideration of payment, which we hereby acknowledge, we confirm and agree that all monies owing under the Agreements shall be paid in without set-off or counterclaim, immediately when such monies are due pursuant to the Agreements between us and the Chargor

Yours faithfully

[*Counterparty*]

Schedule 10
Monetary Claims Notice

Part A
Form of Monetary Claim Notice

To: [name and address of counterparty]

Dated: [●]

Dear Sirs

We refer to a debenture (the “**Debenture**”) dated [●] and made between ourselves, Wilmington Trust (London) Limited as security trustee for the Secured Parties (as defined in the Debenture) (the “**Security Agent**”) and others under which we have charged in favour of the Security Agent all of our right, title and interest from in and to all present and future invoices issued by us to you (the “**Invoices**”). We hereby irrevocably instruct and authorise you to pay all monies from time to time owing or to become due from you to us pursuant to the Invoices to the following account in our name:

Name of Bank:

Account No:

Sort Code:

This authority and instruction may not be modified, terminated or revoked without the prior written consent of the Security Agent.

The Security Agent shall have the right to modify this authority and instruction by written notice to the parties hereto.

Please signify your acknowledgment and agreement hereto by signing and returning to the Security Agent (at the address indicated below) the acknowledgment and confirmation set out below.

Yours faithfully

[Chargor]

Part B
Form of Acknowledgement of Monetary Claims Notice

To: [Chargor] (the “**Chargor**”)

Copy: [Security Agent]

Dated: [●]

Dear Sirs

We acknowledge receipt of the foregoing notice of irrevocable authority and instruction and undertake to comply with it. For consideration, receipt of which is acknowledged, we hereby confirm and agree that all monies owing under the Invoices shall be paid in without set-off or counterclaim, immediately when such monies are due pursuant to the Invoices between us and the Chargor

Yours faithfully.

[name of counterparty]

Schedule 11
Form of Accession Document

THIS DEED is made on [●]

BETWEEN:

1. [COMPANY NAME] (registered number [●]) with its registered office at [●] (the “**Additional Chargor**”);
2. [ENTERTAINMENT ONE UK HOLDINGS LIMITED] for itself and as agent for each of the other Chargors under and as defined in the Debenture (the “**Obligor’s Agent**”);
3. **ENTERTAINMENT ONE LIMITED**, a corporation incorporated under the laws of Canada with its registered office at 134 Peter St, Suite 700, Toronto Ontario, M5V 2H2 Canada (the “**Company**”); and
4. **WILMINGTON TRUST (LONDON) LIMITED** for itself and as security trustee for the Secured Parties under and as defined in the Debenture (the “**Security Agent**”).

We refer to a debenture (the “**Debenture**”) dated [●] and made between Entertainment One UK Holdings Limited, and the other Original Chargors and Wilmington Trust (London) Limited as security trustee for the Secured Parties (each such defined term as defined in the Debenture) (the “**Security Agent**”).

IT IS AGREED as follows:

1. **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 Secured Debt Document.

2. **ACCESSION**

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.

3. **SECURITY**

- (a) Paragraphs (b) to (e) inclusive below apply without prejudice to the generality of Clause 2 (*Accession*) of this Deed.
- (b) The Additional Chargor mortgages, charges, assigns or agrees to assign by way of security to the Security Agent all its rights, title and interest in and to its assets, including the Charged Assets specified in the Schedule to this Deed, in accordance with Clause 3 (*Grant of Security*) of the Debenture.
- (c) All Transaction Security:

-
- (i) is created in favour of the Security Agent for itself and on behalf of each of the other Secured Parties;
 - (ii) is created over the present and future assets of the Additional Chargor; and
 - (iii) is a continuing security for the payment, discharge and performance of all of the Secured Obligations and will extend to the ultimate balance of all sums payable under the Secured Debt Documents regardless of any intermediate discharge in whole or in part.
- (d) The Security Agent holds the benefit of this Deed for itself and on trust for the Secured Parties.
- (e) The fact that the details of any assets in the Schedule to this Deed are incorrect or incomplete shall not affect the validity or enforceability of this Deed or the Security Agreement in respect of the assets of the Additional Chargor.

4. MISCELLANEOUS

With effect from the date of this Deed:

- (a) 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 Transaction Security created on this accession will be created on the date of this Deed);
- (b) any reference in the Debenture to “this Debenture” and similar phrases will include this Deed and all references in the Debenture to any relevant schedule to the Debenture (or any part of it) will include a reference to the Schedule to this Deed (or relevant part of it); and
- (c) Entertainment One UK Holdings Limited, for itself and as agent for the Chargors under the Debenture, agrees to all matters provided for in this Deed.

5. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in relation to this Deed shall be governed by, and interpreted in accordance with, English law.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE TO THE ACCESSION DOCUMENT

Charged Assets

Part IV

Details of Shares

Chargor	Details of company in which shares are held	Number of issued shares	Share certificate number(s)	Description of issued shares (par value etc)

SIGNATORIES TO THE DEBENTURE

THE CHARGORS

EXECUTED as a **DEED**

By: **ENTERTAINMENT ONE UK HOLDINGS LIMITED** acting by ED PARRY

a director in the presence of:

REDACTED

Signature of Director

ED PARRY

Name of Director

REDACTED

Signature of witness _____

Name of witness TE MANLAW

Address of witness 45 VARDEN STREET
LONDON N1T 6AG

Occupation of witness COMPUTER SPECIALIST

Notice Details

Address: 45 VARDEN STREET, LONDON, N1T 6AG
~~Facsimile:~~

Attention: ED PARRY

Email: EPARRY@ENTONEGROUP.COM

EXECUTED as a DEED

By: ENTERTAINMENT ONE UK LIMITED acting
by ED PARRY, a director in the
presence of:

REDACTED

Signature of Director

ED PARRY
Name of Director

REDACTED

Signature of witness

Name of witness TE MANICAN

Address of witness 40 WILKINSON ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 WILKINSON STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: ED.PARRY@ENTONEGROUP.COM

EXECUTED as a DEED

By: ALLIANCE FILMS (UK) LIMITED acting by

ED PARRY, a director in the
presence of:

)
)
REDACTED

Signature of Director

ED PARRY
Name of Director

REDACTED

Signature of witness _____

Name of witness ED MANGAW

Address of witness 40 45 WALLER ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 WALLER STREET, LONDON, W1T 6AG

Attention: ED PARRY

Email: EDPARRY@ENTONTEGROUP.COM

EXECUTED as a DEED

By: ENTERTAINMENT ONE OVERSEAS

HOLDINGS LIMITED acting by

ED PARRY, a director in the
presence of:

REDACTED

Signature of Director

ED PARRY
Name of Director

REDACTED

Signature of witness

Name of witness EL MANNAN

Address of witness 1045 VALLEY ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 VALLEY ST, LONDON, W1T 6AG
Attention: ED PARRY
Email: EDPARRY@ENTONEGROUP.COM

EXECUTED as a DEED

By: ALLIANCE FILMS (UK) DARK SKIES
LIMITED acting by ED PARRY,)
a director in the presence of:)

REDACTED

Signature of Director

ED PARRY
Name of Director

REDACTED

Signature of witness

Name of witness EL MANGA

Address of witness 40 45 VALLAN ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 VALLAN STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: EDPARRY@TONTONGROUP.COM

EXECUTED as a DEED

By: ALLIANCE FILMS (UK) DEVELOPMENT
LIMITED acting by TO PARRY,)
a director in the presence of:)

REDACTED

Signature of Director

TO PARRY

Name of Director

REDACTED

Signature of witness _____

Name of witness TO MANGAN

Address of witness 40 45 GARDEN ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 GARDEN STREET, LONDON, W1T 6AG

Attention: TO PARRY

Email: TPARRY@TNTONK6.COM

EXECUTED as a **DEED**

By: **EONE FILMS INSIDIOUS 3 LIMITED** acting
by ED PARRY, a director in the
presence of:)

REDACTED

Signature of Director

ED PARRY

Name of Director

REDACTED

Signature of witness _____

Name of witness EL MANGANU

Address of witness 40 45 WARREN ST
LONDON W1T 6AG

Occupation of witness Company Secretary

Notice Details

Address: 45 WARREN STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: EPARRY@EONEFILMS.COM

EXECUTED as a DEED

By: ALLIANCE FILMS (UK) SINISTER 2

LIMITED acting by TO PARRY)
a director in the presence of:)

REDACTED

Signature of Director

TO PARRY

Name of Director

REDACTED

Signature of witness _____

Name of witness EL MURCANI

Address of witness 40 45 VALLIN ST
LONDON U11 6AG

Occupation of witness CONVY SECRETARY

Notice Details

Address: 45 VALLIN ST, LONDON, U11 6AG
Attention: TO PARRY
Email: ELMURCANI@GMAIL.COM

EXECUTED as a DEED

By: EONE FILMS (EITS) LIMITED acting by
ED PARRY, a director in the
presence of:

)
)

REDACTED

Signature of Director

ED PARRY
Name of Director

REDACTED

Signature of witness

Name of witness EL MANKAN

Address of witness 40 45 VALLIN ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 VALLIN STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: EDPARRY@EONEFILMSGROUP.COM

EXECUTED as a DEED

By: AUDIO NETWORK LIMITED acting by
ED PARRY, a director in the
presence of:

REDACTED

Signature of Director

ED PARRY

Name of Director

REDACTED

Signature of witness

Name of witness EL MANKAY

Address of witness 40 45 VALLTUN ST
LONDON W1T 6AH

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 VALLTUN STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: EDPARRY@TNT-ONTEGROW.COM

EXECUTED as a DEED

By: AUDIO NETWORK MUSIC RIGHTS LTD

acting by ED PARRY, a director
in the presence of:

REDACTED

Signature of Director

ED PARRY

Name of Director

REDACTED

Signature of witness

Name of witness ED MANGAN

Address of witness 45 WALKER STREET, LONDON, W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 WALKER STREET, LONDON, W1T 6AG
Attention: ED PARRY
Email: ED.PARRY@ANTON-GRUP.COM

EXECUTED as a DEED

By: TRAX 54 LIMITED acting by

TO PARRY, a director in the
presence of:

REDACTED

Signature of Director

TO PARRY
Name of Director

REDACTED

Signature of witness _____

Name of witness TE MANCAY

Address of witness 40 45 VALLER ST
LONDON W1T 6AG

Occupation of witness COMPANY SECRETARY

Notice Details

Address: 45 VALLER STREET, LONDON, W1T 6AG
Attention: TO PARRY
Email: TEALY@ESTONKGROUP.COM

THE SECURITY AGENT

EXECUTED as a **DEED**
By: WILMINGTON TRUST (LONDON) LIMITED
acting by:

)
)

REDACTED

Signature of Authorised Signatory
Keith Reader

Authorised Signatory

Name of Authorised Signatory

in the presence of:

Signature of witness REDACTED

Name of witness MARCY MASSAKI

Address of witness Third Floor
1 King's Arms Yard
London
EC2R 7AF

Occupation of witness BANKER

Notice Details

Address: **Wilmington Trust (London) Limited**
Facsimile: **Third Floor**
1 King's Arms Yard
Attention: **London**
EC2R 7AF
Email: **Fax: +44 (0) 207 397 3601**

MARCY MASSAKI / KEITH READER