



Registration of a Charge

Company name: **BOWERS & WILKINS HOLDING LTD**

Company number: **10153033**



X9FIB0P5

Received for Electronic Filing: **12/10/2020**

Details of Charge

Date of creation: **09/10/2020**

Charge code: **1015 3033 0004**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED AS SECURITY AGENT**

Brief description:

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:

ARWYN DAVIES



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10153033

Charge code: 1015 3033 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th October 2020 and created by BOWERS & WILKINS HOLDING LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th October 2020 .

Given at Companies House, Cardiff on 13th October 2020

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

Date: 9 October, 2020

**SUPPLEMENTAL
SECOND RANKING GUARANTEE AND DEBENTURE**

B&W ACQUISITION LTD
(and another as Chargors)

and

LUCID TRUSTEE SERVICES LIMITED
(as Security Agent)

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This is a true copy of the
original debenture, subject
only to certain permitted
redactions.



Kirkland & Ellis
International LLP

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THIS SUPPLEMENTAL SECOND RANKING GUARANTEE AND DEBENTURE is entered into as a DEED and dated 9 October 2020

BETWEEN:

- (1) **B&W ACQUISITION LTD**, a limited liability company incorporated under the laws of England and Wales with company registration number 10153209 (the “**Company**”);
- (2) **BOWERS & WILKINS HOLDING LTD**, a limited liability company incorporated under the laws of England and Wales with company registration number 10153033 (together with the Company and each person which becomes a party to this Deed by executing a Deed of Accession, each a “**Chargor**” and together the “**Chargors**”); and
- (3) **LUCID TRUSTEE SERVICES LIMITED**, a company incorporated under the laws of England and Wales and with registration number 10992576 with its registered office at 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London, United Kingdom, EC2M 5PG as security trustee for the Secured Parties (the “**Security Agent**”).

RECITALS

- (A) The Chargors have entered into the Amendment and Restatement Agreements to the Existing Facilities Agreement and enter into this Supplemental Second Ranking Guarantee and Debenture as a Deed to secure the repayment and satisfaction of the Secured Obligations and to guarantee the obligations of the Obligors to the Secured Parties (each term as defined below) under the Second Lien Facilities Agreement.
- (B) The Chargors and the Security Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

“**Act**” means the Law of Property Act 1925.

“**Amendment and Restatement Agreements**” means the Second Amendment and Restatement Agreement, the Third Amendment and Restatement Agreement, the Fourth Amendment and Restatement Agreement and the Fifth Amendment and Restatement Agreement.

“**Book Debts**” means:

- (a) all book and other debts in existence from time to time (including, without limitation, any sums whatsoever owed by banks or similar institutions) both present and future, actual or contingent, due, owing to or which may become due, owing to or purchased or otherwise acquired by any Chargor; and

- (b) the benefit of all rights whatsoever relating to the debts referred to in (a) above including, without limitation, any related agreements, documents, rights and remedies (including, without limitation, negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all similar connected or related rights and assets).

“Charged Accounts” means the bank accounts of the Chargors specified in Schedule 5 (*Charged Accounts*) and/or in the Schedule to any Deed of Accession and/or such other bank accounts of the Chargors from time to time.

“Deed of Accession” means a deed of accession substantially in the form set out in Schedule 8 (*Deed of Accession*).

“Distribution Rights” means all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of any Investments or Shares, and includes all dividends, interest and other distributions paid or payable on or in respect of them.

“Equipment” means each Chargor's fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related authorisations, agreements and warranties.

“Existing Facilities Agreement” means second lien facilities agreement originally dated 17 July 2017, as amended and restated pursuant to an amendment and restatement agreement dated 24 October 2018.

“Fifth Amendment and Restatement Agreement” means the amendment and restatement agreement dated on or about the date hereof made between, among others, the Company as borrower, Lucid Agency Services Limited as the agent and the Security Agent as security agent.

“Fourth Amendment and Restatement Agreement” means the amendment and restatement agreement dated 20 March 2020 made between, among others, the B & W Group Ltd. as borrower, Lucid Agency Services Limited as the agent and the Security Agent as security agent.

“Insurance” means each contract or policy of insurance to which a Chargor is a party or in which it has an interest.

“Intellectual Property Rights” means:

- (a) any patents, petty patents, trade marks, service marks, trade names, domain names, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property;

- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, goodwill and any other rights and assets of a similar nature; and
- (c) any other right to use (or which may arise from, relate to or be associated with), or application to register or protect, any of the items listed in paragraphs (a) or (b) above,

arising or subsisting in any jurisdiction and whether registered or not.

“Intercreditor Agreement” means the supplemental Intercreditor Agreement dated 24 October 2018 between, among others, Bank of America, N.A. as senior agent, Lucid Agency Services Limited as PIK facility agent, Lucid Trustee Services Limited as PIK security agent, the Senior Lenders, the PIK Lenders and the Original Debtors.

“Investments” means all or any stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations).

“Land” has the same meaning as it has in section 205(1) of the Act.

“Original Debenture” means the second ranking guarantee and debenture between B & W Group Ltd. and others as chargors and the Security Agent dated 24 October 2018.

“PSC register” means a register of persons with significant control required pursuant to section 790M of the Companies Act 2006.

“Receiver” means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Security Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver.

“Regulations” means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **“Regulation”** means any of them.

“Restrictions Notice” means a “restrictions notice” as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

“Second Amendment and Restatement Agreement” means the amendment and restatement agreement dated 6 February 2019 made between, among others, the B & W Group Ltd. as borrower, Lucid Agency Services Limited as the agent and the Security Agent as security agent.

“Second Lien Facilities Agreement” means the Existing Facilities Agreement, as further amended and restated pursuant to the Amendment and Restatement Agreements.

“Secured Obligations” has the meaning given to such term in the Second Lien Facilities Agreement.

“Security Assets” means all assets of each Chargor the subject of any security created by this Deed.

“Security Period” means the period beginning on the date of this Deed and ending on the date on which the Secured Obligations have been irrevocably and unconditionally satisfied in full and no Secured Party has any commitment or liability, whether present or future, actual or contingent, in relation to the credit facilities provided under the Second Lien Facilities Agreement in relation to any Obligor. If any amount paid by any Chargor and/or in connection with the satisfaction of the Secured Obligations is capable of being avoided or otherwise set aside on the liquidation or administration of such Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purpose of this Deed.

“Security” means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

“Shares” means all shares held by any Chargor in its Subsidiaries.

“Specified Equipment” means the Equipment (if any) specified in Schedule 7 (*Specified Equipment*) and/or in the Schedule to any Deed of Accession.

“Specified Intellectual Property” means the registered Intellectual Property Rights (if any) specified in Schedule 6 (*Specified Intellectual Property*) and/or in the Schedule to any Deed of Accession.

“Subsidiary” means:

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006; and
- (b) any company which would be a subsidiary within the meaning of section 1159 of the Companies Act 2006 but for any Security subsisting over the shares in that company from time to time,

but on the basis that a person shall be treated as a member of a company if any shares in that company are held by that person’s nominee or any other person acting on that person’s behalf.

“Third Amendment and Restatement Agreement” means the amendment and restatement agreement dated 24 February 2020 made between, among others, the B & W Group Ltd. as borrower, Lucid Agency Services Limited as the agent and the Security Agent as security agent.

“Warning Notice” means a “warning notice” as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006.

1.2 Construction

- (a) Any reference in this Deed to:
 - (i) **“assets”** includes present and future properties, revenues and rights of every description;
 - (ii) an **“authorisation”** means an authorisation, consent, approval, licence, resolution, filing or registration;
 - (iii) any **“Finance Document”** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, amended and restated, varied, novated supplemented or replaced from time to time;
 - (iv) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) a **“person”** includes one or more of that person’s assigns, transferees or successors in title, delegates, sub-delegates and appointees (in the case of an Obligor only, in so far as such assigns, transferees or successors in title, delegates, sub-delegates and appointees are permitted in accordance with the Finance Documents) and 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);
 - (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;
 - (vii) a **“guarantee”** (other than the guarantee contained in Clause 16 (*Guarantee and Preservation of Security*)) includes any guarantee or indemnity, bond, letter of credit, documentary or other credit, or other assurance against financial loss;
 - (viii) a provision of law is a reference to that provision as amended or re-enacted;
 - (ix) words importing the singular shall include the plural and vice versa.
- (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.

- (d) Capitalised terms defined in the Second Lien Facilities Agreement have the same meaning when used in this Deed unless the context requires otherwise.
- (e) The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) Each of the charges in Clause 3 (*Creation of Security*) over each category of the assets, each asset and each sub-category of each asset specified in such clause shall be read and construed separately, as though each such category, asset and sub-category were charged independently and separately of each other and shall apply to both present and future assets.

1.3 Intercreditor Agreement

This Deed is subject to the terms of the Intercreditor Agreement. To the extent that there is any conflict between the terms of this Deed and the terms of the Intercreditor Agreement, the terms of the Intercreditor Agreement will prevail.

1.4 Supplemental Security

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

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

- (b) Provided that a Chargor is in compliance with the terms of the Original Debenture (including without limitation, any obligation to deliver or deposit any deeds, documents of title, certificates, evidence of ownership or related documentation, to give any notice or to carry out any registration or filing (other than the registration of this Deed at Companies House pursuant to section 859 of the Companies Act 2006)) then to the extent that the terms of this Deed impose the same or substantially the same obligation in respect of the same assets, the Chargor will be deemed to have complied with the relevant obligations herein by virtue of its compliance under the Original Debenture.

2. COVENANT TO PAY

Each Chargor covenants with the Security Agent as trustee for the Secured Parties that it will on demand pay and discharge the Secured Obligations when due.

3. CREATION OF SECURITY

3.1 Land

Each Chargor charges:

- (a) by way of legal mortgage its interest in the Land referred to in Schedule 2 (*Land charged by way of legal mortgage*); and
- (b) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land.

3.2 Shares

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Shares; and
- (b) all related Distribution Rights.

3.3 Investments

Each Chargor mortgages or (if and to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Investments; and
- (b) all related Distribution Rights,

including those held for it by any nominee.

3.4 Equipment

Each Chargor:

- (a) charges by way of fixed charge all Equipment (other than any Specified Equipment); and
- (b) mortgages or (if to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge all of its right, title and interest in and to:
 - (i) the Specified Equipment;
 - (ii) all spare parts and replacements for and all modifications and additions to the Specified Equipment,

in each case, so far as it is not charged by way of legal mortgage under Clause 3.1 (*Land*).

3.5 Book Debts

Each Chargor charges by way of fixed charge:

- (a) its Book Debts, both uncollected and collected, the proceeds of the same and all monies otherwise due and owing to such Chargor but excluding the Charged Accounts and any amounts standing to the credit of any Charged Account; and
- (b) the benefit of all rights, Security and guarantees of whatsoever nature enjoyed or held by it in relation to anything referred to in paragraph (a) above.

3.6 Charged Accounts

Each Chargor charges by way of fixed charge all of its right, title and interest (if any) in and to the Charged Accounts and all monies standing to the credit of any of the Charged Accounts and the debts represented by them.

3.7 Intellectual Property Rights

Each Chargor charges by way of fixed charge all Intellectual Property Rights, including all fees, royalties and other rights of every kind relating to or deriving from such Intellectual Property Rights.

3.8 Goodwill

Each Chargor charges by way of fixed charge its goodwill.

3.9 Uncalled capital

Each Chargor charges by way of fixed charge its uncalled capital.

3.10 Authorisations

Each Chargor charges by way of fixed charge the benefit of all authorisations held by it in relation to any Security Asset.

3.11 Insurance

Each Chargor charges by way of fixed charge all of its benefits, claims and returns of premiums in respect of the Insurance.

3.12 Other assets

- (a) Each Chargor charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under this Clause 3 (*Creation of Security*).
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed.

3.13 Trust

- (a) Subject to paragraph (b), if or to the extent that for any reason the assignment, mortgaging or charging of any Security Asset is prohibited, each Chargor holds it on trust for the Security Agent.
- (b) If the reason referred to in paragraph (a) is that:
 - (i) a consent or waiver must be obtained; or
 - (ii) a condition must be satisfied, then:
 - (A) subject to paragraph (c) the relevant Chargor shall apply for the consent or waiver; and
 - (B) the relevant Chargor shall use all reasonable endeavours to satisfy the condition,

as soon as reasonably practicable after the date of this Deed or, if the Security Asset is acquired after the date of this Deed, as soon as reasonably practicable after the date of acquisition.
- (c) Where the consent or waiver is not to be unreasonably withheld, the relevant Chargor shall:
 - (i) use all reasonable endeavours to obtain it as soon as possible; and
 - (ii) use all reasonable endeavours to keep the Security Agent informed of the progress of the negotiations to obtain it.
- (d) On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under

this Clause 3 (*Creation of Security*) and the trust referred to in paragraph (a) shall terminate.

4. NATURE OF SECURITY CREATED

The Security created under this Deed is created:

- (a) as a continuing security and will extend for the ultimate balance of sums payable in connection with the Secured Obligations regardless of any intermediate payment or discharge in whole or part;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Deed) over all present and future assets of the kind described which are owned by any Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Security Agent as agent and trustee for the Secured Parties;
- (d) with full title guarantee;
- (e) subject to the Intercreditor Agreement; and
- (f) in priority to any other Security over the Security Assets (subject in each case to the Intercreditor Agreement).

5. CONVERSION OF FLOATING CHARGE

5.1 Conversion on notice

Subject to Clause 5.2 (*Limitation*), the Security Agent may by notice to a Chargor at any time during the Security Period convert the floating charge created by that Chargor under this Deed into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) an Event of Default is continuing; or
- (b) the Security Agent reasonably considers (acting in good faith) that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.2 Limitation

Clause 5.1 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

5.3 Automatic conversion

The floating charge created by a Chargor under this Deed will convert automatically into fixed charges:

- (a) if the Security Agent receives notice of an intention to appoint an administrator of that Chargor;
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor over all or any part of its assets, or if such person is appointed;
- (c) if that Chargor creates or attempts to create any Security over all or any of the Security Assets (save as permitted under the Second Lien Facilities Agreement);
- (d) on the crystallisation of any other floating charge over the Security Assets;
- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- (f) in any other circumstances prescribed by law.

6. RESTRICTIONS

No Chargor shall:

- (a) create or permit to subsist any Security of whatsoever nature on any Security Asset save as permitted under the Second Lien Facilities Agreement or the Intercreditor Agreement or as created by this Deed; or
- (b) sell, transfer, grant, lease or otherwise dispose of any Security Asset, save as permitted under the Second Lien Facilities Agreement or the Intercreditor Agreement or the disposal in the ordinary course of trade of any Security Asset subject to the floating charge created by Clause 3.12 (*Other assets*) or with the consent of the Security Agent.

7. REPRESENTATIONS AND WARRANTIES

7.1 Making of representations

Each Chargor makes the representations and warranties set out in this Clause 7 to the Security Agent and the Secured Parties. The representations and warranties so set out are made on the date of this Deed and are deemed to be repeated by the Chargors throughout the Security Period on those dates on which representations and warranties are to be repeated in accordance with the Second Lien Facilities Agreement with reference to the facts and circumstances then existing.

7.2 Land

All Land beneficially owned by a Chargor as at the date of this Deed is described in Schedule 2 (*Land charged by way of legal mortgage*).

7.3 Shares

- (a) All Shares beneficially owned by a Chargor as at the date of this Deed are described in Schedule 4 (*Shares*).
- (b) All of the Shares and, to the extent applicable, all Investments are fully paid.
- (c) No Warning Notice or Restrictions Notice has been:
 - (i) issued to a Chargor; and
 - (ii) to the best of a Chargor's knowledge, issued to any other person,in each case in respect of all or any part of the Shares and remains in effect.
- (d) Each Chargor's PSC register is up to date and no Warning Notices or Restrictions Notices have been issued which have not been complied with or lifted.

7.4 Bank Accounts

All bank accounts beneficially owned by a Chargor as at the date of this Deed are described in Schedule 5 (*Charged Accounts*).

7.5 Specified Intellectual Property

The details of the Specified Intellectual Property appearing or referred to in Schedule 6 (*Specified Intellectual Property*):

- (a) are true, accurate, and complete in all material respects; and
- (b) no Chargor is the owner of any interest in any other registered Intellectual Property registered in the United Kingdom or the United States of America which is not identified in that Schedule.

8. UNDERTAKINGS

8.1 Duration

The undertakings in this Clause 8 shall remain in force throughout the Security Period and are given by each Chargor to the Security Agent and the Secured Parties.

8.2 Book debts and receipts

Each Chargor shall collect and realise its Book Debts and other monies and receipts and, save to the extent that the Security Agent otherwise agrees in writing, pay the

proceeds thus realised into a Charged Account and, pending such payment into a Charged Account, hold the proceeds thus realised upon trust for the Security Agent.

8.3 Operation of Charged Accounts

Until notified by the Security Agent in writing to the contrary, the Chargors shall be entitled to operate the Charged Accounts provided that:

- (a) the Charged Accounts each retain a credit or zero balance at all times; and
- (b) the Chargors shall not at any time transfer the whole or any part of the amounts standing to the credit of any Charged Account to any other bank account other than to another Charged Account or in the ordinary course of business to the extent permitted under the Finance Documents.

8.4 Bank Accounts

Until the security constituted by this Deed is discharged, no Chargor shall maintain any bank accounts which are not Charged Accounts.

8.5 Bank Account Notices

Within 10 Business Days following the date of this Deed or an Accession Deed (as applicable), each Chargor shall in respect of its Charged Accounts deliver a duly completed notice to the relevant account bank and shall use its reasonable endeavours to procure that the account bank executes and delivers to the Security Agent an acknowledgment within 20 Business Days of service of such notice, in each case in the respective forms set out in Schedule 3 (*Form of Notice to Banks and Acknowledgement*) or in such other form as the Security Agent may agree.

8.6 Shares and Investments

Each Chargor covenants that, at all times during the Security Period:

- (a) if it forms or acquires any Subsidiary after the date of this Deed, it shall as soon as reasonably practicable notify the Security Agent;
- (b) as soon as reasonably practicable, it shall deposit with the Security Agent, in respect of or in connection with any Shares or Investments:
 - (i) all stock and share certificates and documents of or evidencing title;
 - (ii) signed undated transfers, completed in blank and, if the Security Agent so requires, pre-stamped; and
 - (iii) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser;
- (c) as soon as reasonably practicable after any Shares or Investments are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Security Agent (and in any event as soon as reasonably practicable after the

Security Agent so requests), it shall deposit with the Security Agent, in respect of or in connection with those Shares or Investments:

- (i) all stock and share certificates and documents of or evidencing title;
 - (ii) signed undated transfers, completed in blank and, if the Security Agent so requires, pre-stamped; and
 - (iii) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser;
- (d) it will comply with all other conditions and obligations assumed by it in respect of any of the Shares and Investments where failure to so comply would in the reasonable opinion of the relevant Chargor materially adversely affect the interests of the Secured Parties;
- (e) it shall comply with any notice served on it in respect of all or any part of the Shares pursuant to Part 21A of the Companies Act 2006 within the timeframe specified in that notice and will deliver to the Lender:
- (i) a copy of any such notice promptly upon receipt; and
 - (ii) a copy of the Chargor's response to such notice at the same time a response is sent to the relevant Subsidiary; and
- (f) it will use its best endeavours to keep its PSC register up to date and that, if it issues any Restrictions Notices or Warning Notices it will send a copy of these to the Security Agent at the same time as they are issued.

8.7 Insurance

As soon as reasonably practicable following the occurrence of an Event of Default that is continuing, each Chargor shall in respect of each Insurance, deliver a duly executed notice to each provider of Insurance in a form to be agreed by the relevant Chargor and the Security Agent and shall use its best endeavours to procure that the relevant provider of Insurance shall acknowledge such notice within 20 Business Days of service of such notice.

8.8 Land

- (a) Each Chargor shall as soon as reasonably practicable notify the Security Agent in writing if it:
- (i) intends to acquire any estate or interest in Land; or
 - (ii) acquires any estate or interest in Land.
- (b) Each Chargor shall as soon as reasonably practicable give notice in writing to the Security Agent if:
- (i) it receives any notice under section 146 of the Act; or

- (ii) any proceedings are commenced against it for the forfeiture of any lease of any Land.
- (c) If any Chargor acquires any freehold or leasehold property after the date of this Deed it shall:
 - (i) as soon as reasonably practicable on request by the Security Agent and at the cost of the Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in the same form as this Deed (*mutatis mutandis*);
 - (ii) if required by the Security Agent and if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Deed; and
 - (iii) if applicable, ensure that the provisions of Clause 14.1 (*Application to Land Registrar*) are complied with in relation to that legal mortgage.
- (d) If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor shall:
 - (i) not be required to perform that obligation unless and until it has obtained the landlord's consent; and
 - (ii) use its reasonable endeavours to obtain the landlord's consent.
- (e) Each Chargor shall:
 - (i) perform all its obligations under any law or regulation in any way related to or affecting its Land, except to the extent that non-performance of those obligations would not materially adversely affect the value or marketability of any of its Land; and
 - (ii) within 14 days after receipt by it of any material application, requirement, order or notice served or given by any public or local or any other authority with respect to its Land (or any part of it):
 - (A) deliver a copy to the Security Agent; and
 - (B) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirements.

9. SHARES AND INVESTMENTS

9.1 Before an Event of Default

Until an Event of Default that is continuing occurs:

- (a) each Chargor shall pay all monies arising from the Distribution Rights relating to the Shares and Investments into a Charged Account; and
- (b) no Chargor shall exercise any voting and other rights and powers attached to the Shares and Investments in a manner which may materially prejudice the interests of the Secured Parties under the Finance Documents.

9.2 After an Event of Default

After an Event of Default that is continuing occurs each Chargor shall promptly pay over to the Security Agent all monies arising from the Distribution Rights relating to the Shares and Investments which it may receive, and exercise all voting and other rights and powers attached to the Shares and Investments in any manner which the Security Agent may direct.

10. ENFORCEMENT

10.1 When Security becomes enforceable

The Security created by a Chargor under this Deed shall become enforceable:

- (a) on the occurrence of an Event of Default that is continuing; or
- (b) if a Chargor so requests.

10.2 Powers on enforcement

At any time after the Security created by a Chargor under this Deed has become enforceable, the Security Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- (a) serve notice upon any bank at which an Charged Account is open, terminating the Chargor's right to operate such Charged Account;
- (b) exercise all the powers and rights conferred on mortgagees by the Act, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the Act;
- (c) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;
- (d) to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security

Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;

- (e) subject to Clause 11.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- (f) appoint an administrator of any Chargor.

10.3 Disposal of the Security Assets

In exercising the powers referred to in Clause 10.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

10.4 Application of moneys

All monies received by the Security Agent or any Receiver under this Deed shall be applied in accordance with the terms of the Intercreditor Agreement.

11. APPOINTMENT AND POWERS OF RECEIVERS

11.1 Method of appointment and removal

- (a) On the occurrence of an Event of Default that is continuing, the Security Agent may in writing appoint a Receiver in respect of the Security Assets and the Security Agent may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.
- (b) Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Agent pursuant to this Deed may be made in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the removal of an administrative receiver).

11.2 Powers of Receiver

Every Receiver shall have all the powers:

- (a) of the Security Agent under this Deed;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- (c) in relation to, and to the extent applicable to, the Security Assets or any of them, the powers specified in schedule 1 of the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver within the meaning of that Act); and
- (d) in relation to any Security Asset, which he would have if he were its only beneficial owner.

11.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

11.4 Receiver as agent

Every Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration, except in the case of gross negligence or wilful misconduct on the part of the Receiver.

11.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent, and the maximum rate specified in section 109(6) of the Act shall not apply.

11.6 Delegation

- (a) The Security Agent and any Receiver may, for the time being and from time to time, delegate by power of attorney or in any other manner (including, without limitation, under the hand of any manager of the Security Agent) to any person any right, power or discretion exercisable by the Security Agent or such Receiver (as the case may be) under this Deed.
- (b) Any such delegation may be made upon the terms (including, without limitation, power to sub delegate) and subject to any regulations which the Security Agent or such Receiver (as the case may be) may think fit.
- (c) Neither the Security Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub delegate who shall be entitled to all the indemnities to which his appointor is entitled under this Deed, except in the case of gross negligence or wilful misconduct on the part of that person.

12. PROTECTION OF PURCHASERS

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound or concerned:

- (a) to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- (b) with the propriety of the exercise or purported exercise of those powers; or
- (c) with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

13. PROTECTION OF THE SECURED PARTIES AND RECEIVERS

13.1 Exclusion of liability

None of the Security Agent, the other Secured Parties, any Receiver or any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;
- (b) to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- (c) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies;
- (d) for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargors); or
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.2 General indemnity

Each Chargor shall indemnify the Security Agent, the other Secured Parties, any Receiver and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, and other liabilities incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Security Assets;
- (b) any payment relating to or in respect of all or any of the Security Assets which is made at any time by any of them;
- (c) any stamp, registration or similar tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- (d) carrying out or purporting to carry out any of the rights, powers and discretions conferred on them by or permitted under this Deed; and
- (e) any breach by the Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.3 Indemnity out of the Security Assets

The Security Agent, the other Secured Parties, any Receiver and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 13.2 (*General indemnity*).

13.4 Enforcement Expenses

Immediately upon demand, each Chargor shall pay all other costs and expenses (including legal fees and VAT) incurred from time to time in connection with the enforcement of or preservation of rights under this Deed by the Security Agent, or any Receiver, attorney, manager, agent or other person appointed by the Security Agent under this Deed or by statute, and keep each of them indemnified against any failure or delay in paying the same.

14. FURTHER ASSURANCES

14.1 Application to Land Registrar

Each Chargor consents to the registration against the registered titles specified in Schedule 2 (*Land charged by way of legal mortgage*) of:

- (a) a restriction in the following terms:

“No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [*Security Agent*] referred to in the charges register [or their conveyancer]”; and
- (b) a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

14.2 Further action

Each Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Agent may require in order to:

- (a) give effect to the requirements of this Deed;
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to this Deed;
- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to this Deed with any other Security over any assets of any Chargor; or
- (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Agent, any

Receiver or any administrator in connection with all or any of the Security Assets,

and any such document may (i) disapply section 93 of the Act and (ii) contain an assignment to the Security Agent of the Book Debts in any manner reasonably required by the Security Agent.

14.3 Deposit of documents

Each Chargor covenants that, and at all times during the Security Period as soon as reasonably practicable after it receives them (and in any event as soon as reasonably practicable after the Security Agent so requests), it shall deposit with the Security Agent, in respect of or in connection with the Security Assets:

- (a) all deeds, certificates and other documents of or evidencing title;
- (b) in respect of Shares and Investments mortgaged under Clause 3.2 (*Shares*) and 3.3 (*Investments*) respectively, signed undated transfers, completed in blank and, if the Security Agent so requires, pre-stamped; and
- (c) any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser,

all of which will be held by the Security Agent at the expense and risk of the relevant Chargor.

14.4 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 14 (*Further Assurances*).

15. POWER OF ATTORNEY

15.1 Appointment

Each Chargor irrevocably and by way of security appoints each of:

- (a) the Security Agent;
- (b) any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Agent; and
- (c) any Receiver,

jointly and severally as that Chargor's attorney, in that Chargor's name, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit following the occurrence of an Event of Default that is continuing or following the failure by that Chargor to comply with a request from the Security Agent within 7 days of receipt of such a request in accordance with the terms of this Deed, to take any action

and sign or execute any further documents which that Chargor is required to take, sign or execute in accordance with this Deed.

15.2 Ratification

Each Chargor agrees, promptly on the request of the Security Agent or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

16. GUARANTEE AND PRESERVATION OF SECURITY

16.1 Guarantee and indemnity

Each Chargor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Secured Party punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with each Secured Party that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, that Chargor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Secured Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Secured Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Chargor under this indemnity will not exceed the amount it would have had to pay under this Clause 16 (*Guarantee and Preservation of Security*) if the amount claimed had been recoverable on the basis of a guarantee.

16.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

16.3 Reinstatement

If any payment by a Chargor or any discharge given by the Security Agent (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Chargor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Security Agent shall be entitled to recover the value or amount of that security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

16.4 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 16.4 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Security Agent or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any other Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

16.5 Chargor intent

Without prejudice to the generality of Clause 16.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that the guarantee and security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;

- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

16.6 Immediate recourse

Each Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

16.7 Appropriations

Until the expiry of the Security Period, the Security Agent may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Security Agent 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 any monies received from any Chargor or on account of any Chargor's liability in respect of the Secured Obligations.

16.8 Deferral of Chargors' rights

Until the expiry of the Security Period, and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

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

16.9 Additional Security

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

16.10 New Accounts

If a Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts with any Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by the relevant Chargor to that Secured Party:

- (a) shall be credited or be treated as having been credited to the new account of that Chargor; and
- (b) shall not operate to reduce the Secured Obligations at the time when the that Secured Party received or was deemed to have received such notice.

17. NOTICES

All consents, notices and demands under this Deed will be delivered in accordance with Clause 33 (*Notices*) of the Second Lien Facilities Agreement.

18. MISCELLANEOUS PROVISIONS

18.1 Tacking

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Borrowers on the terms and subject to the conditions of the Finance Documents.

18.2 Separate Charges

This Deed shall, in relation to each Chargor, be read and construed as if it were a separate Deed relating to such Chargor to the intent that if any Security created by any other Chargor in this Deed shall be invalid or liable to be set aside for any reason, this shall not affect any Security created under this Deed by such first Chargor.

18.3 Invalidity

If, at any time, any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.

18.4 Rights and Remedies

The rights of the Secured Parties under this Deed are cumulative, may be exercised as often as considered appropriate and are in addition to the general law. Such rights (whether arising hereunder or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing and, in particular, any failure to exercise or delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right, any defective or partial exercise of any such rights shall not preclude any other or further exercise of that or

any other such right, and no act or course of conduct or negotiation by any Secured Party or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right.

18.5 Accession of Affiliates

- (a) To the extent that any Affiliate of the Company is required by the terms of the Finance Documents to provide Security over its assets under English law, it may do so by executing a Deed of Accession and such Affiliate shall on the date which such Deed of Accession is executed by it become a party to this Deed in the capacity of a Chargor and this Deed shall be read and construed for all purposes as if such company had been an original party to this Deed as a Chargor (but for the avoidance of doubt the security created by such company shall be created on the date of the Deed of Accession).
- (b) Each Chargor (other than the Company) by its execution of this Deed or any Deed of Accession, irrevocably appoints the Company to execute on its behalf any Deed of Accession without further reference to or the consent of such Chargor and such Chargor shall be bound by any such Deed of Accession as if it had itself executed such Deed of Accession.

19. RELEASE

19.1 Expiry of Security Period

- (a) Upon the expiry of the Security Period (but not otherwise), the Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to release the Security Assets from the security constituted by this Deed and/or reassign the benefit of the Security Assets to the Chargors.
- (b) Section 93 of the Act shall not apply to this Deed.

19.2 Charged Accounts

At any time before the Security created by this Deed shall have become enforceable, in the absence of any directions from the Security Agent to the contrary, any amounts permitted by the terms of the Finance Documents to be paid into a Charged Account shall upon payment into such account stand released from any fixed charge in respect of such amount created pursuant to Clause 3 (*Creation of Security*) and shall stand subject to the floating charge created by Clause 3.12(a) (*Other assets*), provided that such release shall in no respect prejudice the continuance of any fixed charge created pursuant to Clause 3 (*Creation of Security*) in respect of any other amount.

20. GOVERNING LAW AND JURISDICTION

20.1 Governing Law

English law governs this Deed, its interpretation and any non-contractual obligations arising from or connected with it.

20.2 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a “**Dispute**”).
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This Clause 20.2 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, a Secured Party may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1

[Reserved]

SCHEDULE 2
Land charged by way of legal mortgage

[None at the date of this Deed]

SCHEDULE 3
Form of Notice to Banks and Acknowledgement

To: [insert name and address of Account Bank]

Dated: [●]

Dear Sirs

Re: The [●] Group of Companies - Security over Bank Accounts

We notify you that [insert name of Chargor] (the “**Chargor**”) and certain other companies identified in the schedule to this notice (together the “**Customers**”) charged to [insert name of Security Agent] (the “**Security Agent**”) for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by the Customers (the “**Charged Accounts**”) and to all interest (if any) accruing on the Charged Accounts by way of a supplemental second ranking guarantee and debenture dated [●].

1. We irrevocably authorise and instruct you:

- (a) that, following the occurrence of an Event of Default that is continuing, you will hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent and to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
- (b) to disclose to the Security Agent any information relating to the Customers and the Charged Accounts which the Security Agent may from time to time request you to provide.

2. We also advise you that:

- (a) by counter-signing this notice the Security Agent confirms that the Customers may make withdrawals from the Charged Accounts in the schedule below until such time as the Security Agent shall notify you (with a copy to the Chargor) in writing that their permission is withdrawn. That permission may be withdrawn or modified by the Security Agent in its absolute discretion at any time; and
- (b) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent.

3. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to the Chargor) by way of your confirmation that:

- (a) you agree to act in accordance with the provisions of this notice;

- (b) you have not received notice that any Customer has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party;
- (c) you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Agent; and
- (d) you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Charged Accounts.

The provisions of this notice are governed by English law.

Schedule

Customer	Account Number	Sort Code
[•]	[•]	[•]

Yours faithfully,

.....
 for and on behalf of
*[Insert name of
 Chargor]*
 as agent for and on
 behalf of all of the
 Customers

Counter-signed by

.....
for and on behalf of
[Insert name of Security Agent]

[On acknowledgement copy]

To: [Insert name and address of Security Agent]

Copy to: [Insert name of Chargor] (on behalf of all the Customers)

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs 3 (a) to (d) above.

.....
for and on behalf of
[Insert name of Account Bank]

Dated: [●]

SCHEDULE 4
Shares

Chargor	Company Name	Type of Share	Number of Shares
Bowers & Wilkins Holding Limited	B&W Acquisition Ltd	Ordinary	100

SCHEDULE 5
Charged Accounts

None at the date of this Deed.

SCHEDULE 6
Specified Intellectual Property
Trademarks Registered in the United Kingdom

None at the date of this Deed.

Trademarks Registered in the United States of America

None at the date of this Deed.

Patents Registered in the United Kingdom

None at the date of this Deed.

Patents Registered in the United States of America

None at the date of this Deed.

SCHEDULE 7
Specified Equipment

None at the date of this Deed.

SCHEDULE 8
Deed of Accession

THIS DEED OF ACCESSION is dated [●] and made

BETWEEN:

- (1) [●] **LIMITED** [registered in England with number [●] whose registered office is at [●]][a corporation organised and existing under the laws of [●] whose principal place of business is at [●]][of [●]] (the “**New Chargor**”);
- (2) [PARTY NAME 1] [registered in England with number [●] whose registered office is at [●]][a corporation organised and existing under the laws of [●] whose principal place of business is at [●]][of [●]] for itself and as agent for and on behalf of each of the other Chargors presently party to the Debenture (as defined below) (Company); and
- (3) [SECURITY AGENT] (the “**Security Agent**”)

RECITALS

- (A) The Company and others as Chargors entered into a guarantee and debenture dated [●] (as supplemented and amended from time to time, the Debenture) in favour of the Security Agent.
- (B) The New Chargor has at the request of the Company and in consideration of the Secured Parties continuing to make facilities available to the Borrowers and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of benefit to it, decided in good faith and for the purpose of carrying on its business to enter into this Deed and thereby become a Chargor under the Debenture.
- (C) The Chargors and the Security Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

IT IS AGREED:

1. Terms defined in the Debenture have the same meaning when used in this Deed.
2. The New Chargor agrees to become a party to and bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to the Debenture in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed).
3. The New Chargor undertakes to be bound by all of the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.
4. The New Chargor grants to the Security Agent the assignments, charges, mortgages and other Security described in the Debenture as being granted, created or made by Chargors under the Debenture and agrees to be bound by clause 16.1 (*Guarantee and Indemnity*) of the Debenture to the intent that its assignments, charges, mortgages and

other Security shall be effective and binding upon it and its property and assets and shall not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Debenture or of any other party's execution of the Debenture or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Debenture or in any other Deed of Accession.

5. The Debenture and this Deed shall be read and construed as one to the extent and so that references in the Debenture to:
 - (a) this Deed and similar phrases shall be deemed to include this Deed;
 - (b) Schedule 2 (*Land charged by way of legal mortgage*) shall be deemed to include a reference to Part I of the Schedule to this Deed;
 - (c) Schedule 4 (*Shares*) shall be deemed to include a reference to Part II of the Schedule to this Deed;
 - (d) Schedule 5 (*Charged Accounts*) shall be deemed to include a reference to Part III of the Schedule to this Deed;
 - (e) Schedule 6 (*Specified Intellectual Property*) shall be deemed to include a reference to Part IV of the Schedule to this Deed;
 - (f) Schedule 7 (*Specified Equipment*) shall be deemed to include a reference to Part V of the Schedule to this Deed.
6. The parties agree that the bank accounts of the New Chargor specified in Part III of the Schedule to this Deed as Charged Accounts shall be designated as Charged Accounts.
7. The Company, for itself and as agent for and on behalf of the other Chargors under the Debenture, agrees and consents to all of the matters provided for in this Deed.
8. Without limiting the generality of the other provisions of this Deed and the Debenture, pursuant to the terms of this Deed and the Debenture, the New Chargor as security for the payment and performance of the Secured Obligations, and in the manner specified in clause 4 (*Nature of Security Created*) of the Debenture:
 - (a) charges to the Security Agent by way of legal mortgage all of the property (if any) now belonging to it brief descriptions of which are specified in Schedule 2 (*Land charged by way of legal mortgage*) to the Debenture and/or Part I of the Schedule to this Deed;
 - (b) mortgages or (if to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge to the Security Agent all of the Shares (if any) brief descriptions of which are specified in Part II of the Schedule to this Deed (which shall from today's date form part of the Shares for the purposes of the Debenture) and all related Distribution Rights;

- (c) charges to the Security Agent by way of a fixed charge all of its right, title and interest in and to:
 - (i) the Charged Account(s) specified in Part III of the Schedule to this Deed; and
 - (ii) all monies standing to the credit of such Charged Account(s) and the debts represented by them;
 - (d) charges to the Security Agent by way of fixed charge its Intellectual Property Rights (if any) specified in Part IV of the Schedule to this Deed (which shall from today's date form part of the Specified Intellectual Property of the Chargors for the purposes of the Debenture); and
 - (e) mortgages or (if to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge to the Security Agent all of its right, title and interest in and to the Equipment (if any) brief descriptions of which are specified in Part V of the Schedule to this Deed (which shall from today's date form part of the Specified Equipment for the purposes of the Debenture) and all spare parts and replacements for and all modifications and additions to such Specified Equipment.
9. English law governs this Deed, its interpretation and any non-contractual obligations arising from or connected with it.

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

SCHEDULE

Part I - Land

[Insert details of any real property owned by the New Chargor]

Part II - Shares

[Insert details of all Shares of the New Chargor]

Part III - Charged Accounts

[Insert details of all Charged Accounts of the New Chargor]

Part IV - Specified Intellectual Property

[Insert details of any registered Intellectual Property owned by the New Chargor]

Part V - Specified Equipment

[Insert details of any Equipment owned by the New Chargor which is to be Specified Equipment]

SIGNATORIES
[to the Deed of Accession]

The New Chargor

EXECUTED as a **DEED** by)
[●] LIMITED)
acting by a Director in the presence of:)

Signature of witness:

Name of witness:

Address:
.....

The Company

for itself and as agent for the other
Chargors party to the Debenture

Executed as a deed by)
[COMPANY])
acting by a Director in the presence of:)

Signature of witness:

Name of witness:

Address:
.....

The Security Agent

[SECURITY AGENT]

By:

Name:

Title:

SIGNATORIES

The Company

EXECUTED as a **DEED** by D. V. DUGGINS
B&W ACQUISITION LTD)
acting by a Director in the presence of:)



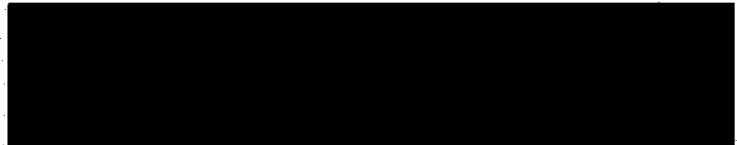
Signature of witness:



Name of witness:

BARBARA CROOK

Address:



The Chargor

EXECUTED as a **DEED** by *R.K. Duggins*
BOWERS & WILKINS HOLDING LTD
acting by a Director in the presence of:

[Redacted]

Signature of witness:

[Redacted]

Name of witness:

BARBARA CROOK

Address:

[Redacted]

The Security Agent

LUCID TRUSTEE SERVICES LIMITED

By:

Name:

Title:

Paul Barton
Director

Witnessed by:

Name: Sarah Barton

Occupation: Chartered Accountant