



Registration of a Charge

Company Name: **KURT GEIGER LIMITED**

Company Number: **00968046**



XC50XGRN

Received for filing in Electronic Format on the: **05/06/2023**

Details of Charge

Date of creation: **02/06/2023**

Charge code: **0096 8046 0013**

Persons entitled: **BLAZE HILL CAPITAL FINANCE LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description: **NOT APPLICABLE.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **ADDLESHAW GODDARD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 968046

Charge code: 0096 8046 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd June 2023 and created by KURT GEIGER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th June 2023 .

Given at Companies House, Cardiff on 9th June 2023

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**

U.S. PLEDGE AND SECURITY AGREEMENT

THIS U.S. PLEDGE AND SECURITY AGREEMENT (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with and subject to the terms and conditions hereof, this “Agreement”), is entered into effective as of June 2, 2023 (the “Effective Date”), by and among each of the Persons listed on the signature page hereto as a Grantor (each such Person, together with any other Person that may become a party hereto as provided herein, individually, a “Grantor” and, collectively, the “Grantors”), and Blaze Hill Capital Finance Limited, as security trustee for the Secured Parties (in such capacity, the “Security Agent”).

WITNESSETH:

WHEREAS, each of the Grantors has agreed to execute and deliver this Agreement in connection with the execution and delivery of that certain Facility Agreement, dated as of the date hereof, by and among Jasper Footwear Limited, a private limited company incorporated in England with company number 08794815, as Parent, Kurt Geiger Limited, a private limited company incorporated in England with company number 00968046 (the “Company”), the Borrowers and Guarantors party thereto from time to time, the lenders party thereto from time to time (each, individually, a “Lender” and collectively, the “Lenders”), and Blaze Hill Capital Finance Limited (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Facility Agreement”).

WHEREAS, the Lenders have agreed to make available to the Borrowers a Facility pursuant to, and upon the terms and subject to the conditions specified in, the Facility Agreement.

WHEREAS, each Grantor acknowledges that it is an integral part of a consolidated enterprise and that it will receive direct and indirect benefits from the availability of the Facility provided for in the Facility Agreement.

WHEREAS, the obligations of the Lenders to make available the Loans for the account of the Borrowers are conditioned upon, among other things, the execution and delivery by the Grantors of this Agreement.

NOW, THEREFORE, in consideration of the premises and to induce (i) the Security Agent and the Lenders to enter into the Facility Agreement and (ii) the Lenders to make Loans, each of the Grantors hereby agrees with the Security Agent, for the benefit of the Secured Parties, as follows:

ARTICLE 1

Definitions

SECTION 1.01 Generally. All references herein to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that if a term is defined in Article 9 of the UCC differently than in another Article thereof, the term shall have the meaning set forth in Article 9; provided further that, if by reason of mandatory provisions of law, perfection, or the effect of perfection or non-perfection, of the Security Interest

in any Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

SECTION 1.02 Definition of Certain Terms Used Herein. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Facility Agreement. In addition, as used herein, the following terms shall have the following meanings:

“Accessions” shall have the meaning given that term in the UCC.

“Accounts” shall have the meaning given that term in the UCC.

“Account Debtor” shall have the meaning given that term in the UCC.

“Agreement” shall have the meaning assigned to such term in the preamble of this Agreement.

“Blue Sky Laws” shall have the meaning assigned to such term in Section 6.01(c) of this Agreement.

“Chattel Paper” shall have the meaning given that term in the UCC.

“Collateral” shall mean all personal property of each Grantor, including, without limitation, all: (a) Accounts, (b) Chattel Paper, (c) Commercial Tort Claims (including, but not limited to, those Commercial Tort Claims listed on Schedule 3.05 hereto), (d) Deposit Accounts, (e) Documents, (f) Equipment, (g) Fixtures, (h) General Intangibles (including Payment Intangibles), (i) Goods, (j) Instruments, (k) Inventory, (l) the Pledged Securities and all other Investment Property, (m) Letter-of-Credit Rights, (n) Software, (o) Intellectual Property, (p) Supporting Obligations, (q) money, policies and certificates of insurance, deposits, cash, cash equivalents, or other property, (r) all books, records, and information relating to any of the foregoing ((a) through (q)) and/or to the operation of any Grantor’s business, and all rights of access to such books, records, and information, and all property in which such books, records, and information are stored, recorded and maintained, (s) all insurance proceeds, refunds, and premium rebates, including, without limitation, proceeds of fire and credit insurance, whether any of such proceeds, refunds, and premium rebates arise out of any of the foregoing ((a) through (r)) or otherwise, (t) all liens, guaranties, rights, remedies, and privileges pertaining to any of the foregoing ((a) through (s)), including the right of stoppage in transit, and (u) any of the foregoing, whether now owned or now due, or in which any Grantor has an interest, or hereafter acquired, arising, or to become due, or in which any Grantor obtains an interest, and all products, Proceeds, substitutions, and Accessions of or to any of the foregoing; provided, however, that the Collateral shall not include, and the Security Interest shall not attach to, any Excluded Property.

“Commercial Tort Claim” shall have the meaning given that term in the UCC.

“Commodity Account” shall have the meaning given that term in the UCC.

“Commodity Intermediary” shall have the meaning given that term in the UCC.

“Copyrights” means all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished, including those listed on Schedule 3.09, all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Copyright Office, and the right to obtain all renewals of any of the foregoing.

“Deposit Account” shall have the meaning given that term in the UCC and shall also include all demand, time, savings, passbook, or similar accounts maintained with a bank or other financial institution.

“Disposition” or “Dispose” means the sale, transfer, conveyance, license, lease, farm-out, exchange or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Documents” shall have the meaning given that term in the UCC.

“Effective Date” shall have the meaning assigned to such term in the preamble of this Agreement.

“Electronic Chattel Paper” shall have the meaning given that term in the UCC.

“Equipment” shall mean “equipment”, as defined in the UCC, and shall also mean all furniture, store fixtures, motor vehicles, rolling stock, machinery, office equipment, plant equipment, tools, dies, molds, and other goods, property, and assets which are used and/or were purchased for use in the operation or furtherance of a Grantor’s business, and any and all Accessions or additions thereto, and substitutions therefor.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

“Excluded Account” means (i) Deposit Accounts and Securities Accounts which consist of (a) withheld income Taxes and federal, state or local employment Taxes in such amounts as are required to be paid to the Internal Revenue Service or state or local government agencies within the following six months with respect to employees of the Company or any of its Subsidiaries, and (b) any payroll accounts, health care reimbursement accounts and employee benefits accounts, including any accounts containing amounts required to be paid over to an employee benefit plan pursuant to DOL Reg. Sec. 2510.3-102 on behalf of or for the benefit of employees of the Company or any of its Subsidiaries, or (ii) all segregated Deposit Accounts constituting (and the balance of which consists solely of funds set aside in connection with) tax accounts, fiduciary accounts and trust accounts; provided, that, notwithstanding anything to the contrary in parts (i) and (ii) above, no Deposit Account that is a Collection Account under the Facility Agreement will be an Excluded Account.

“Excluded Property” shall mean, with respect to any Grantor:

(a) any right, title or interest in any permit, license, or any contractual obligation (including, without limitation, leaseholds) entered into by or granted to, as applicable, any Grantor, (i) that validly prohibits the creation by such Grantor of a security interest or Lien thereon or requires the consent of any Person other than any Grantor or any of such Grantor’s Affiliates which consent has not been obtained as a condition to the creation of such security interest or Lien or which would be breached or give any party the right to terminate it as a result of creation of such security interest or Lien, or (ii) to the extent that any applicable law prohibits the creation of a security interest or Lien thereon, but only, in each case, to the extent, and for so long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by the UCC or any other applicable law; provided that any right, title or interest in any permit, license, or other contractual obligation (including, without limitation, leaseholds) that at any time ceases to satisfy the criteria for Excluded Property (whether as a result of such Grantor obtaining any necessary consent, any change in any rule of law, statute or regulation, or otherwise) shall no longer be Excluded Property;

(b) any property now owned or hereafter acquired by any Grantor that is subject to a Permitted Security or other Lien permitted pursuant to Clause 15.19 (*Negative pledge*) of the Facility Agreement securing Financial Indebtedness permitted to be incurred pursuant to Clause 15.25 (*Financial indebtedness*) of the Facility Agreement, if the contractual obligation pursuant to which such Lien is granted (or the documentation providing for such Financial Indebtedness) validly prohibits the creation by such Grantor of a Lien thereon or requires the consent of any Person other than any Grantor or any of such Grantor’s Affiliates which consent has not been obtained as a condition to the creation of any other Lien on such property (but only for so long as such contractual obligation pursuant to which such Lien is granted is in effect);

(c) any property as to which the Security Agent has determined in its reasonable discretion that the cost, burden or consequences (including adverse tax consequences) of obtaining or perfecting a security interest therein is excessive in relation to the value of the security to be afforded thereby (but only for so long as Security Agent so determines);

(d) any intent-to-use United States trademark applications for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051(c) or 15 U.S.C. §1051(d), respectively, or if filed, has not been deemed in conformance with 15 U.S.C. §1051(a) or examined and accepted, respectively, by the United States Patent and Trademark Office, provided that upon such filing and acceptance, such intent-to-use applications shall be included in the definition of Collateral;

(e) any property of the Company other than such property expressly subject to the Security Interest granted in Section 2.01 pursuant to the proviso to the first sentence thereof;

(f) any Excluded Account; and

(g) motor vehicles, airplanes and other assets subject to certificates of title;

provided, however, “Excluded Property” shall not include any Proceeds, products, substitutions or replacements of any Excluded Property (unless such Proceeds, products, substitutions or replacements would constitute Excluded Property).

“Facility Agreement” shall have the meaning assigned to such term in the recitals of this Agreement.

“Financing Statement” shall have the meaning given that term in the UCC.

“Fixtures” shall have the meaning given that term in the UCC.

“General Intangibles” shall have the meaning given that term in the UCC, and shall also include, without limitation, all: Payment Intangibles; rights to payment for credit extended; deposits; amounts due to any Grantor; credit memoranda in favor of any Grantor; warranty claims; tax refunds and abatements; insurance refunds and premium rebates; all means and vehicles of investment or hedging, including, without limitation, options, warrants, and futures contracts; records; customer lists; telephone numbers; goodwill; causes of action; judgments; rights to collect payments under any settlement or other agreement; literary rights; rights to performance; royalties; license and/or franchise fees; rights of admission; licenses; franchises; license agreements, including all rights of any Grantor to enforce same; permits, certificates of convenience and necessity, and similar rights granted by any governmental authority; developmental ideas and concepts; proprietary processes; blueprints, drawings, designs, diagrams, plans, reports, and charts; catalogs; technical data; tapes, disks, semi-conductors chips and printouts; Intellectual Property; proposals; cost estimates, and reproductions on paper, or otherwise, of any and all concepts or ideas, and any matter related to, or connected with, the design, development, manufacture, sale, marketing, leasing, or use of any or all property produced, sold, or leased, by or credit extended or services performed, by any Grantor, whether intended for an individual customer or the general business of any Grantor, or used or useful in connection with research by any Grantor.

“Goods” shall have the meaning given that term in the UCC.

“Governmental Authority” means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Grantor” and “Grantors” shall have the meaning assigned to such terms in the preamble of this Agreement.

“Indemnitee” shall have the meaning assigned to such term in Section 8.06(b) of this Agreement.

“Instruments” shall have the meaning given that term in the UCC.

“Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including Copyrights, Patents and Trademarks, and all rights to sue at law or in equity

for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

“Intercreditor Agreement” means that certain Intercreditor Deed, dated on or about the date hereof, by and among the Obligors, as original debtors, BlazeHill Capital Finance Limited and the ABL Finance Parties.

“Inventory” shall have the meaning given that term in the UCC, and shall also include, without limitation, all: (a) Goods which (i) are leased by a Person as lessor, (ii) are held by a Person for sale or lease or to be furnished under a contract of service, (iii) are furnished by a Person under a contract of service, or (iv) consist of raw materials, work in process, or materials used or consumed in a business; (b) Goods of said description in transit; (c) Goods of said description which are returned, repossessed or rejected; and (d) packaging, advertising, and shipping materials related to any of the foregoing.

“Investment Property” shall have the meaning given that term in the UCC.

“Lender” and “Lenders” shall have the meaning assigned to such terms in the recitals of this Agreement.

“Letter-of-Credit Right” shall have the meaning given that term in the UCC and shall also mean any right to payment or performance under a letter of credit, whether or not the beneficiary has demanded, or is at the time entitled to demand, payment or performance.

“Letters of Credit” shall have the meaning given that term in the UCC.

“Lien” shall mean a mortgage, charge, pledge, lien or other security interest securing any obligation of any person, or any arrangement having similar effect.

“Material Intellectual Property” means any Intellectual Property that constitutes “Material Intellectual Property” as defined in the Facility Agreement.

“Obligations” shall mean the “Liabilities” under and as defined in the Facility Agreement.

“Patents” means (a) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof and all goodwill associated therewith, including any of the foregoing referred to in Schedule 3.09, (b) all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, including any of the foregoing referred to in Schedule 3.09, and (c) all rights to obtain any reissues or extensions of the foregoing.

“Payment Intangible” shall have the meaning given that term in the UCC and shall also mean any General Intangible under which the Account Debtor’s primary obligation is a monetary obligation.

“Pledged Securities” means (i) all shares of capital stock, limited liability company membership interests and other Equity Interests owned by such Grantor in each entity designated as an “Issuer” on Schedule 3.10 hereto (each such entity, an “Issuer”) and in any other Obligor,

and any shares of capital stock, limited liability company membership interests or other Equity Interests obtained in the future by such Grantor and issued by any Obligor, and the stock certificates or other security certificates (as defined in the UCC) representing all such shares, membership interests or other Equity Interests, (ii) all other Investment Property that may be delivered to, and held by, the Security Agent pursuant to the terms hereof, (iii) all dividends, distributions, cash, instruments and other property from time to time received, receivable or otherwise distributed or distributable, in respect of, or in exchange for, the Pledged Securities and other Investment Property referred to in the immediately preceding clauses (i) and (ii), and (iv) all rights and privileges of such Grantor with respect to the Pledged Securities, Investment Property and other property referred to in the immediately preceding clauses (i) through (iii).

“Proceeds” shall have the meaning given that term in the UCC.

“Secured Parties” means Blaze Hill Capital Finance Limited and each other holder of Security securing the Liabilities from time to time.

“Securities Act” shall have the meaning assigned to such term in Section 6.01(c) of this Agreement.

“Securities Account” shall have the meaning given that term in the UCC.

“Securities Intermediary” shall have the meaning given that term in the UCC.

“Security” shall have the meaning given that term in the UCC.

“Security Entitlement” shall have the meaning given that term in the UCC.

“Security Interest” shall have the meaning assigned to such term in Section 2.01 of this Agreement.

“Security Agent’s Rights and Remedies” shall have the meaning assigned to such term in Section 8.08(a).

“Software” shall have the meaning given that term in the UCC.

“Supporting Obligation” shall have the meaning given that term in the UCC and shall also refer to a Letter-of-Credit Right or secondary obligation that supports the payment or performance of an Account, Chattel Paper, a Document, a General Intangible, an Instrument, or Investment Property.

“Trademarks” means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, including any of the foregoing referred to in Schedule 3.09, and (b) the right to obtain all renewals thereof.

“US Grantor” means any Grantor, except for (i) the Company or (ii) any other Grantor organized in a jurisdiction other than the United States or any state or territory thereof that is providing a pledge of Equity Interests.

SECTION 1.03 Rules of Interpretation. The rules of interpretation specified in Clause 1.2 of the Facility Agreement shall be applicable to this Agreement.

ARTICLE 2

Security Interest

SECTION 2.01 Security Interest. As security for the payment or performance, as the case may be, in full of the Obligations, each Grantor hereby pledges, assigns and grants to the Security Agent, its successors and permitted assigns, for its own benefit and the benefit of the other Secured Parties, a security interest in all of such Grantor’s right, title and interest in, to and under the Collateral (the “Security Interest”); provided, that the foregoing pledge, assignment and grant of Security Interest by the Company under this Agreement shall be limited to all of its right, title and interest in, to and under its Pledged Securities and all products, Proceeds, substitutions, and Accessions of or to any of its Pledged Securities. Without limiting the foregoing, each Grantor hereby authorizes the Security Agent to file one or more Financing Statements or continuation statements for the purpose of perfecting, confirming, continuing, or protecting the Security Interest granted by each Grantor. Each Grantor agrees to provide such information required for the purpose of perfecting, confirming, continuing or protecting the Security Interest to the Security Agent promptly upon reasonable request. Any such financing statement may indicate the Collateral as “all assets of the Grantor”, “all personal property of the debtor” or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC.

SECTION 2.02 No Assumption of Liability. The Security Interest is granted as security only and shall not subject the Security Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

ARTICLE 3

Representations and Warranties

Each Grantor represents and warrants to the Security Agent and the other Secured Parties that:

SECTION 3.01 Title and Authority. Each Grantor has good and valid rights in, and title to, the Collateral with respect to which it has purported to grant a Security Interest hereunder and has full corporate, limited liability company or limited company power and authority to grant to the Security Agent the Security Interest in such Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person, other than any consent or approval which has been obtained or shall be obtained as of the Effective Date, except for any minor defects in title that do not interfere with such Grantor’s ability to conduct its business as currently conducted or as proposed to be

conducted or to utilize or enforce such properties for their intended purposes (which rights are in any event, sufficient under Section 9–203 of the UCC).

SECTION 3.02 **Filings.** Upon the filing of UCC Financing Statements or other appropriate filings, recordings or registrations naming each Grantor as “debtor” and the Security Agent as “secured party” and containing a description of the Collateral in each governmental, municipal or other office as is necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Security Agent (for its own benefit and the benefit of the other Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, the Security Interest granted to the Security Agent (for its own benefit and the benefit of the other Secured Parties) hereunder shall constitute a legal, valid and perfected security interest in the Collateral, and no further or subsequent filing, refiling, recording, rerecording, registration or re-registration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements or analogous filings or as a result of any change in a Grantor’s name or jurisdiction of incorporation or formation or under any other circumstances under which, pursuant to the UCC or other applicable recording or registration system, filings, registrations or recordings previously made have become misleading or ineffective in whole or in part.

SECTION 3.03 **Validity and Priority of Security Interest.** The Security Interest constitutes (a) a legal and valid security interest in all of the Collateral securing the payment and performance of the Obligations, and (b) subject to the making of the filings described in Section 3.02 above, a perfected security interest in all of the Collateral (to the extent perfection in the Collateral can be accomplished by such filing) and (c) subject to the obtaining of control (within the meaning of the UCC), a perfected security interest in all of the Collateral (to the extent perfection in the Collateral can be accomplished by control). The Security Interest is and shall be prior to any other Lien on any of the Collateral, subject only to Permitted Security and other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement.

SECTION 3.04 **Absence of Other Liens.** The Collateral is owned by the Grantors free and clear of any Lien, except for (a) Permitted Security and other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement and (b) Liens for which termination statements or releases (or payoff letters providing for the delivery or filing of termination statements or releases) have been delivered to the Security Agent. Except with respect to any Permitted Security and other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement, no Grantor has (i) filed or consented to the filing of (A) any Financing Statement or analogous document under the UCC or any other applicable law covering any Collateral, (B) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office or (C) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office or (ii) to the extent control (within the meaning of the UCC) is necessary under the UCC to perfect the Security Agent’s security interest in any Collateral, entered into any agreement in which any Grantor grants control (within the meaning of the UCC) over any such Collateral, which Financing Statement, control agreement or analogous document, assignment, security agreement or similar instrument is still in effect.

SECTION 3.05 Commercial Tort Claims. As of the Effective Date, none of the Collateral consists of a Commercial Tort Claim, except as set forth on Schedule 3.05 hereto.

SECTION 3.06 Instruments and Chattel Paper. As of the Effective Date, no amounts payable under or in connection with any of the Collateral are evidenced by any Instrument or Chattel Paper with an individual face value in excess of \$250,000 (or, with respect to all such Instruments or Chattel Paper, an aggregate face value in excess of \$500,000), other than such Instruments and Chattel Paper listed in Schedule 3.06 hereto. Each Instrument and each item of Chattel Paper listed in Schedule 3.06 hereto shall be properly endorsed, assigned and delivered to the Security Agent, accompanied by instruments of transfer or assignment duly executed in blank within three (3) Business Days after the Effective Date.

SECTION 3.07 Securities Accounts, Commodity Accounts and Deposit Accounts. As of the Effective Date, no US Grantor has any Securities Accounts, Commodity Accounts or Deposit Accounts other than those listed in Schedule 3.07 hereto. To the extent required pursuant to Section 4.13(b), each US Grantor shall take all actions necessary to establish the Security Agent's "control" (within the meanings of Sections 9-104 and 9-106 of the UCC, as applicable) over all Deposit Accounts, Securities Accounts and Commodities Accounts (other than any Excluded Accounts) of such US Grantor listed on Schedule 3.07 hereto pursuant to the terms of clause 15.33 (*Conditions Subsequent*) of the Facility Agreement.

SECTION 3.08 Electronic Chattel Paper and Transferable Records. As of the Effective Date, no amount under or in connection with any of the Collateral is evidenced by any Electronic Chattel Paper or any "transferable record" (as that term is defined in Section 201 of the Federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act, as in effect in any relevant jurisdiction) with an individual face value in excess of \$250,000 (or, with respect to all such Electronic Chattel Paper or transferable records, an aggregate face value in excess of \$500,000), other than such Electronic Chattel Paper and transferable records listed in Schedule 3.08 hereto.

SECTION 3.09 Intellectual Property. Schedule 3.09 lists all Material Intellectual Property owned by each US Grantor in its own name on the Effective Date that is subject to a registration or pending application. All Intellectual Property owned by any US Grantor is valid, subsisting, unexpired and enforceable, has not been abandoned and, to such US Grantor's knowledge, does not infringe the intellectual property rights of any other Person, except, in each case, as would not reasonably be expected to have a Material Adverse Effect. Except as set forth in Schedule 3.09, none of the listed Intellectual Property is the subject of any material, written licensing or franchise agreement pursuant to which such US Grantor is the licensor or franchisor. No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or any US Grantor's rights in, any Intellectual Property owned by any US Grantor in any respect, in each case, which would materially adversely affect the value of any Material Intellectual Property. No action or proceeding is pending, or, to the knowledge of such US Grantor, threatened in writing (x) seeking to limit, cancel or question the validity of any Material Intellectual Property or any US Grantor's ownership interest therein, or (y) which, if adversely determined, would result in a Material Adverse Effect. Each US Grantor, to such US Grantor's knowledge, owns and possesses or has a license or other right to use all Intellectual Property as is necessary for the conduct of the businesses of such US Grantor, without

any infringement upon rights of others which would reasonably be expected to have a Material Adverse Effect.

SECTION 3.10 Pledged Securities.

(a) The Pledged Securities represent that percentage of the issued and outstanding shares of each class of the capital stock or other Equity Interest of the Issuer with respect thereto as set forth on Schedule 3.10.

(b) Except for the security interest granted hereunder, and except as otherwise permitted in the Facility Agreement and the other Finance Documents, such Grantor (i) is and will at all times continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule 3.10 as being owned by such Grantor, (ii) holds the Pledged Securities free and clear of all Liens, other than any Liens in favor of the Security Agent, any Permitted Security and any other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement, (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in, or other Lien on, the Pledged Securities, other than Liens in favor of the Security Agent, any Permitted Security and any other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement, and (iv) other than as permitted in Section 4.15 hereof, will cause any and all distributions in cash or in kind made on the Pledged Securities to be forthwith deposited as directed by the Security Agent and pledged or assigned hereunder.

(c) Except as permitted by the Facility Agreement, such Grantor will not consent to or approve the issuance of (i) any additional shares of any class of capital stock of any Issuer of the Pledged Securities, or the issuance of any partnership interests or other Equity Interests in any such Person, (ii) any securities convertible voluntarily by the holder thereof or automatically upon the occurrence or nonoccurrence of any event or condition into, or exchangeable for, any such shares, partnership interests or other Equity Interests, or (iii) any warrants, options, rights, or other commitments entitling any person to purchase or otherwise acquire any such shares, partnership interests or other Equity Interests.

(d) By virtue of the execution and delivery by such Grantor of this Agreement, and the delivery by such Grantor to the Security Agent (or its bailee) of the stock certificates or other certificates, powers or documents representing or evidencing the Pledged Securities (to the extent such Pledged Securities are certificated) pledged by it hereunder in accordance with the terms of this Agreement or the control thereof, the Security Agent will obtain a valid and perfected Lien upon, and security interest in, such Pledged Securities as security for the payment and performance of the Obligations.

(e) All of the Pledged Securities set forth on Schedule 3.10 have been duly authorized and validly issued and, to the extent applicable, are fully paid and nonassessable.

(f) None of the Pledged Securities have been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject.

(g) All information set forth herein relating to the Pledged Securities is accurate and complete in all material respects as of the date hereof.

SECTION 3.11 Grantor Information.

(a) On the Effective Date, Schedule 3.11 sets forth (a) each Grantor's jurisdiction of organization or incorporation and type of organization, (b) the location of each Grantor's chief executive office, registered address or sole place of business, (c) each Grantor's exact legal name as it appears on its organizational or constitutional documents, (d) each Grantor's federal employer identification number, and (e) each Grantor's organizational identification number or company number.

(b) Such Grantor did not conduct business in the five (5) years prior to the Effective Date, and does not conduct business, under any other name (including any trade-name or fictitious business name) except for those names listed on Schedule 3.11.

(c) Except as provided in Schedule 3.11, such Grantor did not change its name, jurisdiction of organization or incorporation, organizational identification number or company number, type of organization or incorporation, federal employer identification number, chief executive office, registered address or sole place of business or its organizational structure in any way (e.g., by merger, consolidation, change in organizational form or otherwise) within the five (5) years prior to the Effective Date.

(d) Such Grantor did not within the five (5) years prior to the Effective Date become bound (whether by merger or otherwise) as a debtor under a security agreement entered into by another Person which has not been terminated, other than security agreements identified on Schedule 3.11.

ARTICLE 4

Covenants

SECTION 4.01 Change of Name; Location of Collateral; Records; Place of Business.

(a) Each Grantor agrees not to effect or permit any change (i) in its corporate or limited liability company name, (ii) in the location of its chief executive office, registered office, principal place of business, any office in which it maintains books or records relating to the Collateral owned by it, (iii) in its identity or corporate structure, (iv) in its jurisdiction of organization or incorporation or its organizational identification number or company number in such jurisdiction of organization or incorporation, and (v) in its federal taxpayer identification number, in each case, unless within thirty (30) days thereafter all filings, publications and registrations have been made under the UCC or other applicable law that are required in order for the Security Agent to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Collateral (subject only to Permitted Security and other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement) for its own benefit and the benefit of the other Secured Parties.

(b) Each Grantor agrees (i) to maintain, at its own cost and expense, records with respect to the Collateral owned by it which are complete and accurate in all material respects and which are consistent with its current practices, but in any event to include accounting records which are complete in all material respects indicating all payments and proceeds received with respect to any part of the Collateral, and (ii) at such time or times as the Security Agent may reasonably request, promptly to prepare and deliver to the Security Agent a duly certified schedule or schedules in form and detail reasonably satisfactory to the Security Agent showing the identity, amount and location of any and all Collateral.

SECTION 4.02 Protection of Security. Each Grantor shall, at its own cost and expense, take any and all actions that are reasonably necessary to defend title to the Collateral (with respect to Intellectual Property as set forth in Section 4.14(f)) against all Persons and to defend the Security Interest of the Security Agent in the Collateral and the priority thereof against any Lien (other than any Permitted Security or other Lien permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement).

SECTION 4.03 Further Assurances. Each Grantor agrees, at its own expense, to execute, acknowledge, promptly deliver and cause to be duly filed all such further documents, Financing Statements, agreements and instruments and take all such further actions, in each case, as the Security Agent may from time to time reasonably request for the purpose of perfecting or protecting the assignments and Security Interest granted hereunder and obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, (i) executing and filing any financing or continuation statements under the UCC (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby, and (ii) subject to Section 4.13(b) hereof, in the case of Investment Property, Deposit Accounts, Electronic Chattel Paper and Letter-of-Credit Rights and any other relevant Collateral, taking any actions reasonably necessary to enable the Security Agent to obtain “control” (within the meaning of the applicable UCC) with respect thereto, in each case pursuant to documents in form and substance reasonably satisfactory to the Security Agent.

SECTION 4.04 Inspection and Verification. Each Grantor shall, and shall cause each Subsidiary to, permit representatives and independent contractors of the Security Agent to visit its properties and inspect the Collateral and all records related thereto (and to make extracts and copies from such records), to discuss its affairs, finances and accounts with its managers, directors, officers and independent public accountants, and to conduct appraisals, commercial finance examinations and other evaluations, in each case, in accordance with, and subject to the terms and conditions of, Paragraph 6 (Access) of Schedule 8 (Reporting and Information Undertakings) to the Facility Agreement. Subject to the terms and conditions of, Paragraph 6 (Access) of Schedule 8 (Reporting and Information Undertakings) to the Facility Agreement, during the occurrence and continuance of an Event of Default, the Security Agent and such Persons as the Security Agent may reasonably designate shall have the right to verify the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral, including, in the case of Accounts or Collateral in the possession of any third Person, by contacting Account Debtors or the third Person possessing such Collateral for the purpose of making such a verification. The Security Agent shall have the right to share any information it gains from such inspection or verification with any Secured Party. The Grantors shall pay the reasonable and

documented out-of-pocket fees and expenses of the Security Agent or such other Persons with respect to such inspections and verifications to the extent required under the Facility Agreement.

SECTION 4.05 Taxes; Encumbrances. At its option, during the occurrence and continuance of an Event of Default, the Security Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral, and may take any other action which the Security Agent may reasonably deem necessary or desirable to repair, maintain or preserve any of the Collateral to the extent any Grantor fails to do so as required by the Facility Agreement or this Agreement, and each Grantor jointly and severally agrees to reimburse the Security Agent on demand for any payment made or any expense incurred by the Security Agent pursuant to the foregoing authorization; provided, however, that the Security Agent shall not have any obligation to undertake any of the foregoing and shall have no liability on account of any action so undertaken except where a court of competent jurisdiction determines by final and nonappealable judgment that the Security Agent's actions constitute gross negligence or willful misconduct; provided further that the making of any such payments or the taking of any such action by the Security Agent shall not be deemed to constitute a waiver of any Default or Event of Default arising from any Grantor's failure to have made such payments or taken such action. Nothing in this Section 4.05 shall be interpreted as excusing any Grantor from the performance of any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Finance Documents.

SECTION 4.06 [Reserved].

SECTION 4.07 Continuing Obligations of the Grantors. Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral, all in accordance with and subject to the terms and conditions thereof.

SECTION 4.08 Use and Disposition of Collateral. None of the Grantors shall make or permit to be made a collateral assignment, pledge or hypothecation of the Collateral or shall grant any other Lien in respect of the Collateral or shall grant control (within the meaning of the UCC) of any Collateral to any Person, in each case except for any Permitted Security or other Liens permitted under Clause 15.19 (*Negative pledge*) of the Facility Agreement. None of the Grantors shall make or permit to be made any disposition of the Collateral, except as permitted in Clause 23.14 (*Disposals*) of the Facility Agreement.

SECTION 4.09 Limitation on Modification of Accounts. No US Grantor will, nor will it permit any Subsidiary to discount or sell (with or without recourse) any of its Accounts except to the extent permitted under the Facility Agreement.

SECTION 4.10 Insurance.

(a) Each Grantor shall maintain or shall cause to be maintained such insurance (i) as may be required by applicable law and (ii) as may be required by the Security Agent in its reasonable discretion.

(b) Each Grantor hereby irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto, in each case, to be exercised by the Security Agent only upon the occurrence and continuance of an Event of Default. In the event that any Grantor at any time or times during the occurrence and continuance of an Event of Default shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or in part relating thereto, the Security Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Default or Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Security Agent deems advisable. All sums disbursed by the Security Agent in connection with this Section 4.10, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand to the extent required under the Facility Agreement, by the Grantors to the Security Agent and shall be additional Obligations secured hereby.

SECTION 4.11 Commercial Tort Claims. If any US Grantor shall at any time hold or acquire a Commercial Tort Claim having a value in excess of \$250,000, such US Grantor shall promptly (but, in any event, within five (5) Business Days) notify the Security Agent in writing of the details thereof, and such US Grantor shall take such actions as the Security Agent shall reasonably request in order to grant to the Security Agent, for the ratable benefit of the Secured Parties, a perfected security interest therein and in the Proceeds thereof.

SECTION 4.12 Legend. Upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, and promptly following the request of the Security Agent, each US Grantor shall legend, in form and manner reasonably satisfactory to the Security Agent, its Accounts and its books, records and documents evidencing or pertaining thereto with an appropriate reference to the fact that such Accounts have been assigned to the Security Agent, for its own benefit and the benefit of the other Secured Parties, and that the Security Agent has a security interest therein.

SECTION 4.13 Other Actions. In order to further ensure the attachment, perfection and priority of, and the ability of the Security Agent to enforce, the Security Agent's Security Interest in the Collateral, each Grantor, as applicable, covenants and agrees, in each case at such Grantor's own expense, to take the following actions with respect to the following Collateral:

(a) If any amount then payable under or in connection with any of the Collateral shall become evidenced by any Instrument or Chattel Paper with an individual face value in excess of \$250,000 (or, with respect to all such Instruments or Chattel Paper, an aggregate face value in excess of \$500,000), other than such Instruments and Chattel Paper listed in Schedule 3.06 hereto, the US Grantor acquiring such Instrument or Chattel Paper shall promptly (but, in any event, within five (5) Business Days after receipt thereof) endorse, assign and deliver the same to the Security Agent, accompanied by such

instruments of transfer or assignment duly executed in blank as the Security Agent may from time to time reasonably request.

(b) Subject to the terms and conditions of Clause 15.33 (*Conditions Subsequent*) of the Facility Agreement, each US Grantor shall cause each financial institution, Securities Intermediary and Commodity Intermediary at which such US Grantor maintains as of the Effective Date a Deposit Account, Securities Account or Commodity Account (other than an Excluded Account), as the case may be, to enter into a control agreement or other similar agreement with the Security Agent and such US Grantor, in form and substance reasonably satisfactory to the Security Agent, in order to give the Security Agent control (within the meaning set forth in Section 9-104 or 9-106 of the UCC, as applicable) of such account. No US Grantor shall establish and maintain after the Effective Date any Deposit Account, Securities Account or Commodity Account (other than any Excluded Account) with any financial institution, Securities Intermediary or Commodity Intermediary, as applicable, unless such financial institution, Securities Intermediary or Commodity Intermediary, as the case may be, and such US Grantor shall have duly executed and delivered a control agreement with respect to such Deposit Account, Securities Account or Commodity Account, as the case may be, in order to give the Security Agent control (within the meaning set forth in Section 9-104 or 9-106 of the UCC, as applicable) of such account within thirty (30) days following the opening of such account. Upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, and promptly following the Security Agent's written request, each US Grantor shall accept any cash and Investment Property in trust for the benefit of the Security Agent and within one (1) Business Days of actual receipt thereof, deposit any and all cash and Investment Property received by it into a Deposit Account or Securities Account subject to the Security Agent's control (within the meaning set forth in Section 9-104 or 9-106 of the UCC, as applicable). No US Grantor shall grant control (within the meaning set forth in Section 9-106 of the UCC) over any Investment Property to any person other than the Security Agent.

(c) As between the Security Agent and the Grantors, the Grantors shall bear the investment risk with respect to the Investment Property and Pledged Securities, as applicable, and the risk of loss of, damage to, or the destruction of, the Investment Property and Pledged Securities (except where a court of competent jurisdiction determines by final and non-appealable judgment that such loss, damage or destruction has resulted from the gross negligence or willful misconduct of the Security Agent or any of its Affiliates), whether in the possession of, or maintained as a Security Entitlement or deposit by, or subject to the control of, the Security Agent, a Securities Intermediary, a Commodity Intermediary, any Grantor or any other Person.

(d) If any amount payable under or in connection with any of the Collateral shall become evidenced by any Electronic Chattel Paper or any transferable record with an individual face value in excess of \$250,000 (or, with respect to all such Electronic Chattel Paper or transferable records, an aggregate face value in excess of \$500,000), other than such Electronic Chattel Paper and transferable records listed in Schedule 3.08 hereto, the US Grantor acquiring such Electronic Chattel Paper or transferable record shall promptly notify the Security Agent thereof and shall take such action as the Security Agent may

reasonably request to vest in the Security Agent control of such Electronic Chattel Paper under Section 9-105 of the UCC or control under Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as in effect in such jurisdiction, of such transferable record.

(e) If any US Grantor is at any time a beneficiary under a Letter of Credit now or hereafter issued having a face value in an amount in excess of \$250,000 (or with respect to all such Letters of Credit, having an aggregate face value in an amount in excess of \$500,000), such US Grantor shall promptly notify the Security Agent thereof and such US Grantor shall, at the request of the Security Agent, pursuant to an agreement in form and substance reasonably satisfactory to the Security Agent, either (i) arrange for the issuer and any confirmer of such Letter of Credit to consent to an assignment to the Security Agent of the proceeds of any drawing under the Letter of Credit and to cause the proceeds of any drawing under such Letter of Credit to be paid directly to the Security Agent after the occurrence and during the continuance of any Event of Default, or (ii) arrange for the Security Agent to become the transferee beneficiary of such Letter of Credit, with the Security Agent agreeing, in each case, that the proceeds of any drawing under the Letter of Credit are to be paid directly to the Security Agent after the occurrence and during the continuance of any Event of Default and applied as provided in the Facility Agreement.

SECTION 4.14 Intellectual Property.

(a) Each US Grantor (either itself or through licensees) will (i) continue to use each Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect (ii) maintain the quality of products and services offered under such Trademark, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect (iii) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable law, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect, and (iv) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any way, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(b) Each US Grantor (either itself or through licensees) will not do any act, or omit to do any act, whereby any Material Intellectual Property may lapse or become forfeited, abandoned or dedicated to the public, or unenforceable, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(c) Each US Grantor will notify the Security Agent if it knows, or has reason to know, that any application or registration relating to any Material Intellectual Property may become forfeited, abandoned or dedicated to the public, invalid or unenforceable, or of any material adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country, but excluding the abandonment or

expiry of any Intellectual Property rights in the ordinary course of the operation of the business) regarding, such US Grantor's ownership of, or the validity or enforceability of, any material Intellectual Property or such US Grantor's right to register the same or to own and maintain the same, in each case, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(d) Whenever any US Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Material Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, such US Grantor shall report such filing to the Security Agent concurrently with the next delivery of financial statements of the Borrowers pursuant to Schedule 8 (Reporting Information Undertakings) to the Facility Agreement. Upon the request of the Security Agent, each US Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as the Security Agent may request to evidence the Security Agent's security interest in any Copyright, Patent or Trademark and the goodwill and general intangibles of such US Grantor relating thereto or represented thereby.

(e) Each US Grantor will take reasonable steps to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of all material Intellectual Property owned by it, except, in each case, where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(f) In the event that a US Grantor becomes aware that any of its Material Intellectual Property is infringed upon or misappropriated or diluted by a third party, each US Grantor shall (i) take such actions as such US Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect and (ii) promptly notify the Security Agent after it learns thereof and, to the extent, in US Grantor's reasonable judgment, it determines it appropriate under the circumstances, sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.

SECTION 4.15 Delivery of the Pledged Securities; Voting Rights; Dividends and Interest, Etc.

(a) Pursuant to the terms of clause 15.31, each Grantor shall deliver or cause to be delivered to the Security Agent (i) any and all certificated Pledged Securities pledged hereunder by such Grantor as of the Effective Date, (ii) any and all certificated Investment Property pledged hereunder by such Grantor as of the Effective Date, and (iii) any and all original certificates or other instruments or documents representing any Collateral pledged hereunder by such Grantor as of the Effective Date. After the Effective Date, promptly upon any Grantor's acquiring any certificated Pledged Securities, and any original certificates or other instruments or documents representing such Pledged Securities, such Grantor shall deliver or cause to be delivered to the Security Agent such Pledged Securities. Each Grantor agrees that no Equity Interests in a limited liability company or a limited partnership which are included within the Collateral owned by such

Grantor shall at any time constitute a certificated Security, unless such Grantor shall have complied with this Section 4.15 substantially concurrently with the issuance of such certificated Security.

(b) Unless and until an Event of Default has occurred and is continuing, each Grantor shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of the Pledged Securities or any part thereof to the extent, and only to the extent, that such rights are exercised for any purpose consistent with, or not otherwise in violation of, the terms and conditions of this Agreement, the Facility Agreement, the other Finance Documents and applicable law; provided, however, that such Grantor will not be entitled to exercise any such right if the result thereof could reasonably be expected to materially and adversely affect the rights inuring to a holder of the Pledged Securities or the rights and remedies of the Security Agent or any of the Secured Parties under this Agreement, the Facility Agreement or any other Finance Document or the ability of the Security Agent or any of the Secured Parties to exercise the same.

(c) Unless and until an Event of Default has occurred and is continuing, each Grantor shall be entitled to receive and retain any and all cash dividends or other cash distributions paid on the Pledged Securities to the extent, and only to the extent, that such cash dividends or other cash distributions are permitted by, and otherwise paid in accordance with, the terms and conditions of this Agreement, the Facility Agreement, the other Finance Documents and applicable law. All noncash dividends, and all dividends paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid-in surplus, and all other distributions (other than dividends and distributions referred to in the preceding sentence) made on or in respect of the Pledged Securities, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding capital stock, membership interests or other Equity Interests of the Issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, amalgamation, arrangement, consolidation, acquisition or other exchange of assets to which such Issuer may be a party or otherwise, shall be and become part of the Pledged Securities, and, if received by such Grantor, to the extent required to be paid to the Security Agent pursuant to the terms of the Facility Agreement or the other Finance Documents, shall not be commingled by such Grantor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Security Agent and shall be forthwith delivered to the Security Agent, in the same form as so received (with any necessary endorsement).

(d) Upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, all rights of any Grantor to dividends or other cash distributions that such Grantor is authorized to receive pursuant to Section 4.15(c) above shall cease, and all such rights shall thereupon become vested in the Security Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends or other cash distributions. All dividends or other cash distributions received by any Grantor contrary to the provisions of this Section 4.15(d) shall be held in trust for the benefit of the Security Agent, shall be segregated from other property or funds of such Grantor and shall be forthwith delivered to the Security Agent in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Security Agent pursuant to the provisions of this Section 4.15(d) shall be applied in accordance with the provisions of Section 6.02. After all Events of Default have been waived in writing by the Security Agent or any other applicable Persons, each Grantor will have the right to receive the dividends or other cash

distributions that it would otherwise be entitled to receive pursuant to the terms of Section 4.15(c) above.

(e) Upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, all rights of any Grantor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to Section 4.15(b) shall cease, and all such rights shall thereupon become vested in the Security Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that the Security Agent shall have the right from time to time following and during the continuance of an Event of Default to permit such Grantor to exercise such rights. After all Events of Default have been waived in writing by the Security Agent or any other applicable Person, each Grantor will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise pursuant to the terms of Section 4.15(b).

SECTION 4.16 Additional Grantors. Each Subsidiary that is required to become a party to this Agreement pursuant to Clause 27 (Changes to the Obligors) of the Facility Agreement shall become obligated as a Grantor for all purposes of this Agreement (as though an original signatory hereto) upon the execution and delivery to the Security Agent by such Subsidiary of a supplement to this Agreement, in form and substance reasonably satisfactory to the Security Agent. The execution and delivery of such supplement shall not require the consent of any Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

Power of Attorney

SECTION 5.01 Power of Attorney. Until the termination of this Agreement, each Grantor irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Grantor's true and lawful agent and attorney-in-fact, and in such capacity the Security Agent shall have the right, with power of substitution for each Grantor and in each Grantor's name or otherwise, for the use and benefit of the Security Agent and the other Secured Parties, (a) at any time, whether or not a Default or Event of Default has occurred, to take actions required to be taken by the Grantors under Section 2.01 of this Agreement; (b) in the case of any Intellectual Property, upon the occurrence and during the continuance of an Event of Default, to execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Security Agent may reasonably request to evidence the Security Agent's security interest in the Intellectual Property of the Grantors and the goodwill and General Intangibles of the Grantors relating thereto or represented thereby; (c) upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; and (d) upon the occurrence and during the continuance of an Event of Default and acceleration of the Obligations under the Facility Agreement, (i) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (ii) to sign the name of any Grantor on any invoices, schedules of Collateral, freight or express receipts, or bills of lading storage receipts, warehouse receipts or other documents of title relating to any of the Collateral; (iii) to sign the name of any Grantor on any notice to such Grantor's Account Debtors; (iv) to sign the name of any Grantor on any proof of claim in bankruptcy against

Account Debtors, and on notices of lien, claims of mechanic's liens, or assignments or releases of mechanic's liens securing the Accounts; (v) to sign change of address forms to change the address to which each Grantor's mail is to be sent to such address as the Security Agent shall designate; (vi) to receive and open each Grantor's mail, remove any Proceeds of Collateral therefrom and turn over the balance of such mail either to the Borrower or to any trustee in bankruptcy or receiver of a Grantor, or other legal representative of a Grantor whom the Security Agent reasonably determines to be the appropriate person to whom to so turn over such mail; (vii) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (viii) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (ix) to take all such action as may be reasonably necessary to obtain the payment of any letter of credit and/or banker's acceptance of which any Grantor is a beneficiary; (x) to repair, manufacture, assemble, complete, package, deliver, alter or supply goods, if any, necessary to fulfill in whole or in part the purchase order of any customer of any Grantor; (xi) to use, license or transfer any or all General Intangibles of any Grantor, subject to those restrictions to which such Grantor is subject under applicable law and by contract; (xii) to cause all Documents (including, without limitation, freight or express receipts, or bills of lading storage receipts, warehouse receipts or other documents of title) to name the Security Agent as consignee and to obtain control over the Documents; (xiii) to receive, indorse and collect all instruments made payable to the Grantor representing any dividend or other distribution in respect of the Pledged Securities or any part thereof and to give full discharge for the same; (xiv) to contact and enter into one or more agreements with the Issuers of Pledged Securities to ensure that the Security Agent has control of the Pledged Securities consisting of Investment Property as provided in Section 9-106 of the UCC and (xv) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things reasonably necessary to carry out the purposes of this Agreement, as fully and completely as though the Security Agent was the absolute owner of the Collateral for all purposes; provided, however, that nothing herein contained shall be construed as requiring or obligating the Security Agent or any other Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Security Agent or any other Secured Party, or to present or file any claim or notice. Each Grantor agrees to reimburse the Security Agent on demand for any payment made or any reasonable and documented out-of-pocket expense incurred by the Security Agent in connection with any actions taken by the Security Agent pursuant to clauses (a) through (d) above. It is understood and agreed that the appointment of the Security Agent as the agent and attorney-in-fact of each Grantor for the purposes set forth above is coupled with an interest and is irrevocable, until the termination of this Agreement.

SECTION 5.02 No Obligation to Act. The Security Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 5.01, but if the Security Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act, except where a court of competent jurisdiction determines by final and non-appealable judgment that the subject act or omission to act has resulted from the gross negligence or willful misconduct of the Security Agent or any of its Affiliates. The provisions of Section 5.01 shall in no event relieve any Grantor of any of its obligations hereunder or under any other Finance Document with respect to the Collateral or any part thereof or impose any obligation on the Security Agent or any other Secured Party to proceed in any particular

manner with respect to the Collateral or any part thereof, or in any way limit the exercise by the Security Agent or any other Secured Party of any other or further right which it may have on the date of this Agreement or hereafter, whether hereunder, under any other Finance Document, by applicable law or otherwise.

ARTICLE 6

Remedies

SECTION 6.01 Remedies upon Default. Upon the occurrence and during the continuance of an Event of Default, it is agreed that the Security Agent shall have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the UCC or other applicable law or in equity. Upon the occurrence and during the continuance of an Event of Default, the rights and remedies of the Security Agent shall include, without limitation, the right to take any or all of the following actions at the same or different times, in each case to the extent permitted by applicable law:

(a) With respect to any Collateral consisting of Accounts, General Intangibles (including Payment Intangibles), Letter-of-Credit Rights, Instruments, Chattel Paper, Documents, and Investment Property, the Security Agent may collect the Collateral with or without the taking of possession of any of the Collateral.

(b) With respect to any Collateral consisting of Accounts, the Security Agent may: (i) demand, collect and receive any amounts relating thereto, as the Security Agent may determine; (ii) commence and prosecute any actions in any court for the purposes of collecting any such Accounts and enforcing any other rights in respect thereof; (iii) defend, settle or compromise any action brought and, in connection therewith, give such discharges or releases as the Security Agent may reasonably deem appropriate; (iv) without limiting the Security Agent's rights set forth in Section 5.01 hereof, receive, open and dispose of mail addressed to any Grantor and endorse checks, notes, drafts, acceptances, money orders, bills of lading, warehouse receipts or other instruments or documents evidencing payment, shipment or storage of the goods giving rise to such Accounts or securing or relating to such Accounts, on behalf of and in the name of such Grantor; and (v) sell, assign, transfer, make any agreement in respect of, or otherwise deal with or exercise rights in respect of, any such Accounts or the goods or services which have given rise thereto, as fully and completely as though the Security Agent was the absolute owner thereof for all purposes.

(c) With respect to any Collateral consisting of Investment Property, the Security Agent may: (i) exercise all rights of any Grantor with respect thereto, including without limitation, the right to exercise all voting and corporate rights at any meeting of the shareholders of the issuer of any Investment Property and to exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any Investment Property as if the Security Agent was the absolute owner thereof, including the right to exchange, at its discretion, any and all of any Investment Property upon the merger, consolidation, reorganization, recapitalization or other readjustment of the issuer thereof, all without liability except to account for property actually received as

provided in Section 5.02 hereof; (ii) transfer such Collateral at any time to itself, or to its nominee, and receive the income thereon and hold the same as Collateral hereunder or apply it to the Obligations; and (iii) demand, sue for, collect or make any compromise or settlement it deems desirable. The Grantors recognize that (a) the Security Agent may be unable to effect a public sale of all or a part of the Investment Property by reason of certain prohibitions contained in the Securities Act of 1933, 15 U.S.C. §77 (as amended and in effect, the “Securities Act”) or the Securities laws of various states (the “Blue Sky Laws”), but may be compelled to resort to one or more private sales to a restricted group of purchasers who will be obliged to agree, among other things, to acquire the Investment Property for their own account, for investment and not with a view to the distribution or resale thereof, (b) that private sales so made may be at prices and upon other terms less favorable to the seller than if the Investment Property were sold at public sales, (c) that neither the Security Agent nor any other Secured Party has any obligation to delay sale of any of the Investment Property for the period of time necessary to permit the Investment Property to be registered for public sale under the Securities Act or the Blue Sky Laws, and (d) that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner.

(d) With respect to any Collateral consisting of Inventory, Goods, and Equipment, the Security Agent may conduct one or more going out of business sales, in the Security Agent’s own right or by one or more agents and contractors. Such sale(s) may be conducted upon any premises owned, leased, or occupied by any Grantor. The Security Agent and any such agent or contractor, in conjunction with any such sale, may augment the Inventory with other goods (all of which other goods shall remain the sole property of the Security Agent or such agent or contractor). Any amounts realized from the sale of such goods which constitute augmentations to the Inventory (net of an allocable share of the costs and expenses incurred in their disposition) shall be the sole property of the Security Agent or such agent or contractor and neither any Grantor nor any Person claiming under or in right of any Grantor shall have any interest therein. Each purchaser at any such going out of business sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor.

(e) With or without legal process and with or without prior notice or demand for performance, the Security Agent may enter upon, occupy, and use any premises owned or occupied by each Grantor and may exclude the Grantors from such premises or portion thereof as may have been so entered upon, occupied, or used by the Security Agent. The Security Agent shall not be required to remove any of the Collateral from any such premises upon the Security Agent’s taking possession thereof and may render any Collateral unusable to the Grantors. In no event shall the Security Agent be liable to any Grantor for use or occupancy by the Security Agent of any premises pursuant to this Section 6.01, nor for any charge (such as wages for the Grantors’ employees and utilities) incurred in connection with the Security Agent’s exercise of the Security Agent’s Rights and Remedies (as defined herein) hereunder, other than for direct or actual damages resulting from the gross negligence or willful misconduct of the Security Agent as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(f) The Security Agent may require any Grantor to assemble the Collateral and make it available to the Security Agent at such Grantor's sole risk and expense at a place or places which are reasonably convenient to both the Security Agent and such Grantor.

(g) The Security Agent may require any Grantor to name the Security Agent as consignee on any Documents and to furnish the Security Agent with control over any such Documents.

(h) Each Grantor agrees that the Security Agent shall have the right, subject to applicable law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale, for cash, upon credit or for future delivery as the Security Agent shall deem appropriate. Each purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor.

(i) Unless the Collateral is perishable or threatens to decline speedily in value, or is of a type customarily sold on a recognized market (in which event the Security Agent shall provide the Grantors such advance notice as may be practicable under the circumstances), the Security Agent shall give the Grantors at least ten (10) days' prior written notice, by authenticated record, of the date, time and place of any proposed public sale, and of the date after which any private sale or other disposition of the Collateral may be made. Each Grantor agrees that such written notice shall satisfy all requirements for notice to such Grantor which are imposed under the UCC or other applicable law with respect to the exercise of the Security Agent's Rights and Remedies upon the occurrence and during the continuance of an Event of Default. The Security Agent shall not be obligated to make any sale or other disposition of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale or other disposition of such Collateral shall have been given. The Security Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned.

(j) Any public sale shall be held at such time or times within ordinary business hours and at such place or places as the Security Agent may fix and state in the notice of such sale. At any sale or other disposition, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Security Agent may (in its sole and absolute discretion) determine. If any of the Collateral is sold, leased, or otherwise disposed of by the Security Agent on credit, the Obligations shall not be deemed to have been reduced as a result thereof unless and until payment in full is received thereon by the Security Agent. In the event that the purchaser fails to pay for the Collateral, the Security Agent may resell the Collateral and apply the proceeds from such resale in accordance with the terms of Section 6.02 of this Agreement.

(k) At any public (or, to the extent permitted by applicable law, private) sale made pursuant to this Section 6.01, the Security Agent or any other Secured Party may bid for or purchase, free (to the extent permitted by applicable law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor, the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim

then due and payable to the Security Agent or such other Secured Party from any Grantor on account of the Obligations as a credit against the purchase price, and the Security Agent or such other Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor.

(l) For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof. The Security Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Security Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full.

(m) As an alternative to exercising the power of sale herein conferred upon it, the Security Agent may proceed by a suit or suits at law or in equity to foreclose upon the Collateral and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

(n) Each Grantor recognizes that (i) the Security Agent may be unable to effect a public sale of all or a part of the Pledged Securities by reason of certain prohibitions contained in the Securities Act of 1933, 15 U.S.C. §77 (as amended and in effect, the “Securities Act”) or the Securities laws of various states (the “Blue Sky Laws”), but may be compelled to resort to one or more private sales to a restricted group of purchasers who will be obliged to agree, among other things, to acquire the Pledged Securities for their own account, for investment and not with a view to the distribution or resale thereof, (ii) that private sales so made may be at prices and upon other terms less favorable to the seller than if the Pledged Securities were sold at public sales, (iii) that neither the Security Agent nor any other Secured Party has any obligation to delay sale of any of the Pledged Securities for the period of time necessary to permit the Pledged Securities to be registered for public sale under the Securities Act or the Blue Sky Laws, and (iv) that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner.

(o) The Security Agent, on its own behalf and on behalf of the other Secured Parties, shall have the right (in its sole discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the applicable Grantor, endorsed or assigned in blank or in favor of the Security Agent. Each Grantor will promptly give to the Security Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of such Grantor.

(p) If the Security Agent reasonably determines that it is necessary to sell any of the Pledged Securities at a public sale, each Grantor agrees that it will, at any time and from time to time, upon the written request of the Security Agent, use commercially reasonable efforts to take or to cause the issuer of such Pledged Securities to take such action and prepare, distribute and/or file such documents, as are required or advisable in the reasonable opinion of counsel for the Security Agent to permit the public sale of such

Pledged Securities. Without limiting or duplicating any of its other indemnification obligations under the Facility Agreement or the other Finance Documents, each Grantor agrees to indemnify, defend and hold harmless the Security Agent, each other Secured Party, any underwriter, and their respective officers, directors, Affiliates and controlling Persons from and against all loss, liability, expenses, costs of counsel (including the reasonable fees and expenses of legal counsel to the Security Agent), and claims (including the reasonable costs of investigation) that any of them may incur insofar as such loss, liability, expense or claim arises out of, or is based upon, any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Grantor or the issuer of such Pledged Securities by the Security Agent or any other Secured Party expressly for use therein. Each Grantor further agrees, upon such written request referred to above, to use commercially reasonable efforts to qualify, file or register, or cause the issuer of any Pledged Securities to qualify, file or register, any of the Pledged Securities under the Securities Act, Blue Sky Laws or other securities laws of such states as may be requested by the Security Agent and keep effective, or cause to be kept effective, all such qualifications, filings or registrations. Each Grantor will bear all costs and expenses of carrying out its obligations under this Section 6.01(p). Each Grantor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section 6.01(p) and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements contained in this Section 6.01(p) may be specifically enforced.

(q) To the extent permitted by applicable law, each Grantor hereby waives all rights of redemption, stay, valuation and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

SECTION 6.02 Application of Proceeds. After the occurrence and during the continuance of an Event of Default, the Security Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash, or any Collateral granted under any other of the Finance Documents, in accordance with the Facility Agreement.

The Security Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with the immediately preceding paragraph. Upon any sale or other disposition of the Collateral by the Security Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by the Security Agent or by the officer making the sale or other disposition shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold or otherwise disposed of and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Security Agent or such officer or be answerable in any way for the misapplication thereof.

ARTICLE 7

Perfection of Security Interest

SECTION 7.01 **Perfection by Filing.** This Agreement constitutes an authenticated record, and each Grantor hereby authorizes the Security Agent, pursuant to the provisions of Section 2.01 and Section 5.01, to file one or more Financing Statements or continuation statements, and amendments thereto, relative to all or any part of the Collateral, in such filing offices as the Security Agent shall reasonably deem appropriate, and the Grantors shall pay the Security Agent's reasonable and documented out-of-pocket costs and expenses incurred in connection therewith.

SECTION 7.02 **Other Perfection, Etc.** Each Grantor shall at any time and from time to time take such steps as the Security Agent may reasonably request in writing for the Security Agent (a) to obtain an acknowledgment, in form and substance reasonably satisfactory to the Security Agent, of any bailee having possession of any of the Collateral that the bailee holds such Collateral for the Security Agent, and (b) to otherwise insure the continued perfection of the Security Agent's security interest in any of the Collateral and of the preservation of its rights therein, in each case, to the extent expressly required by this Agreement.

SECTION 7.03 **Savings Clause.** Nothing contained in this Article 7 shall be construed to narrow the scope of the Security Agent's Security Interest in any of the Collateral or the perfection or priority thereof or to impair or otherwise limit any of the Security Agent's Rights and Remedies hereunder except (and then only to the extent) as mandated by the UCC.

ARTICLE 8

Miscellaneous

SECTION 8.01 **Notices.** All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Clause 24 (*Communications*) of the Facility Agreement.

SECTION 8.02 **Grant of Non-Exclusive License.** Without limiting the provisions of Section 6.01 hereof or any other rights of the Security Agent as the holder of a Lien on any Intellectual Property, each Grantor hereby grants to the Security Agent, and the representatives and independent contractors of the Security Agent, a royalty free, non-exclusive, irrevocable license (exercisable without payment of royalty or other compensation to such Grantor), to use, license or sublicense any Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, such license to be effective only upon the occurrence and during the continuance of any Event of Default and acceleration of the Obligations under the Facility Agreement, in connection with the exercise of the Security Agent's Rights and Remedies hereunder including, without limitation, in connection with any completion of the manufacture of Inventory or any sale or other disposition of Inventory; provided, however, that with respect to any Trademarks, such license and all applicable sub-licenses shall be subject to licensee and each sublicensee maintaining the same level of quality and brand guidelines applicable to such

Trademarks. The license granted in this Section 8.02 shall remain in full force and effect throughout the term of this Agreement, notwithstanding the release of any Grantor hereunder.

SECTION 8.03 Security Interest Absolute. All rights of the Security Agent hereunder, the Security Interest and all obligations of each Grantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Facility Agreement, any other Finance Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Facility Agreement, any other Finance Document, or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Obligations or this Agreement.

SECTION 8.04 Survival of Agreement. All covenants, agreements, representations and warranties made by each Grantor herein and in any other Finance Document and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Finance Document shall be considered to have been relied upon by the Security Agent and the other Secured Parties and shall survive the execution and delivery of this Agreement and the other Finance Documents and the making of any Loans under the Facility Agreement, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Security Agent or any Secured Party may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended under the Facility Agreement, and shall continue in full force and effect unless terminated in accordance with Section 8.14 hereof.

SECTION 8.05 Binding Effect; Several Agreement; Assignments. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of each Grantor that are contained in this Agreement shall bind and inure to the benefit of each Grantor and its respective successors and assigns. This Agreement shall be binding upon each Grantor and the Security Agent and their respective successors and permitted assigns, and shall inure to the benefit of each Grantor, the Security Agent and the other Secured Parties and their respective successors and permitted assigns, except that no Grantor shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such attempted assignment or transfer shall be void) except as expressly permitted by this Agreement or the Facility Agreement. This Agreement shall be construed as a separate agreement with respect to each Grantor and may be amended, modified, supplemented, waived or released with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.

SECTION 8.06 Security Agent's Fees and Expenses; Indemnification.

(a) Without limiting or duplicating any of their obligations under the Facility Agreement or the other Finance Documents, the Grantors jointly and severally agree to pay

all reasonable and documented out-of-pocket expenses incurred by the Security Agent, including the reasonable and documented fees, charges and disbursements of any external counsel and any outside consultants for the Security Agent, in connection with (i) the negotiation, preparation and administration of this Agreement, (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the Security Agent's Rights and Remedies hereunder or (iv) the failure of any Grantor to perform or observe any of the provisions hereof.

(b) Clauses 20 (Other Indemnities) and 22 (Guarantee and Indemnity) of the Facility Agreement are hereby incorporated by reference *mutatis mutandis*, as if stated verbatim herein as agreements and obligations of each Grantor.

(c) To the fullest extent permitted by applicable law, no Grantor shall assert, and each Grantor hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, the Facility Agreement, any other Finance Document or any agreement or instrument contemplated hereby, or the transactions contemplated hereby or thereby.

(d) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Finance Documents. All amounts due under this Section 8.06 shall be payable not later than ten (10) days after written demand therefor.

(e) The agreements in this Section 8.06 shall survive the resignation of the Security Agent, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

SECTION 8.07 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS WHICH WOULD HAVE THE EFFECT OF APPLYING THE LAWS OF ANY OTHER JURISDICTION) OF THE STATE OF NEW YORK.

SECTION 8.08 Waivers; Amendment.

(a) The rights, remedies, powers, privileges, and discretions of the Security Agent hereunder (herein, the "Security Agent's Rights and Remedies") shall be cumulative and not exclusive of any rights or remedies which it would otherwise have. No delay or omission by the Security Agent in exercising or enforcing any of the Security Agent's Rights and Remedies shall operate as, or constitute, a waiver thereof. No waiver by the Security Agent of any Default or Event of Default under any other agreement shall operate as a waiver of any Default or Event of Default arising from any Grantor's failure to perform or observe any covenant or agreement contained in this Agreement on its part to be performed or observed hereunder. No single or partial exercise of any of the Security Agent's Rights or Remedies, and no express or implied agreement or transaction of whatever nature entered into between the Security Agent and any Person, at any time, shall preclude the other or further exercise of the Security Agent's Rights and Remedies. No

waiver by the Security Agent of any of the Security Agent's Rights and Remedies on any one occasion shall be deemed a waiver on any subsequent occasion, nor shall it be deemed a continuing waiver. The Security Agent's Rights and Remedies may be exercised at such time or times and in such order of preference as the Security Agent may determine. The Security Agent's Rights and Remedies may be exercised without resort or regard to any other source of satisfaction of the Obligations. No waiver of any provisions of this Agreement or any other Finance Document or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Grantor in any case shall entitle such Grantor or any other Grantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into between the Security Agent and the Grantor or Grantors with respect to whom such waiver, amendment or modification is to apply, subject to any consent required in accordance with the Facility Agreement.

SECTION 8.09 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER FINANCE DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER FINANCE DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.09.

SECTION 8.10 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 8.11 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 8.12 Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 8.13 JURISDICTION; WAIVER OF VENUE; CONSENT TO SERVICE OF PROCESS. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL COURT SITTING IN THE SOUTHERN DISTRICT OF NEW YORK OR NEW YORK STATE COURT, IN EITHER CASE, LOCATED IN NEW YORK COUNTY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN ANY SUCH FEDERAL COURT. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY COURT REFERRED TO HEREIN. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT. EACH PARTY TO THIS AGREEMENT IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 8.01. NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

SECTION 8.14 Service of Process. Each party hereto irrevocably consents to service of process in the manner provided for notices in Clause 24 (Communications) of the Facility Agreement. As an alternative method for the service of process, each Grantor (other than any Grantor organised, incorporated or formed under the laws of a State of the United States (including the District of Columbia)) hereby designates, appoints and empowers Kurt Geiger USA, Inc., a Delaware corporation (the "Process Agent"), with offices as of the date of this Agreement at c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware 19808, as its authorized agent to receive for and on its behalf service of summons or other legal process in any such action, litigation or proceeding in the State of New York. Such service may be made by mailing or delivering a copy of such process to each Grantor in care of the Process Agent at the Process Agent's above address, and each Grantor hereby irrevocably authorizes and directs the Process Agent to accept such service on its behalf. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

SECTION 8.15 Termination. Except for those provisions which expressly survive the termination thereof, this Agreement and the Security Interest granted herein shall terminate when (i) the Commitments have expired or been terminated and (ii) all of the Obligations have

been paid in full in cash or otherwise satisfied, , at which time the Security Agent shall execute and deliver to the Grantors, at the Grantors' expense, all UCC termination statements, releases and similar documents, instruments or agreements that the Grantors shall reasonably request to evidence such termination; provided, however, that the Facility Agreement, this Agreement, and the Security Interest granted herein shall be reinstated if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Secured Party upon the bankruptcy or reorganization of any Grantor. Any execution and delivery of termination statements, releases or other documents, instruments or agreements pursuant to this Section 8.15 shall be **WITHOUT RECOURSE TO, OR WARRANTY BY**, the Security Agent or any other Secured Party.

SECTION 8.16 Release. If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Facility Agreement, then the Liens on the Collateral or the relevant portion of the Collateral, as applicable, granted hereunder shall be automatically released and the Security Agent, at the request and sole expense of such Grantor, shall promptly execute and deliver to such Grantor all release or other documents, instruments or agreements reasonably necessary or desirable for the release of the Liens created hereby on such Collateral.

SECTION 8.17 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER FINANCE DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

SECTION 8.18 Subject to Intercreditor Agreement. Notwithstanding anything herein to the contrary, (a) the Liens and Security Interests granted to the Security Agent pursuant to this Agreement are expressly subject to the Intercreditor Agreement and (b) the exercise of any right or remedy by the Security Agent hereunder is subject to the limitations and provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and the terms of this Agreement, the terms of the Intercreditor Agreement shall govern.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

GRANTORS:

KURT GEIGER LIMITED,

a private limited company incorporated in England
with company number 00968046

By: 

Name: Neil Clifford

Title: ceo

KURT GEIGER USA, INC.,

a Delaware corporation


By: 

Name: Neil Clifford

Title: ceo

SECURITY AGENT:

BLAZE HILL CAPITAL FINANCE LIMITED

By: 
Name: Tom Weedall
Title: Managing Director

ACKNOWLEDGMENT

Each of the undersigned (each an “Issuer”), hereby (a) acknowledges and consents to the assignment by each Grantor, of its right, title and interest in, to and under, respectively, each of its organizational documents pursuant to the terms of that certain U.S. Pledge and Security Agreement, dated as of June 2, 2023 (the “Security Agreement”; all capitalized terms used but not defined herein shall have the meanings set forth in the Security Agreement), among the Grantors party thereto from time to time and Blaze Hill Capital Finance Limited, as Security Agent, (b) confirms that it has reviewed the Security Agreement and this notice of assignment, (c) agrees to comply with instructions provided by the Security Agent without further consent by the Grantors, and (d) agrees that the pledge by the Grantors pursuant to the Security Agreement, and any transfer of the Pledged Securities to the Security Agent upon the exercise of its rights under the Security Agreement, shall be, and hereby are, expressly permitted for purposes of its organizational documents.

[SIGNATURE PAGE FOLLOWS]

ISSUER:

KURT GEIGER USA, INC.,

a Delaware corporation

By: _____



Name: Neil Clifford

Title: Ceo

SCHEDULE 3.05

Commercial Tort Claims

None.

Schedule 3.05 to U.S. Pledge and Security Agreement

167759.01000/131789314v.5

SCHEDULE 3.06

Instruments and Chattel Paper

None.

SCHEDULE 3.07

Deposit Accounts, Securities Accounts and Commodity Accounts

DEPOSIT ACCOUNTS

IBAN/ Account Number	Bank	Bank Country	Entity Name	Bank Address
██████7401	First American Bank	USA	Kurt Geiger USA, Inc.	1650 Louis Avenue, Elk Grove Village, IL

SECURITIES ACCOUNTS

None.

COMMODITY ACCOUNTS

None.

SCHEDULE 3.08

Electronic Chattel Paper and Transferable Records

None.

SCHEDULE 3.09

Intellectual Property

PATENTS AND PATENT APPLICATIONS

None.

TRADEMARKS AND TRADEMARK APPLICATIONS

None.

COPYRIGHTS:

None.

SCHEDULE 3.10**Pledged Securities**

COMMON STOCK

<u>Issuer</u>	<u>Record Owner/Grantor</u>	<u>Class of Equity Interests</u>	<u>Certificate No.</u>	<u>Number of Equity Interests held by Grantor</u>	<u>Number of Issued and Outstanding Equity Interests</u>	<u>Percentage of Equity Interests held by Grantor</u>
Kurt Geiger USA, Inc.	Kurt Geiger Limited	Common stock	2	1,000	1,000	100%

SCHEDULE 3.11

Grantor Information

A. Exact legal name, state or country of organization or incorporation, type of organization, location of chief executive office, registered address or sole place of business, federal employer identification number and organizational identification number or company number of each Grantor

GRANTOR (exact legal name)	TYPE OF ORGANIZATION	STATE / COUNTRY OF ORGANIZATION/ INCORPORATION	FEDERAL EMPLOYER ID NUMBER	CHIEF EXECUTIVE OFFICE / REGISTERED OFFICE / SOLE PLACE OF BUSINESS	ORGANIZATIONAL ID NUMBER / COMPANY NUMBER
Kurt Geiger Limited	Private limited company	England	N/A	24 Britton Street, London, EC1M 5UA	00968046
Kurt Geiger USA, Inc.	Corporation	Delaware, USA	36-4898353	Corporation Service Company 251 Little Falls Drive, Wilmington, New Castle, Delaware 19808	6619231

B. Other names (including trade names and fictitious business names) under which each Grantor has done business for the past five (5) years:

None.

C. Changes in name, jurisdiction of organization or incorporation, type of organization, organizational identification number or company number, federal employer identification number, chief executive office, registered address or sole place of business, or corporate or organizational structure:

None.

D. Security agreements pursuant to which any Grantor is bound as a debtor within the past five (5) years:

None.