



**Registration of a Charge**

Company name: **USI PLUMBING LIMITED**

Company number: **03681531**



X86XGM56

Received for Electronic Filing: **04/06/2019**

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**Details of Charge**

Date of creation: **31/05/2019**

Charge code: **0368 1531 0002**

Persons entitled: **BANK OF AMERICA, N.A.**

Brief description: **LAND SEE CLAUSE 3.1(A) OF THE DEBENTURE, WHICH STATES THAT THERE WILL BE A FIRST LEGAL MORTGAGE OVER ALL PRESENT AND FUTURE REAL PROPERTY (AS DEFINED IN THE DEBENTURE) AND CLAUSE 3.1(B)(I), WHICH CREATES A FIXED CHARGE OVER ALL PRESENT AND FUTURE INTERESTS IN REAL PROPERTY. INTELLECTUAL PROPERTY SEE CLAUSE 3.1(B)(V) OF THE DEBENTURE WHICH CREATES A FIXED CHARGE OVER ALL INTELLECTUAL PROPERTY (AS DEFINED IN THE DEBENTURE), INCLUDING ANY MATERIAL PATENTS, TRADEMARKS, BUSINESS NAMES, COPYRIGHTS, DESIGN RIGHTS AND DESIGNS, WHETHER REGISTERED OR UNREGISTERED, AND THE BENEFIT OF ALL APPLICATIONS AND RIGHTS TO USE SUCH ASSETS.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

## 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: **NORTON ROSE FULBRIGHT LLP**



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

Company number: 3681531

Charge code: 0368 1531 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st May 2019 and created by USI PLUMBING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th June 2019 .

Given at Companies House, Cardiff on 5th June 2019

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Confidential

Execution version

Dated 31 May 2019

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The Companies listed in Schedule 1  
as Chargors

and

BANK OF AMERICA, N.A.  
as Collateral Agent

## GUARANTEE AND DEBENTURE

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

Sign & Dated 4/6/19

 **NORTON ROSE FULBRIGHT**

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**THIS DEBENTURE is dated** 31 May 2019 and made between:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Chargors*) (each a **Chargor** and together the **Chargors**); and
- (2) **BANK OF AMERICA, N.A.**, not in its individual capacity but as security trustee for itself and the other Secured Parties (the **Collateral Agent**).

## **BACKGROUND**

- (A) It is a condition under the Loan Agreement that the Chargors enter into this Agreement.
- (B) The board of directors of each Chargor is satisfied that entering into this Agreement is for the purposes and commercial benefit of that Chargor and its business.
- (C) It is intended that this document take effect as a deed notwithstanding the fact that a party may only execute this document under hand.
- (D) The Collateral Agent holds the benefit of this Agreement for the benefit of the Secured Parties on the terms of the Loan Documents.

**IT IS AGREED** as follows:

## **1 Definitions and Interpretation**

### **1.1 Definitions**

In this Agreement, words and expressions shall (unless otherwise expressly defined in this Agreement) have the meaning given to them in the Loan Agreement and:

**Accounts** means any account opened or maintained by the Chargors with any bank or financial institution or any other person (and any replacement account or subdivision or subaccount of that account) including but not limited to the accounts set out in Schedule 3 (*Accounts*), the debt or debts represented thereby and all Related Rights.

**Assigned Agreements** means (i) the Intra-Group Loans and (ii) any other agreement designated as a Assigned Agreement by the Chargors and the Collateral Agent.

**Book Debts** means all book and other debts of any nature, and all other rights to receive money, now or in the future due, owing or payable to the Chargors and the benefit of all related negotiable instruments, rights, security, guarantees and indemnities of any kind and all Related Rights.

**Business Technical Information** means drawings, manufacturing data, material and process specifications, quality assurance records, test procedures and results, research and development reports, computer programs and algorithms, user, operating and maintenance manuals and other technical information in tangible form used by a Chargor for the purposes of designing, developing, manufacturing, repairing and maintaining and/or marketing and selling its products or any Tangible Moveable Property used in connection therewith and all Related Rights.

**Charged Property** means all the assets and undertakings of the Chargors which from time to time are the subject of the security created or expressed to be created in favour of the Collateral Agent by or pursuant to this Agreement or after the date of this Agreement by executing a Security Accession Deed (and references to the Charged Property shall include references to any part of it).

**Collateral Rights** means all rights, powers and remedies of the Collateral Agent provided by or pursuant to this Agreement or by law.

**Delegate** means any delegate, agent, attorney or co-trustee appointed by the Collateral Agent.

**Excluded Assets** means the Excluded Assets as defined in the US Security Agreement (which such term shall apply *mutatis mutandis* to the Chargors under this Agreement), together with all other property and assets of the Chargors over which no Lien is required to be created pursuant to the terms of Section 6.10 of the Loan Agreement.

**Insurance Policy** means any policy of insurance (including all rights of recovery and all proceeds of them) in which the Chargors may from time to time either now or in the future have an interest, all moneys payable and paid to the Chargors under or in respect of any such policy and all Related Rights), including but not limited to any policy of insurance listed in Schedule 5 (*Insurance Policies*) or in any Security Accession Deed, but excluding any third party liability or public liability insurance and any directors and officers insurance.

**Intellectual Property** means any material patents, trademarks, business names, copyrights, design rights and designs, whether registered or unregistered, the benefit of all applications and rights to use such assets including but not limited to the intellectual property rights (if any) listed in Schedule 7 (*Intellectual Property*) or in any Security Accession Deed and all Related Rights.

**Intercreditor Agreement** means the ABL/Term Loan Intercreditor Agreement as defined in the Loan Agreement.

**Intra-Group Loans** means any intercompany loan to which a Chargor is a lender including but not limited to the loans (if any) listed in Schedule 4 (*Intra-Group Loans*) or in any relevant Security Accession Deed, and any other loan designated as an Intra-Group Loan by the Chargors and the Collateral Agent and all Related Rights.

**Investments** means:

- (a) all present and future stocks, shares, loan capital, debentures, bonds, investments, securities and certificates of deposit;
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in paragraphs (a) and (b) above,

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

**Loan Agreement** means the Credit Agreement dated as of February 25, 2019 between, among others, the Collateral Agent and Jacuzzi Holdings LLC as Holdings (as defined therein).

**Material Leased Property** means any leased location of (a) any office in which any Loan Party maintains original books or records relating to material Collateral owned by it or (b) any office or facility at which Term Loan Priority Collateral (as defined in the Intercreditor Agreement) with value in excess of \$1,000,000 is located.

**Party** means a party to this Agreement.

**Real Property** means:

- (a) any freehold, heritable, leasehold or immovable property (including but not limited to the freehold and leasehold property in England and Wales specified in Schedule 2 (*Details of Real Property*) or in any Security Accession Deed);
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property; and



- (c) all Related Rights.

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

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

- (a) the proceeds of sale of all or any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, consents, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset;
- (d) any moneys and proceeds paid or payable in respect of that asset; and
- (e) all dividends, distributions, interest and/or other income paid or payable in relation to that asset (including on any Investment), together with all shares or other property derived from that asset and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that asset (whether by way of conversion, redemption, bonus, preference, option or otherwise).

**Secured Liabilities** has the meaning given to the term Obligations in the Loan Agreement, except for any obligation or liability which, if it were so included, would result in this Deed contravening any law (including, without limitation, sections 678 and 679 Companies Act 2006).

**Secured Parties** means the Collateral Agent, any Receiver or Delegate and each of the Administrative Agent and the Lenders.

**Security Accession Deed** means a deed executed by any company substantially in the form set out in Schedule 14 (*Form of Security Accession Deed*).

**Security Period** means the period beginning on the date of this Agreement and ending on the date the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding, in each case, as determined by the Collateral Agent.

**Shares** means all shares held by, to the order of or on behalf of the Chargors in their Subsidiaries including but not limited to the shares listed in Schedule 6 (*Shares*) or in any Security Accession Deed at any time and any Related Rights.

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

**US Security Agreement** means the U.S. Guarantee and Collateral Agreement dated as of February 25, 2019 between, among others, the Collateral Agent and Jacuzzi Holdings LLC as Grantor (as defined therein).

## 1.2 Interpretation

- (a) In this Agreement:
  - (i) the rules of interpretation contained in section 1.02 (*Terms Generally*) of the Loan Agreement shall apply to the construction of this Agreement, mutatis mutandis;
  - (ii) any reference to the **Collateral Agent**, a **Chargor**, any **Secured Party**, any **Party** or a **Lender** or any other person shall be construed so as to include its or their

(and any subsequent) successors (including by way of amalgamation, if applicable) and any permitted assignees and transferees in accordance with their respective interests;

- (iii) this **Agreement** includes any Security Accession Deed;
  - (iv) a **Loan Document** or any other agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended, restated or replaced; and
  - (v) references in this Agreement to any Clause or Schedule shall be to a clause or schedule contained in this Agreement.
- (b) The terms of the documents under which the Secured Liabilities arise and of any side letters between any Chargor and any Secured Party relating to the Secured Liabilities are incorporated in this Agreement to the extent required for any purported disposition of any Real Property contained in this Agreement to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (c) The Parties intend that this document shall take effect as a deed, notwithstanding the fact that a party may only execute it under hand.

### **1.3 Third party rights**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement other than the Secured Parties with respect to Clause 33 (*Jurisdiction*).

### **1.4 Designation**

This Agreement is a Loan Document for the purposes of the Loan Agreement.

### **1.5 Loan Agreement and Intercreditor Agreement**

The provisions of this Agreement are without prejudice to the provisions of the Loan Agreement and the Intercreditor Agreement. In the case of any inconsistencies between the provisions of this Agreement and the provisions of the Loan Agreement or the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail and in the case of any inconsistencies between the provisions of this Agreement and the provisions of the Loan Agreement, the provisions of the Loan Agreement shall prevail.

### **1.6 Incorporation by reference**

Unless the context otherwise requires or unless otherwise defined in this Agreement, words and expressions defined in the Loan Agreement have the same meanings when used in this Agreement.

## **2 Payment of Secured Liabilities**

Each Chargor shall, on demand, pay to the Collateral Agent (for the benefit of itself and the other Secured Parties) and discharge the Secured Liabilities as and when they fall due.

## **3 Charging provisions**

### **3.1 Fixed Charges**

As continuing security for the payment and discharge of the Secured Liabilities, each Chargor, charges in favour of the Collateral Agent with full title guarantee all of its right, title and interest

in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights:

- (a) by way of first legal mortgage, all Real Property; and
- (b) by way of fixed charge:
  - (i) all other interests (not effectively mortgaged under paragraph (a) above) in any Real Property;
  - (ii) the Shares;
  - (iii) the Tangible Moveable Property;
  - (iv) the Accounts and all monies (including any interest and other sums accruing thereon), standing to the credit of the Accounts;
  - (v) the Intellectual Property;
  - (vi) all present and future goodwill and rights in relation to its uncalled capital;
  - (vii) the Investments (other than the Shares);
  - (viii) all Book Debts;
  - (ix) any Insurance Policy;
  - (x) any beneficial interest, claim or entitlement it has to any assets of any pension fund (to the extent permitted by law);
  - (xi) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable to it in connection therewith;
  - (xii) any letter of credit issued in its favour;
  - (xiii) any bill of exchange or other negotiable instrument held by it;
  - (xiv) all permissions of whatsoever nature and whether statutory or otherwise, held in connection with the Real Property and the right to recover and receive all compensation which may be payable to it in connection therewith; and
  - (xv) to the extent not otherwise effectively charged or assigned in this Agreement, all of its rights, title and interest in (and proceeds and claims under):
    - (A) the Assigned Agreements; and
    - (B) the Insurance Policies.

### **3.2 Security Assignment**

As further security for the payment and discharge of the Secured Liabilities, each Chargor assigns by way of security with full title guarantee in favour of the Collateral Agent all its right, title and interest in the Assigned Agreements and the Insurance Policies, both present and future, and all Related Rights, provided that after the end of the Security Period, the Collateral Agent will at the request and cost of the Chargors re-assign the relevant rights, title and interest in the assigned assets to the relevant Chargor (or as it shall direct) in a manner satisfactory to such Chargor (acting reasonably).

### **3.3 Fixed Security**

Clause 3.1 (*Fixed Charges*) and Clause 3.2 (*Security Assignment*) shall be construed as creating a separate and distinct mortgage, fixed charge or security assignment over each relevant asset within any particular class of assets specified in this Agreement. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

### **3.4 Floating charge**

- (a) Each Chargor charges with full title guarantee in favour of the Collateral Agent for the benefit of the Secured Parties as continuing security for the payment and discharge of the Secured Liabilities by way of floating charge all its present and future assets, property, rights and undertakings.
- (b) The floating charge created pursuant to paragraph (a) above shall be deferred in point of priority to all fixed security validly and effectively created by each Chargor under the Loan Documents in favour of the Collateral Agent for the benefit of the Secured Parties as security for the Secured Liabilities.
- (c) Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.4 and the Collateral Agent may at any time after an Event of Default which is continuing appoint an administrator of a Chargor pursuant to that paragraph.

### **3.5 Crystallisation of Floating Charge**

The Collateral Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.4 (*Floating Charge*) with immediate effect into a fixed charge as regards to any of the assets owned by each Chargor specified in the notice if:

- (a) an Event of Default has occurred and is continuing;
- (b) the Collateral Agent reasonably considers that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- (c) the Collateral Agent reasonably considers that it is necessary in order to protect the priority of the security.

### **3.6 Automatic Conversion of Floating Charge**

The floating charge created under this Agreement will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) a Chargor creates or attempts to create any security (other than any security permitted under the Loan Agreement) over all or any of the Charged Property (provided that, where the Chargor creates or attempts to create any such security over part of the Charged Property, only the floating charge over that part of the Charged Property shall so be converted);
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property (provided that only the floating charge over that relevant part of the Charged Property shall so be converted);
- (c) a winding-up petition is presented, a resolution is passed or an order is made for the winding up, dissolution, administration or re-organisation of a Chargor (which, in the case of a winding-up petition, is not discharged within 14 days of the date on which the winding-up petition is presented) or an administrator is appointed to a Chargor; or

- (d) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to a Chargor or files such a notice with the court.

### **3.7 Excluded Assets**

- (a) There shall be excluded from the charge or assignment created by Clause 3.1 (*Fixed Charges*) or Clause 3.2 (*Security Assignment*) and from the operation of Clause 4 (*Further Assurance*) any Excluded Asset of each Chargor.
- (b) No representation, warranty, covenant or undertaking in this Agreement shall include, extend or relate to, an Excluded Asset.

## **4 Further Assurance**

### **4.1 General**

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) below.
- (b) Each Chargor shall promptly at their own cost do all such acts, execute or procure the execution of all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Collateral Agent may reasonably specify (and in such form as the Collateral Agent may reasonably require in favour of the Collateral Agent or its nominee(s)):
  - (i) to perfect the security created or intended to be created in respect of the Charged Property or for the exercise of the Collateral Rights;
  - (ii) to confer on the Collateral Agent security over any property and assets of the relevant Chargor located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Agreement; and/or
  - (iii) to facilitate the realisation of the Charged Property or the exercise of any rights vested in the Collateral Agent.

### **4.2 Necessary action**

Each Chargor shall promptly take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Collateral Agent by or pursuant to this Agreement.

### **4.3 Implied covenants for title**

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

## **5 Negative Pledge**

No Chargor may:

- (a) create or permit to subsist any security over all or any part of the Charged Property;
- (b) sell, transfer, lease out, lend or otherwise dispose of all or any part of the Charged Property (other than in respect of assets charged under Clause 3.4 (*Floating Charge*) on arm's length terms in the ordinary course of trading) or the right to receive or to be paid the proceeds arising on the disposal of the same; or

- (c) dispose of the equity of redemption in respect of all or any part of the Charged Property, except as permitted by the Loan Agreement or with the prior consent of the Collateral Agent.

## **6 Representations and warranties**

### **6.1 General**

The representations and warranties set out in this Clause 6, Clause 8.1 (*Shares and Investments representation*), Clause 8.2 (*PSC Register representation*), Clause 11.1 (*Real property representation*) and Clause 13.1 (*Assigned Agreements representation*) are made by the Chargors to the Collateral Agent as trustee for the Secured Parties:

- (a) on the date of this Agreement;
- (b) are deemed to be made by a Chargor which becomes a party to this Agreement on the date on which that Chargor becomes a Chargor; and
- (c) are deemed to be repeated by the Chargors on each date on which any of the representations and warranties set out in the Loan Agreement are repeated, with reference to the facts and circumstances then existing.

### **6.2 Ownership of Charged Property**

Each Chargor is the sole legal and beneficial owner of the Charged Property and other than as permitted under the Loan Agreement, the Charged Property is free from all Liens.

### **6.3 Accuracy of Schedules**

The information set out in each of the Schedules is true, complete and accurate in all material respects to the best of the knowledge of each Chargor (after due and careful enquiry) as of the date of this Agreement.

## **7 Undertakings**

### **7.1 Information and Access regarding Charged Property**

- (a) Each Chargor warrants, covenants and agrees with the Collateral Agent that during the Security Period, except as permitted by the Loan Agreement or with the prior consent of the Collateral Agent, each Chargor will not effect any change:
  - (i) in its legal name;
  - (ii) in the location of its registered office;
  - (iii) in its identity or organisational structure;
  - (iv) in its company registration number; or
  - (v) in its jurisdiction of incorporation (in each case, including by merging with or into any other entity, reorganising, dissolving, liquidating, reorganising or organising in any other jurisdiction),

in each case, until:

- (A) it shall have given the Collateral Agent not less than 15 days' prior written notice, or such lesser notice period agreed to by the Collateral Agent, of its intention so to do, clearly describing such change and providing such other

information in connection therewith as the Collateral Agent may reasonably request; and

- (B) it shall have taken all action reasonably satisfactory to the Collateral Agent to maintain the perfection and priority of the security interest of the Collateral Agent for the benefit of the Secured Parties in the Charged Property, if applicable.
- (b) Each Chargor agrees to promptly notify the Collateral Agent of any change in the location of Material Leased Properties.
- (c) Each Chargor shall use commercially reasonable efforts to deliver:
  - (i) with respect to all Material Leased Properties leased as of the date of this Agreement, by no later than the date falling 30 days after the date of this Agreement, all collateral access agreements or landlord waivers in form and substance reasonably satisfactory to the Collateral Agent; and
  - (ii) with respect to any Material Leased Property leased after the date of this Agreement, within 90 days after the date such lease is entered into, a collateral access agreement or landlord waiver with respect to such Material Leased Property.

## **8 Shares and Investments**

### **8.1 Shares and Investments representation**

- (a) Each Chargor is the legal and beneficial owner of the Shares charged by it hereunder and all of those Shares are fully paid.
- (b) Each Chargor's Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right and no calls have been made in respect thereof and remain unpaid and the terms of the Shares and of the Memorandum and Articles of Association of the issuer of such Shares do not restrict or otherwise limit each Chargor's right to transfer or charge such Shares.

### **8.2 PSC Register representation**

- (a) No Chargor has issued or presently intends to issue any warning notice or restrictions notice under schedule 1B of the Companies Act 2006 in respect of any Shares which constitute Charged Property.
- (b) Each Chargor has complied within the relevant timeframe with any warning notice or restrictions notice it has received pursuant to schedule 1B of the Companies Act 2006 in respect of any Shares which constitute Charged Property.
- (c) Each Chargor has delivered to the Collateral Agent a copy of the "PSC register" (within the meaning of section 790C(10) of the Companies Act 2006) in respect of each company incorporated in the United Kingdom whose Shares form part of the Charged Property under this Agreement and such copy of that PSC register:
  - (i) is correct, complete and in full force and effect; and
  - (ii) has not been amended or superseded since that date.

### **8.3 Delivery of share certificates**

Each Chargor shall (as applicable):

- (a) on the date of this Agreement, deposit with the Collateral Agent (or procure the deposit of) all certificates or other documents of title to the Shares held by it, and stock transfer forms or other instruments of transfer (executed in blank by or on behalf of the relevant Chargor and undated) and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered; and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares in which it has an interest, notify the Collateral Agent of that occurrence and procure the delivery within 5 Business Days, to the Collateral Agent of (i) all certificates or other documents of title representing such items and (ii) such stock transfer forms or other instruments of transfer (executed in blank on behalf of the relevant Chargor and undated) and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered in respect thereof as the Collateral Agent may reasonably request.
- (c) Until the Discharge of Priority Term Debt (as defined in the Intercreditor Agreement), deposit of certificates and other documents of title to any Shares and any related instruments of transfer by any Chargor with the Term Loan Agent shall satisfy all obligations of such Chargor under this Clause 8.3.

### **8.4 Shares: before Event of Default which is continuing**

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

- (a) exercise all voting rights in relation to the Shares provided that the relevant Chargor shall not exercise such voting rights in any manner which would prejudice the validity or enforceability of the security created by this Agreement or the interest of the Lenders under any Finance Document or cause an Event of Default to occur; and
- (b) receive and retain all dividends, distributions and other monies arising from the Shares.

### **8.5 Shares: after Event of Default which is continuing**

Upon the occurrence of an Event of Default which is continuing, the Collateral Agent may, at its discretion (in the name of the relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor), or may direct a Chargor (and that Chargor shall, and shall procure that it or its nominees shall, comply with such direction) to:

- (a) exercise (or refrain from exercising) any voting rights in respect of the Shares;
- (b) pay all dividends, interest and other moneys arising from the Shares to the Collateral Agent for application in accordance with Clause 18 (*Powers of Receiver*);
- (c) transfer the Shares into the name of such nominee(s) of the Collateral Agent as it shall require; and
- (d) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares,

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



## **8.6 Investments: delivery of documents of title**

- (a) After the occurrence of an Event of Default which is continuing, the relevant Chargor shall promptly on the request of the Collateral Agent, deliver (or procure delivery) to the Collateral Agent, and the Collateral Agent shall be entitled to retain, all of the Investments and any certificates and other documents of title representing the Investments to which the relevant Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Collateral Agent may reasonably request (in such form and executed as the Collateral Agent may reasonably require) with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).
- (b) At any time when any Investments are registered in the name of the Collateral Agent or its nominee, the Collateral Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Investments.
- (c) Until the Discharge of Priority Term Debt (as defined in the Intercreditor Agreement), deposit of Investments or any certificates and other documents of title with respect thereto and any related instruments of transfer by any Chargor with the Term Loan Agent shall satisfy all obligations of such Chargor under this Clause 8.6.

## **8.7 Investments: exercise of rights**

Each Chargor shall not exercise any of its rights and powers in relation to any of the Investments in any manner which would prejudice the validity or enforceability of the security created by this Agreement, or the interests of the Lenders under the Finance Documents or cause an Event of Default.

## **8.8 Calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Shares.

## **8.9 Tangible Moveable Property**

Each Chargor will maintain, preserve and protect all of its Tangible Moveable Property which is necessary for or material to the conduct of its business and will keep such Tangible Moveable Property in good repair, working order and condition (other than wear and tear occurring in the ordinary course of its business) and from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times; provided that nothing in this Clause 8.9 shall prevent sales of Tangible Moveable Property permitted by the Loan Agreement and effected under and in accordance with the terms of the Finance Documents.

# **9 Accounts**

## **9.1 Notices of charge**

Each Chargor will within 5 Business Days of the date of this Agreement (or following the designation of an Account after the date of this Agreement, within 5 Business Days):

- (a) give notice (substantially in the form set out in Schedule 8 (*Form of Notice of Charge of Accounts*)) to each institution with which it holds any Account (each an **Account Bank**),

of the charges created by this Agreement over those accounts and provide evidence satisfactory to the Collateral Agent (acting reasonably) of the delivery of that notice; and

- (b) use reasonable endeavours to procure that each Account Bank acknowledges that notice by delivering an acknowledgement to the Collateral Agent within 20 Business Days of service (provided that, if the relevant Chargor has used reasonable endeavours for such 20 Business Day period, its obligation to procure an acknowledgement from each Account Bank shall cease on the expiry of such 20 Business Day period).

## **9.2 Accounts: operation before Event of Default which is continuing**

Each Chargor shall, prior to the occurrence of an Event of Default which is continuing, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account subject to the terms of the Loan Agreement.

## **9.3 Accounts: operation after Event of Default which is continuing**

After the occurrence of an Event of Default which is continuing, each Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Collateral Agent.

## **9.4 Accounts: application of proceeds**

Upon the occurrence of an Event of Default which is continuing, the Collateral Agent shall be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 18 (*Powers of Receiver*).

# **10 Book Debts**

## **10.1 Release of Book Debt proceeds: before Event of Default which is continuing**

Prior to the occurrence of an Event of Default which is continuing, the proceeds of the realisation of the Book Debts shall (subject to any restriction on the application of such proceeds contained in this Agreement or in the Loan Agreement), upon such proceeds being credited to an Account be released from the fixed charge created pursuant to Clause 3.1 (*Fixed Charges*) and the relevant Chargor shall be entitled to withdraw such proceeds from such an Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to Clause 3.4 (*Floating charge*) and the terms of this Agreement.

## **10.2 Release of Book Debt proceeds: after Event of Default which is continuing**

After the occurrence of an Event of Default which is continuing, each Chargor shall not, except with the prior written consent of the Collateral Agent, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Book Debt proceeds standing to the credit of an Account.

# **11 Real Property**

## **11.1 Delivery of title deeds**

- (a) Each Chargor shall upon the execution of this Agreement (if applicable), and promptly upon the acquisition by the relevant Chargor of any interest by it in any Real Property, deliver (or procure delivery) to the Collateral Agent of, and the Collateral Agent shall be entitled to hold and retain, all deeds, certificates and other documents constituting or evidencing title relating to such property.
- (b) Until the Discharge of Priority Term Debt (as defined in the Intercreditor Agreement), deposit of deeds, certificates and other documents constituting or evidencing title relating

to any Real Property by any Chargor with the Term Loan Agent shall satisfy all obligations of such Chargor under this Clause 11.1.

## **11.2 Application to HM Land Registry**

Each Chargor consents to an application being made to enter a restriction on the Register of Title of any registered land at any time forming part of any Real Property located in England and Wales on the prescribed Land Registry form and in the following or substantially similar terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a consent signed by the proprietor for the time being of the charge dated [●] in favour of [●] as Collateral Agent referred to in the charges register".

## **11.3 Note of mortgage**

In the case of any Real Property, title to which is or will be registered under the Land Registration Act 2002, acquired by or on behalf of a Chargor after the execution of this Agreement, the relevant Chargor shall promptly notify the Collateral Agent of the title number(s) and, contemporaneously with the making of an application to HM Land Registry for the registration of the relevant Chargor as the registered proprietor of such property, make an application to HM Land Registry to enter into an agreed notice (Form AN1) of any mortgage on the charges register of such property.

# **12 Intellectual Property**

## **12.1 Intellectual Property Acquisitions**

Each Chargor shall promptly provide the Collateral Agent with details of all Registered Intellectual Property (including applications for registration) granted, assigned or transferred to, or filed by or on behalf of, a Chargor at any time on or after the date of this Agreement.

## **12.2 Perfection of Intellectual Property Security**

Each Chargor appoints the Collateral Agent as its agent to apply for the Secured Parties' interest in the relevant Chargor's Intellectual Property to be recorded on any of the following registers, in the Collateral Agent's discretion:

- (a) the relevant Intellectual Property register of the UK Intellectual Property Office;
- (b) the relevant Intellectual Property register of the EU Office of Harmonization for the Internal Market; and/or
- (c) all other national, regional and international Intellectual Property registers.

## **12.3 Maintenance**

Unless permitted under the Loan Agreement, no Chargor will, without the prior written consent of the Collateral Agent sell, assign, transfer, mortgage, grant any exclusive licences or any irrevocable or perpetual non-exclusive licences or otherwise dispose of or encumber all or any part of its Intellectual Property, or amend any Intellectual Property or permit any Intellectual Property to be abandoned or cancelled, to lapse or to be liable to any claim or revocation for non-use or otherwise (except in the course of its business where the Intellectual Property is no longer material to the business of any of the Chargors).

## **13 Assigned Agreements**

### **13.1 Assigned Agreements representation**

The Assigned Agreements falling within paragraph (b) of the definition thereof are in full force and effect and, to the actual knowledge of the Chargors, no material default currently exists thereunder.

### **13.2 Preservation**

No Chargor may, without the prior written consent of the Collateral Agent or unless permitted by the Loan Agreement take any action which might jeopardise the existence or enforceability of any of its Assigned Agreements falling within paragraph (b) of the definition thereof.

### **13.3 Perfection of Assigned Agreements Security**

In respect of Assigned Agreements (other than the Insurance Policies), each Chargor will within 5 Business Days of the date of this Agreement (or, in respect of any Assigned Agreements entered into after the date of this Agreement, within 5 Business Days):

- (a) give notice (substantially in the form set out in the relevant part of Schedule 10 (*Form of Notice of Assignment of Assigned Agreements*)) to the other parties to the Assigned Agreements of the security created by this Agreement over its interest therein and provide evidence satisfactory to the Collateral Agent (acting reasonably) of the delivery of that notice; and
- (b) use reasonable endeavours to procure that each counterparty promptly acknowledges that notice by delivering an acknowledgement to the Collateral Agent within 20 Business Days of service (provided that, if the relevant Chargor has used reasonable endeavours for such 20 Business Day period, its obligation to procure an acknowledgement from each counterparty shall cease on the expiry of such 20 Business Day period).

## **14 Insurance Policies**

### **14.1 Insurance Policies Undertakings**

Each Chargor shall at all times during the Security Period subject to the rights of the Collateral Agent under Clause 14.2 (*After Event of Default which is continuing*), diligently pursue its rights under each of its Insurance Policies, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default under the terms of the Loan Agreement.

### **14.2 After Event of Default which is continuing**

After the occurrence of an Event of Default which is continuing:

- (a) the Collateral Agent may exercise (without any further consent or authority on the part of a Chargor and irrespective of any direction given by such Chargor) any of the rights of a Chargor in connection with amounts payable to it under any of its Insurance Policies;
- (b) each Chargor must take such steps (at its own cost) as the Collateral Agent may require to enforce those rights; this includes initiating and pursuing legal or arbitration proceedings in the name of that Chargor; and
- (c) each Chargor must hold any payment received by it under any of its Insurance Policies on trust for the Collateral Agent.

#### **14.3 Perfection of Insurance Policy Security**

- (a) In respect of the Insurance Policies, each Chargor will within 5 Business Days of the date of this Agreement (or, in respect of any Insurance Policies entered into after the date of this Agreement, within 5 Business Days):
  - (i) give notice (substantially in the form set out in the relevant part of Schedule 12 (*Form of Notice of Assignment of Insurance*)) to the other parties to the Insurance Policies of the security created by this Agreement over its interest therein and provide evidence satisfactory to the Collateral Agent (acting reasonably) of the delivery of that notice, and
  - (ii) use commercially reasonable endeavours to procure that each counterparty promptly acknowledges that notice within 20 Business Days of service by countersigning a copy of it and delivering that copy to the Collateral Agent (provided that, if the relevant Chargor has used commercially reasonable endeavours for such 20 Business Day period, its obligation to procure an acknowledgement from each counterparty shall cease on the expiry of such 20 Business Day period).
- (b) Each Chargor will, promptly following request by the Collateral Agent, deposit with the Collateral Agent (or as it shall direct) all policy documents relating to the Insurance Policies. Until the Discharge of Priority Term Debt (as defined in the Intercreditor Agreement), deposit of policy documents relating to any Insurance Policies by any Chargor with the Term Loan Agent shall satisfy all obligations of such Chargor under this Clause 14.3.

### **15 Enforcement of Security**

#### **15.1 Enforcement**

At any time after the occurrence of an Event of Default which is continuing, the security created by or pursuant to this Agreement is immediately enforceable and the Collateral Agent may, without notice to the Chargors or prior authorisation from any court, in its absolute discretion:

- (a) enforce all or any part of the security created by or pursuant to this Agreement (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property;
- (b) by notice to the relevant Chargor, end the relevant Chargor's right to possession of all or any Real Property forming part of the Charged Property; or
- (c) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on mortgagees and by this Agreement on any Receiver or otherwise conferred by law on mortgagees or receivers.

#### **15.2 No Liability as mortgagee in possession**

Neither the Collateral Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable, unless caused by its or his gross negligence or wilful default under the Loan Documents.

#### **15.3 Right of appropriation**

To the extent that any of the Charged Property constitutes "financial collateral" and this Agreement and the obligations of each Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial

Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the **Regulations**) the Collateral Agent shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Liabilities. For this purpose, the Parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised; and (b) in the case of Investments and/or Shares, the market price of such Investments and/or Shares determined by the Collateral Agent by reference to a public index or by such other process as the Collateral Agent (acting reasonably and in good faith) may select, including independent valuation. In each case, the Parties agree that the method of valuation provided for in this Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations. The Parties further agree that any Charged Property which constitutes financial collateral is delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of the Collateral Agent or a person acting on its behalf.

#### **15.4 Effect of moratorium**

The Collateral Agent shall not be entitled to exercise its rights under Clause 15.1 (*Enforcement*) or Clause 3.4 (*Floating Charge*) where the right arises as a result of an Event of Default which is continuing occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to section 1A of the Insolvency Act 1986.

### **16 Extension and Variation of Statutory Powers**

#### **16.1 Statutory Powers**

The powers conferred on mortgagees, receivers or administrative receivers by statute shall apply to the security created by this Agreement, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers conferred by statute and those contained in this Agreement, those contained in this Agreement shall prevail.

#### **16.2 Extension of powers**

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

#### **16.3 Restrictions**

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by the Collateral Agent of its right to consolidate all or any of the security created by or pursuant to this Agreement with any other security in existence at any time or to its power of sale, which powers may be exercised by the Collateral Agent without notice to the Chargors on or at any time after the occurrence of an Event of Default which is continuing.

#### **16.4 Power of leasing**

The statutory powers of leasing may be exercised by the Collateral Agent at any time on or after the occurrence of an Event of Default which is continuing and the Collateral Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925.

## **17 Appointment of Receiver or Administrator**

### **17.1 Appointment and removal**

At any time after the occurrence of an Event of Default which is continuing, the Collateral Agent may by deed or otherwise immediately or at any time thereafter without prior notice to the Chargors:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property (save to the extent prohibited by section 72A of the Insolvency Act 1986);
- (b) appoint two or more Receivers of separate parts of the Charged Property;
- (c) remove (so far as it is lawfully able and subject to any necessary approval from court) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); or
- (e) appoint one or more persons to be an administrator of the Chargors.

### **17.2 Capacity of receivers**

Each person appointed to be a Receiver pursuant to Clause 17.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of the Chargors which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Collateral Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Collateral Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

### **17.3 Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Collateral Agent under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Collateral Agent in respect of any part of the Charged Property.

## **18 Powers of Receiver**

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

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the relevant Chargor) which seem to the Receiver to be incidental or conducive to (i) any of the functions, powers, authorities or discretions conferred on or vested in him or (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property) or (iii) bringing to his hands any assets of the relevant Chargor forming part of, or which when got in would be, the Charged Property.

## **19 Application of Proceeds**

All amounts from time to time received or recovered by the Collateral Agent, a Receiver or any Delegate pursuant to the terms of this Agreement or in connection with the realisation or enforcement of all or any part of the Charged Property shall be held by the Collateral Agent on trust to apply them in accordance with Section 8.03 of the Loan Agreement or as otherwise provided by the Intercreditor Agreement, in each case to the extent permitted by applicable law.

## **20 Protection of Purchasers**

### **20.1 Consideration**

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

### **20.2 Protection of purchasers**

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

## **21 Power of Attorney**

### **21.1 Appointment and powers**

Each Chargor by way of security, irrevocably and severally appoints the Collateral Agent, any Receiver and any person nominated for the purpose by the Collateral Agent or any Receiver (in writing and signed by an officer of the Collateral Agent or Receiver) to be their attorney (with full power of substitution and delegation) and in their name, on their behalf and as their act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for, following an Event of Default which is continuing or the failure of a Chargor to comply with a written request from the Collateral Agent to that Chargor to perform its obligations in order to achieve the purposes of this Agreement within 10 Business Days of such request:

- (a) carrying out any obligation imposed on each Chargor by this Agreement (including the execution and delivery of any mortgages, deeds, charges, assignments or other security and any transfers of the Charged Property); and/or
- (b) enabling the Collateral Agent and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Agreement or by law (including the exercise of any right of a legal or beneficial owner of the Charged Property).



## **21.2 Ratification**

Each Chargor shall ratify and confirm all things lawfully done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers in accordance with this Agreement.

## **22 Guarantee**

### **22.1 Guarantee and indemnity**

Each Chargor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Secured Party punctual performance of the Secured Liabilities by the Loan Parties;
- (b) undertakes with each Secured Party that whenever a Loan Party does not pay any amount when due under or in connection with any Secured Liabilities, that Chargor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Secured Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Secured Party immediately on demand against any cost, loss or liability it incurs as a result of a Loan Party not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Loan Document on the date when it would have been due. The amount payable by a Chargor under this indemnity will not exceed the amount it would have had to pay under this Clause 22 (*Guarantee*) if the amount claimed had been recoverable on the basis of a guarantee.

### **22.2 Continuing guarantee**

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Loan Party in respect of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

### **22.3 Reinstatement**

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

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

### **22.4 Waiver of defences**

The obligations of each Chargor under this Agreement will not be affected by an act, omission, matter or thing which, but for this Clause 22.4 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to it or the Collateral Agent or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor, any Loan Party or other person;

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

#### **22.5 Chargor intent**

Without prejudice to the generality of Clause 22.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that the guarantee and security created by this Agreement shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Loan Documents and/or any facility or amount made available under any of the Loan Documents for the purposes of or in connection with any of the following:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (i) any fees, costs and/or expenses associated with any of the foregoing.

#### **22.6 Immediate recourse**

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

#### **22.7 Appropriations**

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

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Collateral Agent in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability in respect of the Secured Liabilities.

## **22.8 Deferral of Chargers' rights**

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

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

## **23 Effectiveness of Security**

### **23.1 Continuing security**

- (a) The security created by or pursuant to this Agreement shall remain in full force and effect as a continuing security for the Secured Liabilities until the end of the Security Period or until otherwise terminated or released in accordance with this Agreement.
- (b) No part of the security from time to time intended to be constituted by this Agreement will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

### **23.2 Cumulative rights**

- (a) The security created by or pursuant to this Agreement and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Collateral Agent or any Secured Party may at any time hold for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law.
- (b) No prior security held by the Collateral Agent or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the security created by or pursuant to this Agreement.
- (c) The Collateral Agent, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever.
- (d) The respective powers of the Collateral Agent, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

### **23.3 No prejudice**

The security created by or pursuant to this Agreement and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any

time or indulgence granted to any Chargor or any other person, or the Collateral Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Collateral Agent holds the security or by any other thing which might otherwise prejudice that security or any Collateral Right.

#### **23.4 Amounts avoided**

If any amount paid by a Chargor in respect of the Secured Liabilities is capable of being avoided or set aside on the liquidation or administration of a Chargor or otherwise, then for the purposes of this Agreement that amount shall not be considered to have been paid.

#### **23.5 Remedies and waivers**

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

#### **23.6 No liability**

None of the Collateral Agent, its nominee(s) or any Receiver shall be liable by reason of

- (a) taking any action permitted by this Agreement;
- (b) any neglect or default in connection with the Charged Property; or
- (c) taking possession of or realising all or any part of the Charged Property,

in each case, except in the case of gross negligence or wilful default upon its part.

#### **23.7 Partial Invalidity**

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

#### **23.8 Immediate recourse**

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

### **24 Release of Security**

#### **24.1 Redemption of security**

- (a) After the end of the Security Period, security created by or pursuant to this Agreement shall, subject to Clause 24.2 (*Avoidance of payments*), automatically and immediately terminate and the Collateral Agent shall, at the request and cost of the Chargors and without recourse to, or any representation or warranty by, the Collateral Agent or any of its nominees, expressly release and cancel such security.
- (b) Upon the consummation of any disposition of Charged Property to any third party in accordance with, and pursuant to a transaction permitted by, the terms of the Loan Agreement (a **Permitted Disposal**) and receipt by the Administrative Agent of the net

cash proceeds thereof to the extent required pursuant to the terms of the Loan Agreement, the security created by or pursuant to this Agreement over the Charged Property which is the subject of the Permitted Disposal (the **Disposed Property**) shall, subject to Clause 24.2 (*Avoidance of payments*), automatically and immediately terminate (but shall attach to the proceeds or products thereof constituting Collateral) and the Collateral Agent shall, at the request and cost of the Chargors and without recourse to, or any representation or warranty by, the Collateral Agent or any of its nominees, expressly release and cancel such security over that Disposed Property. For the avoidance of doubt, the security created by or pursuant to this Agreement shall continue in full force and effect in respect of all other Charged Property which has not been released pursuant to the terms of this paragraph (b).

- (c) Upon a release of a Chargor as a Guarantor in accordance with the provisions of the Loan Agreement, such Chargor shall be deemed automatically released from its obligations hereunder and, upon request by or on behalf of such Chargor, the Collateral Agent will promptly, at the sole expense of the Chargor, take any action necessary or desirable to evidence or effect such release as may be reasonably requested by that Chargor.

#### **24.2 Avoidance of payments**

If the Collateral Agent (acting reasonably and in good faith) considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargors under this Agreement and the security created by or pursuant to this Agreement shall continue and such amount shall not be considered to have been irrevocably paid.

#### **25 Set Off**

Upon the occurrence of an Event of Default which is continuing, any Secured Party may set off any matured obligation due from a Chargor under the Loan Documents (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off.

#### **26 Subsequent Security Interests**

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

#### **27 Changes to Parties**

- (a) The Collateral Agent may:
  - (i) assign any of its rights; or
  - (ii) transfer by novation any of its rights and obligations, to any other person, in each case to any other person appointed as a successor Collateral Agent in accordance with the terms of the Loan Agreement.

- (b) No Chargor may assign or transfer all or any of its rights and obligations under this Agreement unless the Collateral Agent has provided its prior written consent.
- (c) Each Chargor consents to the accession to this Agreement of additional Chargors and agrees that any such accession will in no way prejudice the security granted by it, or affect the covenants given by it, in this Agreement.

## **28 Notices**

### **28.1 Notices generally**

Any notice made under or in connection with this Agreement shall be made in accordance with section 10.01 (*Notices: Communications*) of the Loan Agreement.

### **28.2 English language**

All documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by the Party providing the notice, which translation shall be the governing version.

## **29 Discretion and Delegation**

### **29.1 Role of Collateral Agent**

Notwithstanding anything contained herein to the contrary, it is expressly understood and agreed by the parties hereto that this Agreement has been signed by Bank of America, N.A., not in its individual capacity or personally but solely in its capacity as Collateral Agent for the benefit of the Secured Parties, in the exercise of the powers and authority conferred and vested in it under the Loan Documents. The Collateral Agent makes no representations or warranties as to nor assumes any responsibility for the correctness of the recitals contained herein, and the Collateral Agent shall not be responsible or accountable in any way whatsoever for or with respect to the validity, execution or sufficiency of this Agreement in respect of the Chargors and makes no representation with respect thereto. The Collateral Agent will have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto, except that any such income actually received by the Collateral Agent be applied as expressly set forth herein, and the Collateral Agent will not be recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any liens thereon. The powers conferred on the Collateral Agent hereunder are solely to protect the Secured Parties' interest in the Collateral and shall not impose any duty upon it to exercise any such powers (unless otherwise explicitly provided herein).

### **29.2 Collateral Agent as trustee**

The Collateral Agent holds the security created or expressed to be created pursuant to this Agreement and all rights, powers, discretions and remedies vested in Collateral Agent (by the Secured Parties or by law) on trust for the Secured Parties.

### **29.3 Discretion**

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

#### **29.4 Delegation**

Each of the Collateral Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Collateral Agent or the Receiver itself. Neither the Collateral Agent nor any Receiver shall be liable or responsible to the Chargors or any other person for any losses arising from any act, default, omission or misconduct on the part of any delegate.

### **30 Currency**

#### **30.1 Conversion**

All monies received or held by the Collateral Agent or any Receiver under this Agreement may be converted into any other currency which the Collateral Agent considers necessary to discharge any obligations and liabilities comprised in the Secured Liabilities in that other currency at a market rate of exchange then prevailing.

#### **30.2 No Discharge**

No payment to the Collateral Agent (whether under any judgment or court order or otherwise) shall discharge any obligation or liability in respect of which it was made unless and until the Collateral Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Collateral Agent shall have a further separate cause of action in relation to the shortfall and shall be entitled to enforce the security constituted by this Agreement to recover that amount.

### **31 Counterparts**

- (a) This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
- (b) Failure by one or more parties (**Non-Signatories**) to execute this Agreement on the date hereof will not invalidate the provisions of this Agreement as between the other parties who do execute this Agreement. Such Non- Signatories may execute this Agreement on a subsequent date and will thereupon become bound by its provisions.

### **32 Governing Law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

### **33 Jurisdiction**

#### **33.1 English Courts**

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

#### **33.2 Convenient Forum**

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

### **33.3 Exclusive Jurisdiction**

This Clause 33 is for the benefit of the Collateral Agent only. As a result and notwithstanding Clause 33.1 (*English Courts*), it does not prevent the Collateral Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Collateral Agent may take concurrent proceedings in any number of jurisdictions.

**THIS AGREEMENT** has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.



**Schedule 1  
The Chargers**

<b>Chargor</b>	<b>Registered number</b>	<b>Registered address</b>
Jacuzzi Spa and Bath Limited	08295533	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
JBOXUK Limited	08295557	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
JHCUK Limited	08295403	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
UKIH Ltd.	07817674	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
USI Plumbing Limited	03681531	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
USI Mayfair Ltd.	03437807	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
UKIOSH Ltd.	07819302	Old Mill Lane Low Road, Hunslet, Leeds, LS10 1RB
Hydropool Europe Limited	10476744	11 Old Jewry, London, England, EC2R 8DU
Hydropool UK Limited	07750046	11 Old Jewry, London, England, EC2R 8DU

**Schedule 2**  
**Details of Real Property**

None at the date of this Agreement.

### Schedule 3 Accounts

Chargor	Account Bank	Sort Code / IBAN	Account Number
USI Mayfair Ltd.	Bank of America	[REDACTED]	[REDACTED]
Jacuzzi Spa and Bath Limited	National Westminster Bank	[REDACTED]	[REDACTED]
Jacuzzi Spa and Bath Limited	National Westminster Bank	[REDACTED]	[REDACTED]
Jacuzzi Spa and Bath Limited	National Westminster Bank	[REDACTED]	[REDACTED]
Jacuzzi Spa and Bath Limited	National Westminster Bank	[REDACTED]	[REDACTED]
Hydropool UK Limited	NatWest Bank	[REDACTED]	[REDACTED]
Hydropool UK Limited	NatWest Bank	[REDACTED]	[REDACTED]
Hydropool UK Limited	NatWest Bank	[REDACTED]	[REDACTED]
Hydropool UK Limited	NatWest Bank	[REDACTED]	[REDACTED]
Hydropool Europe Limited	Barclays	[REDACTED]	[REDACTED]
Hydropool Europe Limited	Barclays	[REDACTED]	[REDACTED]

**Schedule 4**  
**Intra-Group Loans**

Chargor which has intra-group loan	Party Name	Loan Amount	Commencement Date	Maturity Date
UKIOSH Ltd.	Jacuzzi (Europe) SpA (Italy)	\$386,071.00	Various	Demand
	USI Plumbing Limited	\$2,607,936	Various	Demand
	Jacuzzi Spa and Bath Limited	\$12,474,432.58	12 December 2017	Demand
Jacuzzi Spa and Bath Limited	BB Investments Ltd.	\$1,006,522	Various	Demand
	UKOS Investments Ltd.	\$1,111,777	Various	Demand
	Jacuzzi France SAS	\$436,042	Various	Demand
	Jacuzzi Europe S.p.A	\$205,335	Various	Demand
	Jacuzzi Brands Corp.	\$52,947	Various	Demand
JBOXUK Limited	UKIH Ltd.	\$1	Various	Demand

**Schedule 5  
Insurance Policies**

<b>Chargor</b>	<b>Insurer</b>	<b>Policy Number</b>	<b>Product</b>
Jacuzzi Spa and Bath Limited	Allianz Insurance plc	SZ23967730	MD/BI/Money All Risks
	Allianz Insurance plc	SZ23967730	Property/computers
	AIG Europe Limited (UK)	25620132	Motor/Fleet
	Chubb Insurance Co Europe SE	UKFINC62666	Crime
	Northern Marine Underwriters Ltd.	STP011834240	Property/Goods in transit

### Schedule 6 Shares

Chargor which holds shares	Company issuing shares	Number and class of shares
USI Mayfair Ltd.	UKIH Ltd.	2 ordinary shares
UKIH Ltd.	UKIOSH Ltd.	1 ordinary share
UKIH Ltd.	JHCUK Limited	1 ordinary share
UKIH Ltd.	JBOXUK Limited	1 ordinary share
JHCUK Limited	Jacuzzi Spa and Bath Limited	1 ordinary share
JBOXUK Limited	USI Plumbing Limited	1,050,001 ordinary shares

**Schedule 7**  
**Intellectual Property**

None at the date of this Agreement.

**Schedule 8**  
**Form of Notice of Charge of Accounts**

*[On letterhead of the relevant Chargor]*

[Date]

[Bank] [Branch]

Attention: [ ]

Dear Sirs,

- 1 We hereby give you notice that by a debenture and guarantee dated [●] (the **Debenture**), we have charged to [●] (the **Collateral Agent**) all our rights, title, interest and benefit in and to the following account(s) held with yourselves and all amounts standing to the credit of such account(s) from time to time:

Account No. [●], sort code [●];

Account No. [●], sort code [●];

(the **Account(s)**).

- 2 Prior to the receipt by you of a notice from the Collateral Agent specifying that an Event of Default has occurred and is continuing, the Chargors will have the sole right: (i) to operate and transact business in relation to the Accounts (including making withdrawals from and effecting closures of the Accounts), and (ii) to deal with you in relation to the Accounts.
- 3 Following receipt by you of a written notice from the Security Agent specifying that an Event of Default has occurred and is continuing under the Debenture (but not at any other time) the Chargors irrevocably authorise you:
- (a) to hold all monies from time to time standing to the credit of the Accounts to the order of the Collateral Agent and to pay all or any part of those monies to the Collateral Agent (or as it may direct) promptly following receipt of written instructions from the Collateral Agent to that effect; and
  - (b) to disclose to the Collateral Agent any information relating to the Chargor and the Accounts which the Security Agent may from time to time request you to provide.

Please acknowledge receipt of this letter by returning a copy of the attached letter on your letterhead with a receipted copy of this notice, to the lender at [●], attention: [●].

Yours faithfully

.....  
for and on behalf of [ ]



**Schedule 9**  
**Form of Acknowledgement of Notice of Charge of Accounts**

*[On letterhead of Bank]*

[Date]

[ ] (the **Collateral Agent**)

[Address]

Attention: [●]

Dear Sirs,

[ ] (the **Chargor(s)**)

We refer to the notice dated [●] received from the Chargor(s) with respect to the charge which it has granted to you over the Accounts (the **Notice**).

Terms not defined in this letter shall have the meanings given to them in the Notice.

We hereby acknowledge that the Chargor(s) has charged to you all of its rights, title, interest and benefit in and to the Accounts.

We hereby irrevocably undertake to you that until receipt by us of notice from you confirming that you no longer have any interest in the Accounts we shall:

- 1 not exercise any right of combination, consolidation, merger or set-off which we may have in respect of, or otherwise exercise any other right which we may have to apply any moneys from time to time standing or accruing to the credit of the Accounts save for fees and charges payable to us for the operation of the Accounts; and
- 2 in relation to the Accounts:
  - (a) permit or effect any withdrawal or transfer from the Accounts in accordance with the Chargor's mandate with us until we receive notice from you notifying us that an Event of Default has occurred and is continuing under the terms of the Loan Agreement and terminating the Chargor's right to operate the Accounts; and
  - (b) following receipt of the notice referred to in paragraph (a) above, comply with all instructions received by us from you from time to time with respect to the movement of funds from the Accounts provided that:
    - (i) all instructions are received in writing, by facsimile, to us at facsimile number [●], attention: [●];
    - (ii) all instructions must be received by [2pm] if they are to be complied with on the same Business Day. Instructions received outside such hours will be complied with on the next Business Day following such receipt. Facsimile instructions will be deemed received at the time of transmission; and
    - (iii) to the extent that an instruction is given which would in our opinion cause any Account to become overdrawn we will transfer the cleared balance in the Account.

We shall not be obliged to comply with any instructions received from you where to comply with such instructions will breach a court order or be contrary to applicable law, and we shall give notice thereof to you and the Chargor as well as reasons why we cannot comply with such instructions; and

In the event that we are unable to comply with any instructions due to circumstances set out in the paragraph above we shall not be responsible for any loss caused to you or to the Chargor and in any event we shall not be liable for any consequential, special, secondary or indirect loss of or damage to goodwill, profits or anticipated savings (however caused).

We are irrevocably authorised by you to follow any instructions received from you in relation to the Accounts from any person that we reasonably believe is an authorised officer of the Collateral Agent, without further inquiry as to the Collateral Agent's right or authority to give such instructions and we shall be fully protected in acting in accordance with such instructions.

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

Yours faithfully

.....

for and on behalf of

**[Bank]**

**Schedule 10**  
**Form of Notice of Assignment of Assigned Agreements**

To: [●]

Date: [●]

Dear Sirs,

We hereby give you notice that we have charged to [ ] (the **Collateral Agent**) pursuant to a debenture and guarantee entered into by us in favour of the lender dated [●] (the **Debenture**) all our rights, title and interest in and to [details of contract] (the **Contract**) including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:

- 1 All payments by you to us under or arising from the Contract should be made to us until such time as you receive notice from the Collateral Agent instructing you otherwise.
- 2 Upon your receipt of notice from the Collateral Agent that an Event of Default has occurred and is continuing:
  - (a) we instruct you to comply with all payment instructions in respect of any payments to be made under or arising from the Contract as set out in the notice;
  - (b) all remedies provided for in the Contract or available at law or in equity are exercisable by the Collateral Agent (provided that the Collateral Agent shall have no greater rights under this letter than we have under the Contract);
  - (c) all rights to compel performance of the Contract are exercisable by the Collateral Agent although the Chargor shall remain liable to perform all the obligations assumed by it under the Contract; and
  - (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Collateral Agent to the exclusion of the Chargor and no changes may be made to the terms of the Contract otherwise than as provided for in the Loan Agreement (as defined in the Debenture).
- 3 You are authorised and instructed, without requiring further approval from us, to provide the Collateral Agent with such information relating to the Contract as it may from time to time request.

These instructions may not be revoked without the prior written consent of the Collateral Agent, [nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Collateral Agent, unless it is of a minor technical or non-operational nature or in any way which could not be reasonably expected materially and adversely to affect the interests of the Collateral Agent]<sup>1</sup>.

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<sup>1</sup> To be included where the relevant Assigned Agreement the subject of this notice is an "Assigned Agreement" falling within paragraphs (b) of the definition thereof in the Debenture.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Collateral Agent at [●] marked for the attention of [●].

Yours faithfully

.....

for and on behalf of

[     ]

**Schedule 11**  
**Form of Acknowledgement of Assignment of Assigned Agreements**

*[On letterhead of the counterparty]*

[Date]

[ ] (the Collateral Agent)

[Address]

Attention: [●]

Dear Sirs,

[ ] (the Chargor)

- 1 We refer to the notice dated [●], received from the Chargor with respect to the charge which it has granted to you over the Contract (the **Notice**).
- 2 Terms not defined in this letter shall have the meanings given to them in the Notice.
- 3 We confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract other than a notice of assignment or charge in favour of Virtus Group, L.P.
- 4 We confirm that we will comply with the terms of the Notice [and that no amendment, waiver or release of any of such rights, interests and benefits arising under the Contract shall be effective without your prior written consent, unless it is of a minor technical or non- operational nature or in any way which could not be reasonably expected materially]<sup>2</sup>; and
- 5 We note that, for the purposes of this letter, all notices, copy notices, advices and correspondence to be delivered to you shall be effectively delivered if sent by facsimile to you at number [●] or by post at the address at the top of this letter, in both cases marked for the attention of the [●].

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

Yours faithfully

.....  
for and on behalf of

**[Counterparty]**

<sup>2</sup> To be included where the relevant Assigned Agreement the subject of this notice is an "Assigned Agreement" falling within paragraphs (b) of the definition thereof in the Debenture.

**Schedule 12**  
**Form of Notice of Assignment of Insurance Policies**

To: [●]

Date: [●]

Dear Sirs,

We hereby give you notice that we have charged to [●] (the **Collateral Agent**) pursuant to a debenture and guarantee entered into by us in favour of the lender dated [●] (the **Debenture**) all our rights, title and interest in and to [details of insurance policy] (the **Policy**) including all moneys which may be payable in respect of the Policy.

With effect from your receipt of this notice:

- 1 We will continue to have the sole right to deal with you in relation to the Policy (including any amendment, waiver or termination thereof or any claims thereunder), and all payments by you to us under or arising from the Policy should be made to us until such time as you receive notice from the Collateral Agent instructing you otherwise.
- 2 Upon your receipt of notice from the Collateral Agent that an Event of Default has occurred and is continuing:
  - (a) we instruct you to comply with all payment instructions in respect of any payments to be made under or arising from the Policy as set out in the notice;
  - (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy belong to the Collateral Agent to the exclusion of the Chargor and no changes may be made to the terms of the Contract otherwise than as provided for in the Loan Agreement (as defined in the Debenture).
- 3 You are authorised and instructed, without requiring further approval from us, to provide the Collateral Agent with such information relating to the Policy as it may from time to time request.

These instructions may not be revoked, nor may the terms of the Policy be amended, varied or waived without the prior written consent of the Collateral Agent, unless it is of a minor technical or non-operational nature or in any way which could not be reasonably expected materially and adversely to affect the interests of the Collateral Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Collateral Agent at [●] marked for the attention of [●].

Yours faithfully

.....  
for and on behalf of

[ ]

**Schedule 13**  
**Form of Acknowledgement of Assignment of Insurance Policies**

*[On letterhead of the counterparty]*

[Date]

[ ] (the **Collateral Agent**) [Address]

Attention: [●]

Dear Sirs,

[ ] (the **Chargor**)

- 1 We refer to the notice dated [●], received from the Chargor with respect to the charge which it has granted to you over the Policy (the **Notice**).
- 2 Terms not defined in this letter shall have the meanings given to them in the Notice.
- 3 We confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Policy other than a notice of assignment or charge in favour of Virtus Group, L.P.
- 4 We confirm that we will comply with the terms of the Notice and that no amendment, waiver or release of any of such rights, interests and benefits arising under the Policy shall be effective without your prior written consent, unless it is of a minor technical or non- operational nature or in any way which could not be reasonably expected materially; and
- 5 We note that, for the purposes of this letter, all notices, copy notices, advices and correspondence to be delivered to you shall be effectively delivered if sent by facsimile to you at number [●] or by post at the address at the top of this letter, in both cases marked for the attention of the [●].

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

Yours faithfully

.....  
for and on behalf of

**[Counterparty]**

## Schedule 14 Form of Security Accession Deed

THIS SECURITY ACCESSION DEED is made on ●

**BETWEEN:**

- (1) ● (a company incorporated in [●] with registered number ●) (the **New Chargor**); and
- (2) ● as security trustee for itself and the other Secured Parties (the **Collateral Agent**).

**RECITAL:**

This deed is supplemental to a debenture dated ● between, inter alia, the Chargors named therein and the Collateral Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the **Debenture**).

**NOW THIS DEED WITNESSES** as follows:

### **1 INTERPRETATION**

#### **1.1 Definitions**

Terms defined in the Debenture have the same meaning when used in this deed.

#### **1.2 Interpretation**

Clause 1.2 (*Interpretation*) of the Debenture will be deemed to be set out in full in this deed, but as if references in that clause to the Debenture were references to this deed.

### **2 ACCESSION OF NEW CHARGOR**

#### **2.1 Accession**

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor.

#### **2.2 Covenant to Pay**

Subject to any limits on its liability specifically recorded in the Loan Documents, the New Chargor as primary obligor covenants with the Collateral Agent (for the benefit of itself and the other Secured Parties) that it will pay on demand the Secured Liabilities as and when they fall due for payment.

#### **2.3 Fixed Charges**

The New Chargor, as security for the payment and discharge of the Secured Liabilities, charges in favour of the Collateral Agent with full title guarantee all of its right, title and interest in the following assets, both present and future, from time to time owned by it or in which it has an interest and, in each case, all Related Rights:

- (a) by way of first legal mortgage, all Real Property;
- (b) by way of fixed charge:
  - (i) all other interests (not effectively mortgaged under paragraph (a) above) in any Real Property;



- (ii) the Shares;
- (iii) the Tangible Moveable Property;
- (iv) the Accounts and all monies (including any interest and other sums accruing thereon), standing to the credit of the Accounts;
- (v) the Intellectual Property;
- (vi) all present and future goodwill and rights in relation to its uncalled capital;
- (vii) the Investments (other than the Shares);
- (viii) all Book Debts;
- (ix) any Insurance Policy;
- (x) any beneficial interest, claim or entitlement it has to any assets of any pension fund (to the extent permitted by law);
- (xi) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Charged Property and the right to recover and receive all compensation which may be payable to it in connection therewith;
- (xii) any letter of credit issued in its favour;
- (xiii) any bill of exchange or other negotiable instrument held by it;
- (xiv) all permissions of whatsoever nature and whether statutory or otherwise, held in connection with the Real Property and the right to recover and receive all compensation which may be payable to it in connection therewith; and
- (xv) to the extent not otherwise effectively charged or assigned in this Agreement, all of its rights, title and interest in (and proceeds and claims under):
  - (A) the Assigned Agreements; and
  - (B) the Insurance Policies.

#### **2.4 Security Assignment**

As further security for the payment and discharge of the Secured Liabilities, the New Chargor assigns by way of security with full title guarantee in favour of the Collateral Agent all its right, title and interest in the following assets, both present and future, and in each case, all Related Rights:

- (a) the Assigned Agreements; and
- (b) the Insurance Policies,

provided that on payment or discharge in full of the Secured Liabilities the Collateral Agent will at the request and cost of the New Chargor re-assign the relevant rights, title and interest in the assigned assets to the New Chargor (or as it shall direct) in a manner satisfactory to such New Chargor (acting reasonably).

#### **2.5 Fixed Security**

Clause 2.3 (*Fixed Charges*) and Clause 2.4 (*Security Assignment*) shall be construed as creating a separate and distinct mortgage, fixed charge or security assignment over each

relevant asset within any particular class of assets specified in this deed. Any failure to create effective fixed security (for whatever reason) over an asset shall not affect the fixed nature of the security on any other asset, whether within the same class of assets or not.

## **2.6 Floating Charge**

As further security for the payment and discharge of the Secured Liabilities, the New Chargor charges with full title guarantee in favour of the Collateral Agent by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under Clause 2.3 (*Fixed Charges*) or assigned under Clause 2.4 (*Security Assignment*) and, in each case, all Related Rights.

## **2.7 Excluded Assets**

- (a) There shall be excluded from the charge or assignment created by Clause 2.3 (*Fixed Charges*) or Clause 2.4 (*Security Assignment*), any Excluded Asset of the New Chargor.
- (b) No representation, warranty, covenant or undertaking in the deed shall include, extend or relate to, an Excluded Asset of the New Chargor.

## **3 INCORPORATION INTO DEBENTURE**

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to "this Agreement" will be deemed to include this deed.

## **4 NOTICES**

The New Chargor confirms that its address details for notices in relation to Clause 4 (*Notices*) of the Debenture are as follows:

Address: ●  
Facsimile: ●  
Attention: ●

## **5 LAW**

This deed and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this deed (including any non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law.

**IN WITNESS** whereof this deed has been duly executed and delivered on the date first above written.

## SIGNATORIES TO DEED OF ACCESSION

### New Chargor

Executed as a deed by [insert name in  
bold and upper case]: )  
)  
)  
)

Director .....

Name:

Director/Secretary .....

Name:

**OR**

Executed as a deed by  
**[insert name of company in bold and  
upper case]:** )  
)  
)

Signature of director .....

Name of director .....

Signature of witness .....

Name of witness .....

Address of witness .....

Occupation of witness .....

### Notice Details

Address:

Facsimile:

Attention:

**The Collateral Agent**

Signed for and on behalf of [*insert  
name of Collateral Agent in bold and  
upper case*] solely as Collateral Agent  
and not in its individual capacity:

)  
)  
) .....  
Name:

**Notice Details**

Address:

Facsimile:

Attention:

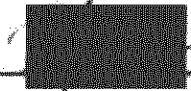
.....  
.....

**SIGNATORIES**

**The Chargors**

**Executed as a Deed by Jacuzzi Spa and Bath Limited  
by its duly authorised representative:**

By



DUNCAN SIMCOX

Print name

MANAGING DIRECTOR

Print title

**In the presence of:**



Signature of witness

KATHI DRIVER

Name of witness (print)

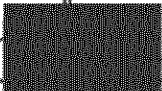
CUSTOMER CARE MANAGER

Occupation of witness (print)





Address of witness (print)

The Chargors continued  
Executed as a Deed by JBOXUK Limited  
by its duly authorised representative:

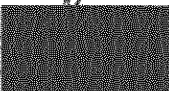
By   
Print name DUNCAN SIMCOX  
Print title MANAGING DIRECTOR

In the presence of:

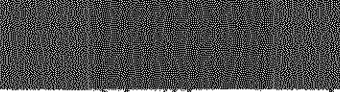
  
Signature of witness HELEN SIMCOX  
Name of witness (print) MANAGING DIRECTOR  
Occupation of witness (print)


  
Address of witness (print)

Executed as a Deed by JHCUK Limited  
by its duly authorised representative:


By   
Print name DUNCAN SIMCOX  
Print title MANAGING DIRECTOR

In the presence of:


  
Signature of witness HELEN SIMCOX  
Name of witness (print) MANAGING DIRECTOR  
Occupation of witness (print)

  
Address of witness (print)

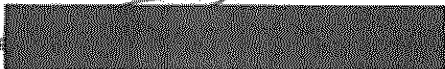
Executed as a Deed by UKIH Ltd.  
by its duly authorised representative:

  
By  
ANTHONY LOVALLO  
Print name  
DIRECTOR  
Print title


In the presence of:

  
Signature of witness  
ELLEN GRACEY  
Name of witness (print)  
TRAINEE SOLICITOR  
Occupation of witness (print)  
1221 AVENUE OF THE AMERICAS  
Address of witness (print)


Executed as a Deed by USI Plumbing Limited  
by its duly authorised representative:

  
By  
ANTHONY LOVALLO  
Print name  
DIRECTOR  
Print title


In the presence of:

  
Signature of witness  
ELLEN GRACEY  
Name of witness (print)  
TRAINEE SOLICITOR  
Occupation of witness (print)  
1221 AVENUE OF THE AMERICAS  
Address of witness (print)

Executed as a Deed by USI Mayfair Ltd.  
by its duly authorised representative:

  
By  
ANTHONY LOVALLO  
Print name  
DIRECTOR  
Print title

In the presence of:

  
Signature of witness  
ELLEN GRACEY  
Name of witness (print)  
TRAINEE SOLICITOR  
Occupation of witness (print)  
1221 AVENUE OF THE AMERICAS  
Address of witness (print)

Executed as a Deed by UKIOSH Ltd.  
by its duly authorised representative:

\_\_\_\_\_  
By  
\_\_\_\_\_  
Print name  
\_\_\_\_\_  
Print title

In the presence of:

\_\_\_\_\_  
Signature of witness  
\_\_\_\_\_  
Name of witness (print)  
\_\_\_\_\_  
Occupation of witness (print)  
\_\_\_\_\_  
Address of witness (print)



Executed as a Deed by USI Mayfair Ltd.  
by its duly authorised representative:

By

Print name

Print title

In the presence of:

Signature of witness

Name of witness (print)

Occupation of witness (print)

Address of witness (print)

Executed as a Deed by UKIOSH Ltd.  
by its duly authorised representative:

By

KEVIN TIDAGUE

Print name

DIRECTOR

Print title

In the presence of:

Signature of witness

STACEY RAVEN


Name of witness (print)

Customer Care Advisor

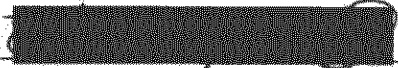
Occupation of witness (print)

Address of witness (print)


Executed as a Deed by Hydropool Europe Limited  
by its duly authorised representative:

  
By  
ANTHONY LOVALLO  
Print name  
DIRECTOR  
Print title


In the presence of:

  
Signature of witness  
ELLEN GRACEY  
Name of witness (print)  
TRAINEE SOLICITOR  
Occupation of witness (print)  
1221 AVENUE OF THE AMERICAS  
Address of witness (print)

Executed as a Deed by Hydropool UK Limited  
by its duly authorised representative:

  
By  
ANTHONY LOVALLO  
Print name  
DIRECTOR  
Print title

In the presence of:

  
Signature of witness  
ELLEN GRACEY  
Name of witness (print)  
TRAINEE SOLICITOR  
Occupation of witness (print)  
1221 AVENUE OF THE AMERICAS  
Address of witness (print)

The Collateral Agent  
Executed as a Deed by  
Bank of America, N.A.  
not in its individual capacity but solely as Collateral Agent

By: 

Name: *Robert Blazner*

Title: *Vice President*