

MG01

Particulars of a mortgage or charge



IRIS
LASERFORM

A fee is payable with this form.

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page



What this form is for

You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland



What this form is NOT for

You cannot use this form to
register particulars of a charge for a
company. To do this, please
use form MG01s

WEDNESDAY



AWVXGVLU

A16

06/07/2011

26

COMPANIES HOUSE

1

Company details

Company number

0 4 2 5 2 5 4 2

Company name in full

Sunshine Kids Juvenile Products Limited

(the "**Chargor**")

Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2

Date of creation of charge

Date of creation

3 0 0 6 2 0 1 1

3

Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description

Debenture (the "**Deed**")

4

Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured

All present and future obligations and liabilities
(whether actual or contingent and whether owed
jointly or severally or alone or in any other
capacity whatsoever) of the Chargor or the Borrower
to Union Bank, N.A. (the "**Lender**") (including all
monies covenanted to be paid under the Deed) (the
"**Secured Obligations**")

Continuation page

Please use a continuation page if
you need to enter more details

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5 Mortgagee(s) or person(s) entitled to the charge (if any)

	Please give the name and address of the mortgagee(s) or person(s) entitled to the charge	Continuation page Please use a continuation page if you need to enter more details
Name	Union Bank, N.A	
Address	901 Fifth Avenue, Suite 1200, Seattle, Washington	
	98164 USA	
Postcode		
Name		
Address		
Postcode		

6 Short particulars of all the property mortgaged or charged

	Please give the short particulars of the property mortgaged or charged	Continuation page Please use a continuation page if you need to enter more details
Short particulars	<p>1. CHARGES</p> <p>1.1 Fixed charges</p> <p>The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by the Chargor, or in which it from time to time has an interest</p> <p>(a) by way of first fixed charge all accounts of the Chargor with any bank, financial institution or other person at any time and all monies at any time standing to the credit of such accounts, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing,</p> <p>(b) to the extent that any Assigned Asset is not effectively assigned under clause 1.2 (<i>Security assignments</i>), by way of first fixed charge such Assigned Asset,</p> <p>(c) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed)</p> <p>(i) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets, and</p> <p>(ii) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it, and</p> <p>(d) by way of first fixed charge all of the goodwill and uncalled capital of the Chargor</p> <p>1.2 Security assignments</p> <p>The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to all Receivables</p> <p>1.3 Assigned Assets</p> <p>The Lender is not obliged to take any steps necessary to preserve any Assigned Asset or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to the Deed</p>	

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Short particulars

2 FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge all of its present and future

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 1.1 (*Fixed charges*), clause 1.2 (*Security assignments*) or any other provision of the Deed, and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland

3. CONVERSION OF FLOATING CHARGE

3.1 Conversion by notice

The Lender may, by written notice to the Chargor, convert the floating charge created under clause 2 into a fixed charge as regards all or any of the assets of the Chargor specified in the notice if

- (a) a default under the provisions of the Credit Agreement and/or documents executed in connection with it has occurred and is continuing, or
- (b) the Lender considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy

3.2 Small companies

The floating charge created under clause 2 by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor

3.3 Automatic conversion

The floating charge created under clause 2 shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge

- (a) in relation to any Security Asset which is subject to a floating charge if
 - (i) the Chargor creates (or attempts or purports to create) any Security on or over the relevant Security Asset without the prior written consent of the Lender, or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset, and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Lender receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

3.4 Partial conversion

The giving of a notice by the Lender pursuant to clause 3.1 (*Conversion by notice*) in relation to any class of assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Lender to serve similar notices in respect of any other class of assets or of any other right of the Lender

4. CONTINUING SECURITY

4.1 Continuing security

The Debenture Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. The Deed shall remain in full force and effect as a continuing security for the duration of the Security Period

4.2 Additional and separate security

The Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Lender may at any time hold for any Secured Obligation

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4.3 Right to enforce

The Deed may be enforced against the Chargor without the Lender first having recourse to any other right, remedy, guarantee or Security held by or available to it

5. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in the Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation

6. RESTRICTIVE COVENANTS

The Deed contains the following restrictive covenants

(a) The Chargor shall not do or agree to do any of the following without the prior written consent of the Lender

- (i) create or permit to subsist any Security on any Security Asset other than as created by the Deed and except for any Security which the Lender has given prior written consent to, or
- (ii) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset except in the ordinary course of Chargor's business or which the Lender has given its prior written consent to
- (iii) enter into any onerous or restrictive obligation affecting any Security Assets, or
- (iv) cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect)

7 POWER TO REMEDY AND ENFORCEMENT

If at any time the Chargor does not comply with any of its obligations under the Deed, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default

8 POWERS OF LENDER

8.1 At any time after the Debenture Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Lender may without further notice (unless required by law)

- (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
- (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor, and/or
- (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by the Deed) and/or all or any of the powers which are conferred by the Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver

8.2 The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor

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9 POWERS OF RECEIVER

9 1 General powers

Any Receiver shall have

- (a) all the powers which are conferred on the Lender by clause 8 (*Powers of Lender*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986, and
- (d) all powers which are conferred by any other law conferring power on receivers

9 2 Additional powers

In addition to the powers referred to in clause 9 1 (*General powers*), a Receiver shall have the following powers

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit,
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act and without limitation
 - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party), and
 - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land),
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- (g) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit,
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Lender shall direct),
- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm), and

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(k) to

- (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,
- (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and
- (iii) use the name of the Chargor for any of the above purposes

10 FURTHER ASSURANCES

10.1 Further action

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by the Deed or any other document in connection with the Credit Agreement,
- (b) facilitating the realisation of any Security Asset,
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender, or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Credit Agreement or by law, or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to the Deed or any other document in connection with the Credit Agreement

This includes

- (i) the re-execution of the Deed or such other document as the Lender may require,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee, and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient

10.2 Finance Documents

The Chargor shall 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 Lender

10.3 Specific security

Without prejudice to the generality of clause 10.1 (*Further action*), the Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under the Deed (including any fixed security arising or intended to arise pursuant to clause 3 (*Conversion of floating charge*))

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11 POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst a default is continuing or enforcement of the Debenture Security has occurred which the Chargor is obliged to take under the Deed, including under clause 10 (*Further assurances*) or, if no default is continuing, which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

12. DEFINITIONS

In this form the following terms and the following meaning

- "Act" means the Law of Property Act 1925,
- "Assigned Asset" means the Security Assets expressed to be assigned pursuant to clause 1.2 (*Security assignments*),
- "Borrower" means Sunshine Kids Juvenile Products, LLC, a limited liability company organized under the law of the State of Washington, United States,
- "Credit Agreement" means the credit facility evidenced by that certain Commercial Credit Agreement, dated October 20, 2010 and made between the Lender and the Borrower,
- "Debenture Security" means the Security created or evidenced by or pursuant to the Deed,
- "Delegate" means any delegate, sub-delegate, agent, attorney or co-trustee appointed by the Lender or by a Receiver,
- "Receivables"
- (a) means all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with the benefit of all rights, guarantees, Security and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights), and
 - (b) all proceeds of any of the foregoing,
- "Receiver" means a receiver, or receiver and manager or administrative receiver of the whole or any part of the Security Assets appointed by the Lender under this Deed
- "Security" means the security interests created by or pursuant to this Deed,
- "Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to the Deed,

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"Security Period"

means the period beginning on the date of the Deed and ending on the date on which

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) the Lender has no further commitment, obligation or liability under or pursuant to the Credit Agreement

13. INTERPRETATION

"Secured Obligations"

includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor or the Borrower

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7 Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered

Commission, allowance or discount

N/A

8 Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 870).

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 866). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).

9 Signature

Please sign the form here

Signature

Signature

X *D A P per UK LLP* X

This form must be signed by a person with an interest in the registration of the charge

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Oliver Perez

Company name DLA Piper UK LLP

Address 3 Noble Street

Post town London

County/Region

Postcode E C 2 V 7 E E

Country England

DX DX. 33866 Finsbury Square

Telephone 020 7153 7076



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register
- ☒ You have included the original deed with this form
- ☒ You have entered the date the charge was created
- ☒ You have supplied the description of the instrument
- ☒ You have given details of the amount secured by the mortgagee or chargee
- ☒ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☒ You have entered the short particulars of all the property mortgaged or charged
- ☒ You have signed the form
- ☒ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 869(5) & (6) of the Companies Act 2006

COMPANY NO. 4252542

CHARGE NO. 2

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEBENTURE DATED 30 JUNE 2011
AND CREATED BY SUNSHINE KIDS JUVENILE PRODUCTS
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM THE COMPANY OR THE BORROWER TO UNION
BANK, N.A. ON ANY ACCOUNT WHATSOEVER UNDER THE
TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING
OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT
TO CHAPTER 1 PART 25 OF THE COMPANIES ACT 2006 ON THE
6 JULY 2011

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11 JULY 2011



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DX