



**Registration of a Charge**

Company Name: **EL BEBE PRODUCTIONS LIMITED**

Company Number: **08531073**



Received for filing in Electronic Format on the: **11/06/2021**

XA6EDRWY

**Details of Charge**

Date of creation: **07/06/2021**

Charge code: **0853 1073 0001**

Persons entitled: **EAST WEST BANK**

Brief description: **A CONTINUING SECURITY INTEREST IS GRANTED IN CERTAIN INTELLECTUAL PROPERTY, INCLUDING, WITHOUT LIMITATION, COPYRIGHTS, COPYRIGHT LICENCES, PATENTS, PATENT LICENCES, TRADEMARKS AND TRADEMARK LICENCES (IN EACH CASE, AS DEFINED IN THE INSTRUMENT), AND ALL OTHER INTELLECTUAL PROPERTY RIGHTS (BOTH PRESENT AND FUTURE) FURTHER DETAILED IN THE INSTRUMENT. FOR FURTHER DETAILS, PLEASE REFER TO THE INSTRUMENT DIRECTLY.**

**Contains fixed charge(s).**

**Contains negative pledge.**

**Chargor acting as a bare trustee for the property.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION  
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL  
INSTRUMENT.**

Certified by:

**MICHELLE LI**



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

Company number: 8531073

Charge code: 0853 1073 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th June 2021 and created by EL BEBE PRODUCTIONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th June 2021 .

Given at Companies House, Cardiff on 14th June 2021

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**

**GUARANTY AND SECURITY AGREEMENT**

dated as of June 7, 2021,

made by

**MOONBUG ENTERTAINMENT LIMITED,**  
as Borrower,

and

**PROJECT ABC HOLDCO (JERSEY) LIMITED (COMPANY NO. 126379) AND THE  
SUBSIDIARIES OF THE PARENT FROM TIME TO TIME PARTY HERETO**

in favor of

**EAST WEST BANK,**  
as Administrative Agent

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## **GUARANTY AND SECURITY AGREEMENT**

**THIS GUARANTY AND SECURITY AGREEMENT**, dated as of June 7, 2021, is made by Moonbug Entertainment Limited, a corporation incorporated under the laws of England and Wales, (the “Borrower”), Project ABC HoldCo (Jersey) Limited (Company No. 126379), a company incorporated under the laws of Jersey (the “Parent”), and certain direct or indirect Subsidiaries of the Parent identified on the signature pages hereto as “Guarantors” or “Grantors”, in favor of East West Bank, as administrative agent (in such capacity, together with its successors in such capacity, the “Administrative Agent”) for the Secured Parties (as defined below).

### **WITNESSETH:**

**WHEREAS**, the Borrower is entering into that certain Revolving Credit and Delayed Draw Term Loan Agreement, dated as of the date hereof, by and among the Borrower, the Lenders from time to time party thereto and the Administrative Agent, providing for a revolving credit facility and a delayed draw term loan facility (as amended, restated, amended and restated, extended, supplemented, replaced, increased, refinanced or otherwise modified from time to time, the “Credit Agreement”); and

**WHEREAS**, it is a condition precedent to the obligations of the Lenders, the Issuing Bank and the Administrative Agent under the Loan Documents that the Grantors are required to enter into this Agreement, pursuant to which the Grantors (other than the Borrower) shall guaranty all Obligations of the Borrower and the Grantors (including the Borrower) shall grant Liens on all of their property to the Administrative Agent, on behalf of the Secured Parties, to secure their respective Obligations;

**NOW, THEREFORE**, in consideration of the premises herein and other good and valuable consideration, and to induce the Administrative Agent, the Lenders and the Issuing Bank to enter into the Credit Agreement and to induce the Lenders and the Issuing Bank to make their respective extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Administrative Agent, for the ratable benefit of the Secured Parties, as follows:

## **ARTICLE I**

### **DEFINITIONS**

#### **Section 1.1 Definitions.**

(a) Each term defined above shall have the meaning set forth above for all purposes of this Agreement. Unless otherwise defined herein, terms or matters of construction defined or established in the Credit Agreement shall be applied herein as defined or established in the Credit Agreement, and the terms “Account Debtor”, “Account”, “Adverse Claim”, “Chattel Paper”, “Commercial Tort Claim”, “Deposit Account”, “Document”, “Electronic Chattel Paper”, “Equipment”, “Financial Asset”, “Fixture”, “General Intangible”, “Goods”, “Instrument”, “Inventory”, “Investment Property”, “Letter-of-Credit Right”, “Payment Intangible”, “Proceeds”, “Securities Account”, “Security”, “Supporting Obligation”, and “Tangible Chattel Paper” shall have the meanings assigned to such terms in the UCC (and if defined in more than one Article of the UCC, shall have the meaning assigned in Article 9 thereof) as in effect on the date hereof.

(b) The following terms shall have the following meanings:

“Administrative Agent” has the meaning assigned such term in the preamble hereto.

“Agreement” shall mean this Guaranty and Security Agreement, as amended, restated, supplemented or otherwise modified from time to time.

“Borrower” has the meaning assigned to such term in the recitals hereto.

“Collateral” shall have the meaning set forth in Section 3.1.

“Copyright Licenses” shall mean any and all present and future agreements providing for the granting of any right in or to Copyrights (whether the applicable Grantor is licensee or licensor thereunder), including, without limitation, any thereof referred to in Schedule 4.24 to the Credit Agreement.

“Copyrights” shall mean, collectively, with respect to each Grantor, all copyrights, whether registered or unregistered, owned by, licensed to, or assigned to, such Grantor and all registrations and applications for the foregoing (whether by statutory or common law, whether established or registered in the United States, any State thereof, or any other country or any political subdivision thereof), and all goodwill associated therewith, now existing or hereafter adopted or acquired, together with any and all (i) rights and privileges arising under applicable law with respect to such Grantor’s use of any copyrights, (ii) reissues, continuations, extensions and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present or future infringements thereof, including, without limitation, any thereof referred to in Schedule 4.24 to the Credit Agreement, but excluding, in each case, Excluded Assets.

“Credit Agreement” has the meaning assigned such term in the recitals hereto.

“El Bebe” means El Bebe Productions Limited, a corporation incorporated under the laws of England and Wales.

“Grantors” means the Parent and any Subsidiary of the Parent party hereto from time to time as a “Grantor”.

“Guaranteed Obligations” shall have the meaning set forth in Section 2.1(a).

“Guarantors” shall mean each Grantor and each other Subsidiary of the Parent party hereto from time to time.

“Issuers” shall mean, collectively, each issuer of a Pledged Security.

“Lenders” has the meaning assigned such term in the recitals hereto.

“Monetary Obligation” shall mean a monetary obligation secured by Goods or owed under a lease of Goods and includes a monetary obligation with respect to software used in Goods.

“Note” shall mean an instrument that evidences a promise to pay a Monetary Obligation and any other instrument within the description of “promissory note” as defined in Article 9 of the UCC.

“Parent” has the meaning assigned such term in the recitals hereto.

“Patent Licenses” shall mean any and all present and future agreements providing for the granting of any right in or to Patents (whether the applicable Grantor is licensee or licensor thereunder), including, without limitation, any thereof referred to in Schedule 5.

“Patents” shall mean, collectively, with respect to each Grantor, all letters patent issued or assigned to, and all patent applications and registrations owned by, such Grantor (whether established or registered or recorded in the United States, any State thereof or any other country or any political subdivision thereof), and all goodwill associated therewith, now existing or hereafter adopted or acquired, together with any and all (i) rights and privileges arising under applicable law with respect to such Grantor’s use of any patents, (ii) inventions and improvements described and claimed therein, (iii) reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and amendments thereto, and rights to obtain any of the foregoing, (iv) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or future infringements thereof, (v) rights corresponding thereto throughout the world and (vi) rights to sue for past, present or future infringements thereof, including, without limitation, any thereof referred to in Schedule 5, but, excluding, in each case, Excluded Assets.

“Pledged Certificated Stock” shall mean all certificated securities and any other Capital Stock or Stock Equivalent of any Person evidenced by a certificate, instrument or other similar document, in each case now owned or at any time hereafter acquired by any Grantor, and any dividend or distribution of cash, instruments or other property made on, in respect of or in exchange for the foregoing from time to time, including, as of the Closing Date, in each case those interests set forth on Schedule 2 and excluding in each case, any Excluded Assets.

“Pledged Securities” shall mean, collectively, all Pledged Certificated Stock, and all Pledged Uncertificated Stock, in each case other than Excluded Assets.

“Pledged Uncertificated Stock” shall mean any Capital Stock or Stock Equivalent of any Person, other than Pledged Certificated Stock, in each case now owned or at any time hereafter acquired by any Grantor, including all right, title and interest of any Grantor as a limited or general partner in any partnership or as a member of any limited liability company not constituting Pledged Certificated Stock, all right, title and interest of any Grantor in, to and under any organizational document of any partnership or limited liability company to which it is a party, and any dividend or distribution of cash, instruments or other property made on, in respect of or in exchange for the foregoing from time to time, including, as of the Closing Date, in each case those interests set forth on Schedule 2 and excluding in each case, any Excluded Assets.

“Qualified ECP Guarantor” shall mean, in respect of any Swap Obligation, each Loan Party that has total assets exceeding \$10,000,000 at the time such Swap Obligation is incurred or such other person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder.

“Secured Obligations” shall have the meaning set forth in Section 3.1.

“Secured Parties” shall mean, collectively, the Administrative Agent, the Lenders, the Issuing Bank, the Lender-Related Hedge Providers and the Bank Product Providers.

“Securities Act” shall mean the Securities Act of 1933, as amended and in effect from time to time.

“Stock Equivalents” shall mean all securities convertible into or exchangeable for Capital Stock or any other Stock Equivalent and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any Capital Stock or any other Stock Equivalent, whether or not presently convertible, exchangeable or exercisable.

“Trademark Licenses” shall mean any and all present and future agreements providing for the granting of any right in or to Trademarks (whether the applicable Grantor is licensee or licensor thereunder), including, without limitation, any thereof referred to in Schedule 4.24 to the Credit Agreement.

“Trademarks” shall mean, collectively, with respect to each Grantor, all trademarks, service marks, slogans, logos, certification marks, trade dress, uniform resource locations (URL’s), domain names, corporate names, trade names and other source or business identifiers, whether registered or unregistered, owned by, licensed to, or assigned to, such Grantor and all registrations and applications for the foregoing (whether by statutory or common law, whether established or registered in the United States, any State thereof, or any other country or any political subdivision thereof), and all goodwill associated therewith, now existing or hereafter adopted or acquired, together with any and all (i) rights and privileges arising under applicable law with respect to such Grantor’s use of any trademarks, (ii) reissues, continuations, extensions and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present or future infringements thereof, including, without limitation, any thereof referred to in Schedule 4.24 to the Credit Agreement, but excluding, in each case, Excluded Assets.

“UCC” shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

**Section 1.2 Other Definitional Provisions; References.** The definition of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as

the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits, Schedules and Annexes shall, unless otherwise stated, be construed to refer to Articles and Sections of, and Exhibits, Schedules and Annexes to, this Agreement, and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor’s Collateral or the relevant part thereof.

## **ARTICLE II**

### **GUARANTEE**

#### **Section 2.1 Guarantee.**

(a) Each Guarantor unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, the due and punctual payment of all Obligations of the Borrower and the other Loan Parties as and when due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise (the “Guaranteed Obligations”); provided, that in no event shall “Guaranteed Obligations” of any Guarantor include any Excluded Swap Obligation of such Guarantor. Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice to or further assent from such Guarantor, and that such Guarantor will remain bound upon its guarantee notwithstanding any extension or renewal of any Guaranteed Obligations.

(b) Each Guarantor further agrees that its guarantee is a continuing guaranty, shall secure the Guaranteed Obligations and any ultimate balance thereof, notwithstanding that the Borrower or any other Persons may from time to time satisfy the Guaranteed Obligations in whole or in part and thereafter incur further Guaranteed Obligations, and that its guarantee constitutes a guaranty of performance and of payment when due and not just of collection, and waives any right to require that any resort be had by the Administrative Agent or any Secured Party to any of the security held for payment of the Guaranteed Obligations or to any balance of any deposit account or credit on the books of the Administrative Agent or any other Secured Party in favor of the Borrower or any other Guarantor, or to any other Person.

(c) Each Guarantor hereby expressly assumes all responsibilities to remain informed of the financial condition of the Borrower, the other Guarantors and any other guarantors of the Guaranteed Obligations and any circumstances affecting the Collateral (including the Pledged Securities) or the ability of the Borrower to perform under the Credit Agreement.

(d) It is the intent of each Guarantor and the Administrative Agent, and the Administrative Agent, on behalf of each Secured Party, agrees, that the maximum obligations of the Guarantors hereunder shall be, but not in excess of:

(i) in a case or proceeding commenced by or against any Guarantor under the Bankruptcy Code, on or within two years from the date on which any of the Guaranteed Obligations are incurred, the maximum amount which would not otherwise cause the Guaranteed Obligations (or any other obligations of such Guarantor owed to the Administrative Agent or the Secured Parties) to be avoidable or unenforceable against such Guarantor under (i) Section 548 of the Bankruptcy Code or (ii) any state fraudulent transfer or fraudulent conveyance act or statute applied in any such case or proceeding by virtue of Section 544 of the Bankruptcy Code; or

(ii) in a case or proceeding commenced by or against any Guarantor under the Bankruptcy Code subsequent to two years from the date on which any of the Guaranteed Obligations are incurred, the maximum amount which would not otherwise cause the Guaranteed Obligations (or any other obligations of such Guarantor to the Administrative Agent or the Secured Parties) to be avoidable or unenforceable against such Guarantor under any state fraudulent transfer or fraudulent conveyance act or statute applied in any such case or proceeding by virtue of Section 544 of the Bankruptcy Code; or

(iii) in a case or proceeding commenced by or against any Guarantor under any Debtor Relief Law, the maximum amount which would not otherwise cause the Guaranteed Obligations (or any other obligations of such Guarantor to the Administrative Agent or the Secured Parties) to be avoidable or unenforceable against such Guarantor under such Debtor Relief Law.

(e) The substantive laws under which the possible avoidance or unenforceability of the Guaranteed Obligations (or any other obligations of such Guarantor to the Administrative Agent or the Secured Parties) as may be determined in any case or proceeding shall hereinafter be referred to as the “Avoidance Provisions”. To the extent set forth in clauses (d)(i), (ii) and (iii) of this Section, but only to the extent that the Guaranteed Obligations would otherwise be subject to avoidance or found unenforceable under the Avoidance Provisions, if any Guarantor is not deemed to have received valuable consideration, fair value or reasonably equivalent value for the Guaranteed Obligations, or if the Guaranteed Obligations would render such Guarantor insolvent, or leave such Guarantor with an unreasonably small capital to conduct its business, or cause such Guarantor to have incurred debts (or to have intended to have incurred debts) beyond its ability to pay such debts as they mature, in each case as of the time any of the Guaranteed Obligations are deemed to have been incurred under the Avoidance Provisions and after giving effect to the contribution by such Guarantor, the maximum Guaranteed Obligations for which such Guarantor shall be liable hereunder shall be reduced to that amount which, after giving effect thereto, would not cause the Guaranteed Obligations (or any other obligations of such Guarantor to the Administrative Agent or the Secured Parties), as so reduced, to be subject to avoidance or unenforceability under the Avoidance Provisions.

(f) This Section is intended solely to preserve the rights of the Administrative Agent and the Secured Parties hereunder to the maximum extent that would not cause the Guaranteed Obligations of such Guarantor to be subject to avoidance or unenforceability under the Avoidance Provisions, and neither the Grantors nor any other Person shall have any right or claim under this Section as against the Administrative Agent or any Secured Party that would not otherwise be available to such Person under the Avoidance Provisions.

(g) Each Guarantor agrees that if the maturity of any of the Guaranteed Obligations is accelerated by bankruptcy or otherwise, such maturity shall also be deemed accelerated for the purpose of this guarantee without demand or notice to such Guarantor. The guarantee contained in this Article shall remain in full force and effect until the Termination Date.

**Section 2.2 Payments.** Each Guarantor hereby agrees and guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in Dollars at the office of the Administrative Agent specified pursuant to the Credit Agreement.

### ARTICLE III

#### **GRANT OF SECURITY INTEREST**

##### **Section 3.1 Grant of Security Interest**

(a) Each Grantor hereby pledges, assigns, transfers and grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a continuing security interest in, and a right to set off against, all of such Grantor's property, tangible and intangible, whether now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest, wherever located or situated, and whether now existing or hereafter coming into existence (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations (collectively, the "Secured Obligations"); provided that, notwithstanding the foregoing, in no event shall "Secured Obligations" include any Excluded Swap Obligations of any Guarantor), including, but not limited to, all of such Grantor's right, title and interest in, to and under any of the following; provided that, notwithstanding the foregoing, in no event shall "Secured Obligations" include any Excluded Swap Obligations of any Guarantor:

- (i) all Accounts and Chattel Paper;
- (ii) all Copyrights and Copyright Licenses;
- (iii) all Commercial Tort Claims;
- (iv) all contracts;
- (v) all Deposit Accounts;
- (vi) all Documents;

- (vii) all General Intangibles;
- (viii) all Goods (including, without limitation, all Inventory, all Equipment and all Fixtures);
- (ix) all Instruments;
- (x) all Investment Property;
- (xi) all Letter-of-Credit Rights;
- (xii) all Notes and all intercompany obligations between the Loan Parties;
- (xiii) all Patents and Patent Licenses;
- (xiv) all Pledged Securities;
- (xv) all Trademarks and Trademark Licenses;
- (xvi) all books and records, Supporting Obligations and related letters of credit or other claims and causes of action, in each case to the extent pertaining to the Collateral;
- (xvii) to the extent not otherwise included, substitutions, replacements, accessions, products and other Proceeds (including, without limitation, insurance proceeds, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing and all collateral security, guarantees and other Supporting Obligations given with respect to any of the foregoing; and
- (xviii) further including, but not limited to, all of such Grantor's right, title and interest in and to each and every Item of Product, all of the properties thereof (tangible and intangible), and all domestic and foreign copyrights and all other rights therein and thereto, of every kind and character, whether now in existence or hereafter to be made or produced, and whether or not in the possession of such Grantor, including with respect to each and every Item of Product (including each and every episode of any Item of Product that is an episodic project) and without limiting the foregoing language, each and all of the following particular rights and properties (in each case to the extent they are now owned, currently existing or hereafter acquired or created by such Grantor):
  - (A) all scenarios, screenplays, teleplays, scripts and any other literary material, (in each case) at every stage thereof, upon which such Item of Product is based (in whole or in part);
  - (B) all common law and/or statutory copyright and other rights in all literary and other properties (hereinafter called "said literary properties") which form the basis of such Item of Product and/or which are or will be incorporated into such Item of Product, all component parts of such Item of Product consisting of



said literary properties, all motion picture, television program or other rights in and to the story, all treatments of said story and said literary properties, together with all preliminary and final screenplays and teleplays used and to be used in connection with such Item of Product, and all other literary material upon which such Item of Product is based or from which it is adapted;

(C) all rights for all media in and to all music and musical compositions used and to be used in such Item of Product, if any, including, each without limitation, all rights to record, re-record, produce, reproduce or synchronize all of said music and musical compositions, including, without limitation, reuse fees, royalties and all other amounts payable with respect to said music and musical compositions;

(D) all tangible personal property relating to such Item of Product, including, without limitation, all exposed film, developed film, positives, negatives, prints, positive prints, answer prints, magnetic tapes and other digital or electronic storage media, special effects, preparing materials (including interpositives, duplicate negatives, internegatives, color reversals, intermediates, lavenders, fine grain master prints and matrices, and all other forms of pre-print elements), sound tracks, cutouts, trims and any and all other physical properties of every kind and nature relating to such Item of Product whether in completed form or in some state of completion, and all masters, duplicates, drafts, versions, variations and copies of each thereof, in all formats whether on film, videotape, disk or other optical or electronic media or otherwise and all music sheets and promotional materials relating to such Item of Product (collectively, the “Physical Materials”);

(E) all collateral, allied, subsidiary and merchandising rights appurtenant or related to such Item of Product including, without limitation, the following rights: all rights to produce remakes, spin offs, sequels or prequels to such Item of Product based upon such Item of Product, said literary properties or the theme of such Item of Product and/or the text or any part of said literary properties; all rights throughout the world to broadcast, transmit and/or reproduce by means of television (including commercially sponsored, sustaining and subscription or “pay” television) or by streaming video or by other means over the internet or any other open or closed physical or wireless network or by any process analogous to any of the foregoing, now known or hereafter devised, such Item of Product or any remake, spin off, sequel or prequel to such Item of Product; all rights to produce primarily for television or similar use, a motion picture or series of motion pictures, or other Item of Product by use of film or any other recording device or medium now known or hereafter devised, based upon such Item of Product, said literary properties or any part thereof, including, without limitation, based upon any script, scenario or the like used in such Item of Product; all merchandising rights including, without limitation, all rights to use, exploit and license others to use and exploit any and all commercial tie-ups of any kind arising out of or connected with said literary properties, such Item of Product, the title or titles of such Item of Product, the characters of such Item of Product and/or said

literary properties and/or the names or characteristics of said characters and including further, without limitation, any and all commercial exploitation in connection with or related to such Item of Product, any remake, spin-off, sequel or prequel thereof and/or said literary properties;

(F) all statutory copyrights, domestic and foreign, obtained or to be obtained on such Item of Product, together with any and all copyrights obtained or to be obtained in connection with such Item of Product or any underlying or component elements of such Item of Product, including, in each case without limitation, all copyrights on the property described in the foregoing clauses (i) through (v) inclusive, of this subsection (xviii), together with the right to copyright (and all rights to renew or extend such copyrights, if applicable) and the right to sue in the name of any of the Grantors for past, present and future infringements of copyright;

(G) all insurance policies and completion bonds connected with such Item of Product and all proceeds which may be derived therefrom;

(H) all rights to distribute, sell, rent, license the exhibition of and otherwise exploit and turn to account such Item of Product in all media (whether now known or hereafter developed), the Physical Materials, the motion picture, television program or other rights in and to the story and/or other literary material upon which such Item of Product is based or from which it is adapted, and the music and musical compositions used or to be used in such Item of Product;

(I) any and all sums, claims, proceeds, money, products, profits or increases, including money profits or increases (as those terms are used in the UCC or otherwise) or other property obtained or to be obtained from the distribution, exhibition, sale or other uses or dispositions of such Item of Product or any part of such Item of Product in all media (whether now known or hereafter developed), including, without limitation, all sums, claims, proceeds, profits, products and increases, whether in money or otherwise, from a sale and leaseback or other sale, rental or licensing of such Item of Product and/or any of the elements of such Item of Product including, without limitation, from collateral, allied, subsidiary and merchandising rights, and further including, without limitation, all monies held in any Collection Account;

(J) the dramatic, nondramatic, stage, television, radio and publishing rights, title and interest in and to such Item of Product, and the right to obtain copyrights and renewals of copyrights therein, if applicable;

(K) the name or title of such Item of Product and all rights of such Grantor to the use thereof, including, without limitation, rights protected pursuant to trademark, service mark, unfair competition and/or any other applicable statutes, common law, or other rule or principle of law;

(L) any and all contract rights and/or chattel paper which may arise in connection with such Item of Product;

(M) all accounts and/or other rights to payment which such Grantor currently owns or which may arise in favor of such Grantor in the future, including, without limitation, any refund or rebate in connection with a completion bond or otherwise, any and all refunds in connection with any value added tax, all accounts and/or rights to payment due from Persons in connection with the distribution of such Item of Product, or from the exploitation of any and all of the collateral, allied, subsidiary, merchandising and other rights in connection with such Item of Product, including tax refunds and tax rebates received in connection with tax incentives;

(N) any and all “general intangibles” (as that term is defined in Section 9-102(a)(42) of the UCC) not elsewhere included in this definition, including, without limitation, any and all general intangibles consisting of any right to payment which may arise in connection with the distribution or exploitation of any of the rights set out herein, and any and all general intangible rights in favor of such Grantor for services or other performances by any third parties, including actors, writers, directors, individual producers and/or any and all other performing or nonperforming artists in any way connected with such Item of Product, any and all general intangible rights in favor of such Grantor relating to licenses of sound or other equipment, or licenses for any photograph or photographic or other processes, and any and all general intangibles related to the distribution or exploitation of such Item of Product including general intangibles related to or which grow out of the exhibition of such Item of Product and the exploitation of any and all other rights in such Item of Product set out in this definition;

(O) any and all “goods” (as defined in Section 9-102(a)(44) of the UCC) including, without limitation, “inventory” (as defined in Section 9-102(a)(48) of the UCC) which may arise in connection with the creation, production or delivery of such Item of Product, which goods are owned by such Grantor pursuant to any production agreement, any Material Agreement, or otherwise;

(P) all and each of the rights, regardless of denomination, which arise in connection with the acquisition, creation, production, completion of production, delivery, distribution, or other exploitation of such Item of Product, including, without limitation, any and all rights in favor of such Grantor, the ownership or control of which are or may become necessary or desirable, in the reasonable opinion of the Administrative Agent, in order to complete production of such Item of Product in the event that the Administrative Agent exercises any rights it may have to take over and complete production of such Item of Product;

(Q) any and all documents issued by any pledgeholder or bailee with respect to such Item of Product or any Physical Materials (whether or not in completed form) with respect thereto;

(R) any and all Production Accounts, Collection Accounts or other bank accounts established by such Grantor with respect to such Item of Product;

(S) any and all rights of such Grantor under any co-financing agreements, distribution agreements, licensing intermediary agreements, sales agency agreements and Material Agreements, relating to such Item of Product, including, without limitation, all rights to payment thereunder;

(T) any and all rights of such Grantor under contracts relating to the production or acquisition of such Item of Product or otherwise, including, but not limited to, all such contracts which have been delivered to the Administrative Agent pursuant to this Agreement or the Credit Agreement;

(U) any and all patents, patent rights, software, proprietary processes or other rights with respect to the creation or production of computer animated Item of Product;

(V) any rebates, credits, grants or other similar benefits relating to such Item of Product; and

(W) all substitutions, replacements, accessions, products and other Proceeds (including, without limitation, insurance proceeds, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing and all collateral security, guarantees and other Supporting Obligations given with respect to any of the foregoing;

(b) Notwithstanding the foregoing or anything in any Loan Document to the contrary, this Section 3.1 shall not grant a security interest in, and the term “Collateral” and any component term comprising thereof shall not include, and no representation, warranty or covenant contained in this Agreement or any other Loan Document shall apply to any Excluded Assets.

(c) For the avoidance of doubt and notwithstanding anything to the contrary contained in this Agreement, for the purposes of this Agreement, (x) the term “Collateral” and any component term comprising thereof shall not include, and (y) the Parent and each UK Loan Party has not pledged, assigned or transferred to the Administrative Agent, nor granted to the Administrative Agent, for the ratable benefit of the Secured Parties, under this Agreement a continuing security interest in, and a right to set off against, in each case, all of the Parent’s and such UK Loan Party’s property, tangible or intangible, to the extent that such property is (i) subject to a Lien under any UK Collateral Document, (ii) not located in the United States or (iii) property that perfecting a security interest in is not governed or controlled by the UCC or the laws of the United States. Any such pledge, assignment, transfer or grant shall be effected pursuant to the terms and conditions of the applicable UK Collateral Documents. Any references to “Grantor” or “Grantors” under this Agreement shall exclude each UK Loan Party and Parent as the context so requires in order to effect the terms and conditions of this paragraph.

**Section 3.2 Transfer of Pledged Securities.** All certificates and instruments representing or evidencing the Pledged Certificated Stock shall be delivered to and held pursuant

hereto by the Administrative Agent or a Person designated by the Administrative Agent in accordance with the terms of the Credit Agreement and, in the case of an instrument or certificate in registered form, other than Pledged Certificated Stock that are also pledged pursuant a Collateral Document governed by the laws of a country other than the US (including Pledged Certificated Stock issued by an entity incorporated in England and Wales) shall be duly indorsed to the Administrative Agent or in blank by an effective endorsement (whether on the certificate or instrument or on a separate writing).

Notwithstanding the preceding sentence, all Pledged Certificated Stock must be delivered or transferred in such manner, and each Grantor shall take all such further action as may be reasonably requested by the Administrative Agent, as to permit the Administrative Agent to be a “protected purchaser” to the extent of its security interest as provided in Section 8-303 of the UCC (if the Administrative Agent otherwise qualifies as a protected purchaser).

**Section 3.3    Assignment of Rights Only.** The Administrative Agent has under this Agreement an assignment of and Lien on only the benefits of and rights under the Collateral, and shall not assume any obligations or duties thereunder. All such obligations and duties of a Grantor shall be and remain enforceable only against such Grantor and shall not be enforceable against the Administrative Agent. Anything herein to the contrary notwithstanding, each Grantor shall at all times remain liable to observe and perform all of its duties and obligations under all agreements included in its Collateral, and the Administrative Agent’s exercise of any of its rights with respect to such Collateral shall not release such Grantor from any of such duties and obligations. Neither the Administrative Agent nor any other Secured Party shall have any obligation or liability under any Account, Chattel Paper or Payment Intangible (or any agreement giving rise thereto) or under any other agreement included in the Collateral by reason of or arising out of this Agreement or the receipt by the Administrative Agent or any such other Secured Party of any payment relating thereto, nor shall the Administrative Agent or any other Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account, Chattel Paper or Payment Intangible (or any agreement giving rise thereto) or under any other agreement included in the Collateral or to make any payment with respect thereto or thereunder, to make any inquiry as to the nature or the sufficiency of any payment received by it thereunder or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

## **ARTICLE IV**

### **ACKNOWLEDGMENTS, WAIVERS AND CONSENTS**

#### **Section 4.1    Acknowledgments, Waivers and Consents.**

(a) Each Guarantor acknowledges and agrees that the obligations undertaken by it under this Agreement may involve the guarantee of, and each Grantor, acknowledges and agrees that the obligations undertaken by it under this Agreement may involve the provision of collateral security for the obligations of Persons other than such Grantor or Guarantor, as applicable, and that such Grantor’s or Guarantor’s, as applicable, guarantee and provision of collateral security for the Secured Obligations are absolute, irrevocable and unconditional under

any and all circumstances, except as expressly stated in this Agreement or any other Loan Document or under applicable law. In full recognition and furtherance of the foregoing, each Grantor or Guarantor, as applicable, understands and agrees, to the fullest extent permitted under applicable law and except as may otherwise be expressly and specifically provided in the Loan Documents, that each Grantor or Guarantor, as applicable, shall remain obligated hereunder (including, without limitation, with respect to each Guarantor the guarantee made by it herein and, with respect to each Grantor the collateral security provided by such Grantor), and the enforceability and effectiveness of this Agreement and the liability of such Grantor or Guarantor, as applicable, hereunder, and the rights, remedies, powers and privileges of the Administrative Agent and the other Secured Parties under this Agreement and the other Loan Documents, shall not be affected, limited, reduced, discharged or terminated in any way:

(i) notwithstanding that, without any reservation of rights against any Grantor or Guarantor, as applicable, and without notice (except as required by applicable law) to or further assent by any Grantor or Guarantor, as applicable: (A) any demand for payment of any of the Secured Obligations made by the Administrative Agent or any other Secured Party may be rescinded by the Administrative Agent or such other Secured Party and any of the Secured Obligations continued; (B) the Secured Obligations, the liability of any other Person upon or for any part thereof or any collateral security or guarantee therefor or right of offset with respect thereto may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by, or any indulgence or forbearance in respect thereof granted by, the Administrative Agent or any other Secured Party; (C) the Credit Agreement, the other Loan Documents and all other documents executed and delivered in connection therewith or in connection with Hedging Obligations and Bank Product Obligations included as Obligations may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the terms thereof, as the Administrative Agent (or the Required Lenders, all Lenders, or the other parties thereto, as the case may be) may deem advisable from time to time; (D) the Borrower, any Guarantor, any Grantor or any other Person may from time to time accept or enter into new or additional agreements, security documents, guarantees or other instruments in addition to, in exchange for or relative to any Loan Document, all or any part of the Secured Obligations or any collateral now or in the future serving as security for the Secured Obligations, in each case pursuant to the terms and conditions thereof; (E) any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any other Secured Party for the payment of the Secured Obligations may be sold, exchanged, waived, surrendered or released; and (F) any other event (other than payment in full of all Obligations (other than (i) Bank Product Obligations and Hedging Obligations to any Lender-Related Hedge Provider not yet due and payable as to which arrangements satisfactory to the Borrower and the applicable Bank Product Provider and Lender-Related Hedge Provider, as applicable, shall have been made and (ii) contingent indemnification obligations)) shall occur which constitutes a defense or release of sureties generally; and

(ii) regardless of, and each Grantor or Guarantor, as applicable, hereby expressly waives to the fullest extent permitted by law any defense now or in the future arising by reason of: (A) the illegality, invalidity or unenforceability against any Grantor

or Guarantor, as applicable, of the Credit Agreement, any other Loan Document, any of the Secured Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any other Secured Party; (B) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by any Grantor or Guarantor, as applicable, or any other Person against the Administrative Agent or any other Secured Party; (C) the insolvency, bankruptcy arrangement, reorganization, adjustment, composition, liquidation, disability, dissolution or lack of power of any other Grantor or Guarantor, as applicable, or any other Person at any time liable for the payment of all or part of the Secured Obligations or the failure of the Administrative Agent or any other Secured Party to file or enforce a claim in bankruptcy or other proceeding with respect to any Person, or any sale, lease or transfer of any or all of the assets of any Grantor or Guarantor, as applicable, or any changes in the holders of the Capital Stock of any Grantor or Guarantor, as applicable; (D) the fact that any collateral or Lien contemplated or intended to be given, created or granted as security for the repayment of the Secured Obligations shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other Lien, it being recognized and agreed by each of the Grantors or Guarantors, as applicable, that it is not entering into this Agreement in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectability or value of any of the collateral for the Secured Obligations; (E) any failure of the Administrative Agent or any other Secured Party to marshal assets in favor of any Grantor or Guarantor, as applicable, or any other Person, to exhaust any collateral for all or any part of the Secured Obligations, to pursue or exhaust any right, remedy, power or privilege it may have against any Grantor or Guarantor, as applicable, or any other Person or to take any action whatsoever to mitigate or reduce any Grantor's or Guarantor's liability under this Agreement or any other Loan Document; (F) any law which provides that the obligation of a surety or guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal or which reduces a surety's or guarantor's obligation in proportion to the principal obligation; (G) the possibility that the Secured Obligations may at any time and from time to time exceed the aggregate liability of such Grantor or Guarantor, as applicable, under this Agreement; or (H) except for payment or performance, any other circumstance or act whatsoever, including any action or omission of the type described in subsection (a)(i) of this Section (with or without notice to or knowledge of any Grantor or Guarantor, as applicable), which constitutes, or might be construed to constitute, an equitable or legal discharge or defense of the Borrower for the Secured Obligations, or of such Grantor or Guarantor, as applicable under the guarantee contained in Article II, or with respect to the collateral security provided by such Grantor herein, or which might be available to a surety or guarantor, in bankruptcy or in any other instance.

(b) Each Grantor or Guarantor, as applicable, hereby waives to the extent permitted by law: (i) except as expressly provided otherwise herein or in any other Loan Document, all notices to such Grantor or Guarantor, as applicable, or to any other Person, including, but not limited to, notices of the acceptance of this Agreement, the guarantee contained in Article II or the provision of collateral security provided herein, or the creation, renewal, extension, modification or accrual of any Secured Obligations, or notice of or proof of reliance by

the Administrative Agent or any other Secured Party upon the guarantee contained in Article II or upon the collateral security provided herein, or of default in the payment or performance of any of the Secured Obligations owed to the Administrative Agent or any other Secured Party and enforcement of any right or remedy with respect thereto, or notice of any other matters relating thereto; the Secured Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in Article II and the collateral security provided herein and no notice of creation of the Secured Obligations or any extension of credit already or hereafter contracted by or extended to the Borrower need be given to any Grantor or Guarantor, as applicable, and all dealings between the Borrower and any of the Grantors or Guarantors, as applicable, on the one hand, and the Administrative Agent and the other Secured Parties, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in Article II and on the collateral security provided herein; (ii) diligence and demand of payment, presentment, protest, dishonor and notice of dishonor; (iii) any statute of limitations affecting any Grantor's or Guarantor's, as applicable, liability hereunder or the enforcement thereof; (iv) all rights of revocation with respect to the Secured Obligations, the guarantee contained in Article II and the provision of collateral security herein; and (v) all principles or provisions of law which conflict with the terms of this Agreement and which can, as a matter of law, be waived.

(c) When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Grantor or Guarantor, as applicable, the Administrative Agent or any other Secured Party may, but shall be under no obligation to, join or make a similar demand on or otherwise pursue or exhaust such rights and remedies as it may have against the Borrower, any other Grantor or Guarantor, as applicable, or any other Person or against any collateral security or guarantee for the Secured Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any other Secured Party to make any such demand, to pursue such other rights or remedies or to collect any payments from the Borrower, any other Grantor or Guarantor, as applicable, or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower, any other Grantor or Guarantor, as applicable, or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Grantor or Guarantor, as applicable, of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent or any other Secured Party against any Grantor or Guarantor, as applicable,. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings. Neither the Administrative Agent nor any other Secured Party shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Secured Obligations or for the guarantee contained in Article II or any property subject thereto.

(d) WITHOUT LIMITING THE GENERALITY OF ANY OTHER WAIVER OR OTHER PROVISION SET FORTH IN THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, SECTION 10.12), EACH GRANTOR OR GUARANTOR, AS APPLICABLE, HEREBY ABSOLUTELY, KNOWINGLY, UNCONDITIONALLY, AND EXPRESSLY WAIVES AND AGREES NOT TO ASSERT ANY AND ALL BENEFITS OR DEFENSES ARISING DIRECTLY OR INDIRECTLY UNDER ANY ONE OR MORE OF CALIFORNIA



CIVIL CODE SECTIONS 2787 THROUGH 2855, INCLUSIVE, 2899 and 3433, UCC SECTIONS 3116, 3118, 3119, 3419, 3605, 9504, AND 9507, AND CHAPTER 2 OF TITLE 14 OF PART 4 OF DIVISION 3 OF THE CALIFORNIA CIVIL CODE OR ANY OTHER COMPARABLE PROVISIONS OF APPLICABLE LAW.

(e) Without prejudice to the generality of any other waiver granted in any Loan Document, each Guarantor irrevocably abandons and waives any right it may have at any time under Jersey law whether existing or future:

(f) whether by virtue of the droit de division or otherwise, to require that any liability under any Loan Document be divided or apportioned with any other person or reduced in any manner whatsoever; and

(g) whether by virtue of the droit de discussion or otherwise, to require that recourse be had to the assets of any other person before any claim is enforced against that Guarantor under any Loan Document.

**Section 4.2 No Subrogation, Contribution or Reimbursement.** Until the Termination Date, notwithstanding any payment made by any Grantor or Guarantor, as applicable, hereunder or any set-off or application of funds of any Grantor or Guarantor, as applicable, by the Administrative Agent or any other Secured Party, no Grantor or Guarantor, as applicable, shall be entitled to be subrogated to any of the rights of the Administrative Agent or any other Secured Party against the Borrower or any other Grantor or Guarantor, as applicable, or any collateral security or guarantee or right of offset held by the Administrative Agent or any other Secured Party for the payment of the Secured Obligations, nor shall any Grantor or Guarantor, as applicable, seek or be entitled to seek any indemnity, exoneration, participation, contribution or reimbursement from the Borrower or any other Grantor or Guarantor, as applicable, in respect of payments made by such Grantor or Guarantor, as applicable, hereunder until the Termination Date, and each Grantor or Guarantor, as applicable, hereby expressly waives, releases and agrees not to exercise any or all such rights of subrogation, reimbursement, indemnity and contribution until the Termination Date. Each Grantor or Guarantor, as applicable, further agrees that to the extent that such waiver and release set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement, indemnity and contribution such Grantor or Guarantor, as applicable, may have against the Borrower or any other Grantor or Guarantor, as applicable, or against any collateral or security or guarantee or right of offset held by the Administrative Agent or any other Secured Party shall be junior and subordinate to any rights the Administrative Agent and the other Secured Parties may have against the Borrower and such Grantor or Guarantor, as applicable, and to all right, title and interest the Administrative Agent and the other Secured Parties may have in such collateral or security or guarantee or right of offset. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent, for the benefit of the Secured Parties, may use, sell or dispose of any item of collateral or security as it sees fit, subject to Section 7.4, without regard to any subrogation rights any Grantor or Guarantor, as applicable, may have, and upon any disposition or sale, any rights of subrogation any Grantor or Guarantor, as applicable, may have shall terminate with respect to such Collateral.

## ARTICLE V

### **REPRESENTATIONS AND WARRANTIES**

To induce the Administrative Agent and the other Secured Parties to enter into the Credit Agreement and the other Loan Documents, to induce the Lenders and the Issuing Bank to make their respective extensions of credit to the Borrower thereunder and to induce the Lender-Related Hedge Providers and the Bank Product Providers to enter into Hedging Obligations and Bank Product Obligations with the Grantors or Guarantors, as applicable, each Grantor or Guarantor, as applicable (provided, that notwithstanding anything herein to the contrary for purposes of this Article V, “Grantor” shall not include any UK Loan Party (other than (x) in connection with any Trademarks and Copyrights registered in the U.S. that is Collateral, the Borrower and El Bebe, and (ii) in connection with any Pledged Securities pledged hereunder by the Borrower, the Borrower, in each case, as the context so requires)), represents and warrants to the Administrative Agent and each other Secured Party as of the Closing Date as follows:

**Section 5.1 Confirmation of Representations in Credit Agreement.** Each Grantor or Guarantor, as applicable, represents and warrants to the Secured Parties that the representations and warranties set forth in Article IV of the Credit Agreement as they relate to such Grantor or Guarantor, as applicable, (in its capacity as a Loan Party or a Subsidiary of the Parent, as the case may be) or to the Loan Documents to which such Grantor or Guarantor, as applicable, is a party are true and correct in all material respects as of the Closing Date (without duplication of any materiality qualifier therein); provided that each reference in each such representation and warranty to the knowledge of the Parent or the Borrower shall, for the purposes of this Section, be deemed to be a reference to such Grantor’s or Guarantor’s, as applicable, knowledge.

**Section 5.2 Benefit to the Guarantors.** As of the Closing Date, the Borrower is a member of an affiliated group of companies that includes each Guarantor, and the Borrower and the Guarantors are engaged in related businesses permitted pursuant to Section 7.3(b) of the Credit Agreement. Each Guarantor (other than the Parent) is a Subsidiary of the Borrower or the Parent, and the guaranty and surety obligations of each Guarantor pursuant to this Agreement reasonably may be expected to benefit, directly or indirectly, such Guarantor; and each Guarantor has determined that this Agreement is necessary and convenient to the conduct, promotion and attainment of the business of such Guarantor and the Borrower.

**Section 5.3 Pledged Securities; Notes.**

(a) As of the Closing Date, all of such Grantor’s Pledged Securities are duly authorized, validly issued, fully paid and non-assessable, and are owned and held by such Grantor, free and clear of any Liens, other than those created pursuant to this Agreement or those permitted by the Credit Agreement, and there are no restrictions on the transfer of such Pledged Securities other than as a result of this Agreement, the Credit Agreement or applicable law or as permitted by the Credit Agreement.

(b) As of the date hereof, there are no outstanding rights, warrants, options, conversion or similar rights currently outstanding with respect to, and no agreements to purchase or otherwise acquire, any Capital Stock or any other Stock Equivalent of any Issuer; and there are

no securities or obligations of any kind convertible into any Capital Stock or any other Stock Equivalent of any Issuer.

(c) No Pledged Securities that provide for such securities to be governed by Article 8 of the applicable Uniform Commercial Code shall be certificated unless such certificates are delivered to the Administrative Agent in accordance with the terms hereof.

(d) Schedule 2 hereto sets forth all such Grantor's Pledged Securities and Notes as of the date hereof.

**Section 5.4 Filing Offices.** Schedule 3 hereto sets forth as of the Closing Date the appropriate office where UCC financing statements are required to be filed against any Grantor in order to perfect the Administrative Agent's security interests in the applicable Collateral, to the extent such security interests can be perfected by filing under the UCC. No Grantor has authenticated any agreement authorizing any secured party thereunder to file a financing statement with respect to any of the applicable Collateral, except with respect to Liens expressly permitted under the Credit Agreement.

**Section 5.5 Prior Names, Prior Chief Executive Offices.** Schedule 4 correctly sets forth as of the Closing Date (a) all names and trade names that such Grantor has used in the last five years and (b) the chief executive office of such Grantor over the last five years (if different from that which is set forth in Schedule 4.15 of the Credit Agreement).

**Section 5.6 Goods.** No portion of the Collateral constituting Goods with an aggregate value of \$500,000 or more is at any time in the possession of a bailee that has issued a negotiable or non-negotiable document covering such Collateral.

**Section 5.7 Chattel Paper.** No Collateral constituting Chattel Paper or Instruments, in each case, with an individual value in excess of \$500,000 contains any statement therein to the effect that such Collateral has been assigned to an identified party other than the Administrative Agent, and the grant of a security interest in such Collateral in favor of the Administrative Agent hereunder does not violate the rights of any other Person as a secured party.

**Section 5.8 [Reserved].**

**Section 5.9 Governmental Obligors.** None of the Account Debtors on such Grantor's Accounts, Chattel Paper or Payment Intangibles (in each case, constituting Collateral, and for the avoidance of doubt, excluding a refund of any Taxes) is a Governmental Authority, except to the extent such Accounts, Chattel Paper or Payment Intangibles have an individual value of less than \$500,000.

**Section 5.10 Copyrights, Patents and Trademarks.** Schedule 5 includes all U.S. issued Patents and Patent applications owned by such Grantor in its own name as of the Closing Date. Schedule 4.24 to the Credit Agreement includes (i) all U.S. Copyright registrations and applications owned by such Grantor in its own name as of the Closing Date and (ii) all U.S. Trademarks registrations and applications owned by such Grantor in its own name as of the Closing Date. To the best of each such Grantor's knowledge, each applicable material Patent,

Trademark and Copyright is valid, subsisting, unexpired and enforceable and has not been abandoned. To the best of each such Grantor's knowledge, (x) no holding, decision or judgment has been rendered by any Governmental Authority which has invalidated any such material Patent, Trademark or Copyright owned by such Grantor in its own name and (y) no action or proceeding is pending seeking to limit or cancel the validity of any such material Patent, Trademark or Copyright.

**Section 5.11 Ownership.** Each Grantor is the legal and beneficial owner of its applicable material Collateral and has the right to pledge, sell, assign or transfer the same. As of the date hereof, there is no Adverse Claim with respect to any such material Collateral governed by Article 8 of the UCC.

**Section 5.12 Commercial Tort Claims.** Schedule 6 sets forth all Commercial Tort Claims claiming damages in an individual value in excess of \$500,000 of such Grantor in existence as of the Closing Date.

**Section 5.13 Letter-of-Credit Rights.** Schedule 7 correctly sets forth all letters of credit in an individual value in excess of \$500,000 under which such Grantor is named as the beneficiary in existence as of the Closing Date.

**Section 5.14 Tax Representations of Parent.** The Parent is:

- (a) an "international services entity" within the meaning of the Goods and Services Tax (Jersey) Law 2007; and
- (b) charged to income tax in Jersey at a rate of zero per cent under the Income Tax (Jersey) Law 1961 or is not regarded as resident for tax purposes in Jersey.

## ARTICLE VI

### COVENANTS

Each Grantor (other than any Grantor that is a UK Loan Party (other than (x) in connection with any Trademarks and Copyrights registered in the U.S., the Borrower and El Bebe, and (ii) in connection with any Pledged Securities pledged hereunder by the Borrower, the Borrower, in each case, as the context so requires)), covenants and agrees with the Administrative Agent and the other Secured Parties that, from and after the date of this Agreement and until the Termination Date:

**Section 6.1 Covenants in Credit Agreement.** In the case of each Guarantor, such Guarantor shall take, or shall refrain from taking, as the case may be, each action that is necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or by refraining from taking such action by such Guarantor or any of its Subsidiaries.

**Section 6.2 Maintenance of Perfected Security Interest; Further Documentation.**

(a) Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest to the extent perfection is required by the terms hereof or under the Credit Agreement (subject only to Liens expressly permitted under Section 7.2 of the Credit Agreement) having at least the priority described in Section 4.20 of the Credit Agreement and shall use commercially reasonable efforts to defend such security interest against the claims and demands of all Persons whomsoever, except with respect to Liens expressly permitted under Section 7.2 of the Credit Agreement.

(b) At any time and from time to time, upon the reasonable request of the Administrative Agent, and at the sole expense of such Grantor, such Grantor will promptly and duly give, execute, deliver, indorse, file or record any and all financing statements, continuation statements, amendments, notices (including, without limitation, notifications to financial institutions and any other Person), contracts, agreements, assignments, certificates, stock powers or other instruments, obtain any and all governmental approvals and consents and take or cause to be taken any and all steps or acts that may be necessary or advisable or as the Administrative Agent may reasonably request to create, perfect (to the extent perfection is required by the terms hereof), establish the priority of, or to preserve the validity, perfection (to the extent perfection is required by the terms hereof) or priority of, the Liens on the Collateral granted by this Agreement or to enable the Administrative Agent or any other Secured Party to enforce its rights, remedies, powers and privileges under this Agreement with respect to such Liens on the Collateral or to otherwise obtain or preserve the full benefits of this Agreement and the rights, powers and privileges herein granted.

(c) Without limiting the obligations of the Grantors under subsection (b) of this Section, as applicable: (i) upon the reasonable request of the Administrative Agent, (i) such Grantor shall take or cause to be taken all actions (other than any actions required to be taken by the Administrative Agent) requested by the Administrative Agent to cause the Administrative Agent to (A) have “control” (within the meaning of Sections 9-104, 9-105, 9-106, and 9-107 of the UCC) over (x) any Collateral constituting Deposit Accounts (excluding any Excluded Accounts) and Pledged Securities and (y) any Collateral constituting Electronic Chattel Paper or Investment Property, in each case of this clause (y), with a value in excess of (I) \$300,000 on an individual basis or (II) \$1,000,000 in the aggregate, in each case, including, without limitation, executing and delivering any agreements, in form and substance reasonably satisfactory to the Administrative Agent, with securities intermediaries, issuers or other Persons in order to establish “control”, and each Grantor shall promptly notify the Administrative Agent and the other Secured Parties of such Grantor’s acquisition of any such Collateral, and (B) be a “protected purchaser” (as defined in Section 8-303 of the UCC); (ii) with respect to Collateral in the possession of a Person other than such Grantor or the Administrative Agent with a value in excess of (I) \$300,000 on an individual basis or (II) \$1,000,000 in the aggregate, other than certificated securities and Goods covered by a document, such Grantor shall use commercially reasonable efforts to obtain written acknowledgment that such Person holds possession for the Administrative Agent’s benefit; and (iii) with respect to any Collateral constituting Goods that are in the possession of a bailee with an aggregate value in excess of (x) \$300,000 on an individual basis or (y) \$1,000,000 in the aggregate, such Grantor shall provide prompt notice to the Administrative Agent of any such Collateral then in the possession of such bailee, and such Grantor shall take or cause to be taken all actions (other than any actions required to be taken by the Administrative Agent or any other Secured Party)

necessary and reasonably requested by the Administrative Agent to cause the Administrative Agent to have a perfected security interest in such Collateral under applicable law.

(d) Notwithstanding the foregoing, the Grantors shall not be required to (i) take any actions required by this Section 6.2 under this Agreement to the extent a security interest in any assets subject to this Agreement cannot be granted and/or perfected without entering into documents governed by laws other than the laws of the United States or (ii) make any filings or take any other actions to record or perfect Administrative Agent's Lien on and security interest in any Intellectual Property outside the United States or to reimburse Administrative Agent for any costs or expenses incurred in connection with making such filings or taking any other such action.

**Section 6.3** **[Reserved]**.

**Section 6.4** **[Reserved]**.

**Section 6.5** **[Reserved]**.

**Section 6.6** **[Reserved]**.

**Section 6.7** **Limitations on Parent.** Notwithstanding anything herein to the contrary or in any other Loan Document, Parent shall not, directly or indirectly, (i) incur any Indebtedness, other than pursuant to the Loan Documents, amendments or modifications thereof to the extent permitted hereby or in the other Loan Documents, (ii) engage in any business or conduct any activity (including the making of any Investment or payment other than Investments or payments permitted under the Loan Documents with respect to its own Capital Stock or the ownership of Capital Stock of the Borrower) or transfer any of its assets, other than Investments in the Borrower and the other Loan Parties and the performance of ministerial or administrative activities and payment of taxes and administrative fees necessary for the maintenance of its existence, (iii) consolidate or merge with or into any other Person other than as permitted under the Credit Agreement, (iv) enter into any agreement with any Person for the purchase, sale, lease or exchange of any property or the rendering of any service other than as permitted under the Credit Agreement, or (v) create or suffer to exist any Lien upon any property or asset now owned or hereafter acquired by Parent other than the Liens created under the Loan Documents to which it is a party and Liens permitted under the Credit Agreement; provided that, Parent shall expressly be permitted to engage in the following: (a) the maintenance of its legal existence (including the ability to incur fees, costs and expenses related to such maintenance); (b) the performance of its obligations under the Loan Documents; (c) participating in Tax, accounting and other administrative matters as a member of the consolidated group of Parent, the Borrower, and the Subsidiaries of Parent, in each case, not otherwise prohibited under the Loan Documents; (d) the receipt of and the making of Restricted Payments permitted and to the extent required to effect such permitted Restricted Payments permitted under Section 7.5 of the Credit Agreement; (e) establishing and maintaining bank accounts in the ordinary course of business and in compliance with Section 5.13 of the Credit Agreement and any other applicable provision hereof or in the other Loan Documents; (f) entering into employment agreements, stock option and stock ownership plans and other customary arrangements with officers, consultants, investment bankers, advisors, employees and directors and performing the activities contemplated thereby, in each case, in the ordinary course of business; (g) the providing of customary indemnification to officers, consultants, managers and

directors, in each case, otherwise permitted hereunder; (h) activities incidental to the right to cure pursuant to Section 8.3 of the Credit Agreement; and (i) activities incidental to the business or activities described in the foregoing subclauses (a) through (h). Parent shall not incur any Liens on Capital Stock of the Borrower, other than non-consensual Liens and those for the benefit of the Obligations, and Parent shall not own any Capital Stock other than those of the Borrower.

**Section 6.8    Pledged Securities.**

(a) If such Grantor shall become entitled to receive or shall receive any stock certificate or other instrument (including, without limitation, any certificate or instrument representing a dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate or instrument issued in connection with any reorganization), option or rights in respect of the Capital Stock of any nature of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any shares (or such other interests) of the Pledged Securities, or otherwise in respect thereof, except as otherwise provided herein or in the Credit Agreement and other than Excluded Equity or any Excluded Assets, such Grantor shall accept the same as the agent of the Administrative Agent and the other Secured Parties, hold the same in trust for the Administrative Agent and the other Secured Parties and deliver the same within 60 days (or such longer time as the Administrative Agent shall permit) to the Administrative Agent in the exact form received, duly indorsed by such Grantor to the Administrative Agent, if required, together with an undated stock power or other equivalent instrument of transfer reasonably acceptable to the Administrative Agent covering such certificate or instrument duly executed in blank by such Grantor and with, if the Administrative Agent so requests, signature guaranteed, to be held by the Administrative Agent, subject to the terms hereof, as additional collateral security for the Secured Obligations.

(b) [Reserved].

(c) [Reserved].

(d) Such Grantor shall furnish to the Administrative Agent such powers and other equivalent instruments of transfer as may be required by the Administrative Agent to assure the transferability of and the perfection of the security interest in the Pledged Securities when and as often as may be reasonably requested by the Administrative Agent.

(e) If any Grantor acquires any Pledged Securities after executing this Agreement, it shall execute a Supplement to this Agreement in the form of Annex II with respect to such Pledged Securities and deliver such Supplement to the Administrative Agent within 60 days (or such longer time as the Administrative Agent shall permit) thereafter.

**Section 6.9    Instruments and Tangible Chattel Paper.** If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument (other than checks to be deposited in the ordinary course of business) or Tangible Chattel Paper (other than any Instrument or Tangible Chattel Paper in an individual principal amount of less than (x) \$300,000 on an individual basis and (y) \$1,000,000 in the aggregate), each such Instrument or Tangible Chattel Paper, shall be delivered to the Administrative Agent within 60 days (or such

longer time as the Administrative Agent shall permit), duly endorsed in a manner reasonably satisfactory to the Administrative Agent to be held as Collateral pursuant to this Agreement.

**Section 6.10 Defense of Intellectual Property.** In the event that any material Copyright, Patent or Trademark owned by a Grantor included in the Collateral is infringed, misappropriated or diluted by a third party, such Grantor shall promptly notify the Administrative Agent after it learns thereof and shall take actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Copyright, Patent or Trademark.

**Section 6.11 Commercial Tort Claims.** If such Grantor shall at any time hold or acquire a Commercial Tort Claim that satisfies the requirements of the following sentence, such Grantor shall, within 60 days (or such longer time as the Administrative Agent shall permit) after such Commercial Tort Claim satisfies such requirements, notify the Administrative Agent in a writing signed by such Grantor containing a brief description thereof, and granting to the Administrative Agent in such writing (for the benefit of the Secured Parties) a security interest therein and in the Proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Administrative Agent. The provisions of the preceding sentence shall apply only to a Commercial Tort Claim that satisfies the following requirements: (i) the monetary value claimed by or payable to the relevant Grantor in connection with such Commercial Tort Claim shall exceed (x) an individual principal amount \$500,000 or (y) \$1,000,000 in an aggregate principal amount; and (ii) either (A) such Grantor shall have filed a law suit or counterclaim or otherwise commenced legal proceedings (including, without limitation, arbitration proceedings) against the Person against whom such Commercial Tort Claim is made, or (B) such Grantor and the Person against whom such Commercial Tort Claim is asserted shall have entered into a settlement agreement with respect to such Commercial Tort Claim. In addition, to the extent that the existence of any Commercial Tort Claim with (x) an individual principal amount in excess of \$500,000 or (y) an aggregate principal amount in excess of \$1,000,000, held or acquired by any Grantor is disclosed by such Grantor in any public filing with the Securities Exchange Commission or any successor thereto or analogous Governmental Authority, or to the extent that the existence of any such Commercial Tort Claim with (x) an individual principal amount in excess of \$500,000 or (y) an aggregate principal amount in excess of \$1,000,000, is disclosed in any press release issued by any Grantor, then, upon the request of the Administrative Agent, the relevant Grantor shall, within 30 days (or such longer time as the Administrative Agent shall permit) after such request is made, transmit to the Administrative Agent and the other Secured Parties a writing signed by such Grantor containing a brief description of such Commercial Tort Claim and granting to the Administrative Agent in such writing (for the benefit of the Secured Parties) a security interest therein and in the Proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Administrative Agent.

**Section 6.12 Letter of Credit Rights.** If any Grantor is at any time a beneficiary under a letter of credit with an individual face amount equal to or greater than (x) \$300,000 on an individual basis or (y) \$1,000,000 in the aggregate, now or hereafter issued in favor of such Grantor that is not a Supporting Obligation with respect to any of the Collateral, such Grantor shall within 60 days (or such longer time as the Administrative Agent shall permit) notify the Administrative Agent thereof and such Grantor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Administrative Agent, use commercially reasonable efforts to arrange for the



issuer and any confirmer of such letter of credit to consent to an assignment to the Administrative Agent of the proceeds of any drawing under such letter of credit, with the Administrative Agent agreeing that the proceeds of any drawing under such letter of credit are to be paid to the applicable Grantor unless an Event of Default has occurred and is continuing.

## ARTICLE VII

### **REMEDIAL PROVISIONS**

#### **Section 7.1 Pledged Securities.**

(a) Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given prior written notice to the relevant Grantor of the Administrative Agent's intent to exercise its corresponding rights pursuant to subsection (b) of this Section, each Grantor shall be permitted to receive all cash dividends paid in respect of the Pledged Securities paid in the normal course of business of the relevant Issuer, to the extent permitted in the Credit Agreement and by the terms of the applicable organizational documents, and to exercise all voting and corporate, membership or partnership rights with respect to the Pledged Securities.

(b) If an Event of Default shall occur and be continuing, then at any time in the Administrative Agent's discretion with prior written notice given by the Administrative Agent to the relevant Grantor, (i) the Administrative Agent shall have the right to receive any and all cash dividends, payments or other Proceeds paid in respect of the Pledged Securities and make application thereof to the Obligations in accordance with Section 8.2 of the Credit Agreement, and (ii) any or all of the Pledged Securities shall be registered in the name of the Administrative Agent or its nominee, and the Administrative Agent or its nominee may thereafter exercise (x) all voting, corporate, membership, partnership and other rights pertaining to such Pledged Securities at any meeting of shareholders (or other equivalent body) of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Securities as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Securities upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the organizational structure of any Issuer, or upon the exercise by any Grantor or the Administrative Agent of any right, privilege or option pertaining to such Pledged Securities, and in connection therewith, the right to deposit and deliver any and all of the Pledged Securities with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may determine), all without liability except to account for property actually received by it, but the Administrative Agent shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Securities pledged by such Grantor hereunder (and each Issuer party hereto hereby agrees) to (i) comply with any instruction received by it from the Administrative Agent in writing (x) after an Event of Default has occurred and is continuing and the Administrative Agent has provided the required notice described herein and (y) that is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees

that each Issuer shall be fully protected in so complying, and (ii) unless otherwise expressly permitted hereby, upon and after receipt of the instruction described in clause (i) pay any dividends or other payments with respect to the Pledged Securities directly to the Administrative Agent.

(d) After the occurrence and during the continuation of an Event of Default, upon prior written notice given by the Administrative Agent to the relevant Grantor, all rights of the Grantor in respect thereof to exercise the voting and other consensual rights which such Grantor would otherwise be entitled to exercise with respect to the Pledged Securities issued by such Issuer shall cease, and all such rights shall thereupon become vested in the Administrative Agent who shall thereupon have the sole right to exercise such voting and other consensual rights, but the Administrative Agent shall have no duty to exercise any such voting or other consensual rights and shall not be responsible for any failure to do so or delay in so doing.

(e) After all Events of Default have been cured or waived and the Administrative Agent has received from the Borrower reasonably satisfactory evidence relating to any such cure, all rights vested in the Administrative Agent pursuant to paragraphs (b) and (d) of this Section 7.1 shall cease, and the Grantors shall have the right to receive the cash dividends and to exercise the voting and consensual rights and powers they would otherwise be entitled to under paragraph (a) of this Section 7.1 and the Administrative Agent shall repay to each applicable Grantor (without interest) all such dividends that such Grantor would otherwise be permitted to retain pursuant to the terms of paragraph (a) of this Section 7.1 and that has not been applied to Obligations in accordance with Section 8.2 of the Credit Agreement.

**Section 7.2** **[Reserved].**

**Section 7.3** **[Reserved].**

**Section 7.4** **Collections, Etc.** Upon the occurrence and during the continuance of an Event of Default, with prior written notice given by the Administrative Agent to the relevant Grantor, the Administrative Agent may, in its name (on behalf of the Secured Parties) or in the name of any Grantor or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any compromise or settlement deemed desirable with respect to, any of the Collateral, but shall be under no obligation to do so, or the Administrative Agent may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release, any of the Collateral, without thereby incurring responsibility to, or discharging or otherwise affecting any liability of, any Grantor. The Administrative Agent will not be required to take any steps to preserve any rights against parties with prior claims on the Collateral. Upon the occurrence and during the continuance of an Event of Default, if any Grantor fails to make any payment or take any action required hereunder, the Administrative Agent may make such payments and take all such actions as the Administrative Agent reasonably deems necessary to protect the Administrative Agent's (on behalf of the Secured Parties) security interests in the Collateral and the value thereof, and the Administrative Agent is hereby authorized (without limiting the general nature of the authority hereinabove conferred) to pay, purchase, contest or compromise any Liens that in the judgment of the Administrative Agent appear to be equal to, prior to, or superior to, the security interest of the Administrative Agent (on behalf of the Secured Parties) in the Collateral (to the extent not expressly permitted by Section

4.20 of the Credit Agreement to be superior to the Liens of the Administrative Agent) and any Liens not expressly permitted by the Credit Agreement.

#### **Section 7.5    UCC and Other Remedies.**

(a) If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Secured Parties, with respect to any Pledged Securities or Pledged Notes, upon prior written notice by the Administrative Agent to the Borrower of its intent to exercise remedies pursuant to the terms of this Agreement, may exercise in its discretion, in addition to all other rights, remedies, powers and privileges granted to them in this Agreement, the other Loan Documents, and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights, remedies, powers and privileges of a secured party under the UCC (regardless of whether the UCC is in effect in the jurisdiction where such rights, remedies, powers or privileges are asserted) or any other applicable law or otherwise available at law or equity. Without limiting the generality of the foregoing sentence, but subject to the notice requirements contained therein, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, presentments, protests, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any other Secured Party or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent or any other Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. If an Event of Default shall occur and be continuing and, with respect to any Pledged Securities or Pledged Notes, upon prior written notice by the Administrative Agent to the Borrower of its intent to exercise remedies pursuant to the terms of this Agreement, each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. Any such sale or transfer by the Administrative Agent either to itself or to any other Person shall be absolutely free from any claim of right by any Grantor, including any equity or right of redemption, stay or appraisal which such Grantor has or may have under any rule of law, regulation or statute now existing or hereafter adopted. Upon any such sale or transfer, the Administrative Agent shall have the right to deliver, assign and transfer to the purchaser or transferee thereof the Collateral so sold or transferred. The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this Section, after deducting all reasonable and documented costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and the other Secured Parties hereunder, including, without limitation, reasonable and documented attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in accordance with Section 8.2 of the Credit

Agreement, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-615 of the UCC, need the Administrative Agent account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any other Secured Party arising out of the exercise by them of any rights hereunder in accordance with the terms hereof. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(b) In the event that the Administrative Agent elects not to sell the Collateral, the Administrative Agent retains its rights to dispose of or utilize the Collateral or any part or parts thereof in any manner authorized or permitted by law or in equity and to apply the proceeds of the same towards payment of the Secured Obligations. Each and every method of disposition of the Collateral described in this Agreement shall constitute disposition in a commercially reasonable manner. The Administrative Agent may appoint any Person as agent to perform any act or acts necessary or incident to any sale or transfer of the Collateral.

**Section 7.6 Private Sales of Pledged Securities.** Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Pledged Securities, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, or may determine that a public sale is impracticable or not commercially reasonable and, accordingly, may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Securities for the period of time necessary to permit the relevant Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so. Each Grantor agrees to use reasonable best efforts to do or cause to be done all such other acts as may reasonably be necessary to make such sale or sales of all or any portion of the Pledged Securities pursuant to this Section valid and binding and in compliance with any and all other applicable Requirements of Law. Each Grantor further agrees that a breach of any of the covenants contained in this Section will cause irreparable injury to the Administrative Agent and the other Secured Parties, that the Administrative Agent and the other Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants, except for a defense (i) that no Event of Default has occurred, (ii) that no Event of Default has occurred and is continuing, or (iii) of the Termination Date has occurred..

**Section 7.7 Waiver: Deficiency.** Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations or its Guaranteed Obligations, as the case may be, and the documented fees and

disbursements of any attorneys employed by the Administrative Agent or any other Secured Party to collect such deficiency to the extent required under Section 9.2 of the Credit Agreement.

**Section 7.8 Non-Judicial Enforcement.** The Administrative Agent may enforce its rights hereunder without prior judicial process or judicial hearing, and, to the extent permitted by law, each Grantor expressly waives any and all legal rights which might otherwise require the Administrative Agent to enforce its rights by judicial process. The proceeds of any sale of the Collateral or any part thereof and all other monies received by any Secured Party in any proceedings for the enforcement hereof or otherwise, whose application has not elsewhere herein been specifically provided for, shall be applied in accordance with Section 8.2 of the Credit Agreement.

## ARTICLE VIII

### **THE ADMINISTRATIVE AGENT**

#### **Section 8.1 The Administrative Agent's Appointment as Attorney-in-Fact.**

(a) Each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof upon the occurrence and during the continuation of an Event of Default, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all reasonably appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, during the continuation of an Event of Default each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any or all of the following:

(i) unless being disputed in accordance with Section 5.4 of the Credit Agreement, pay or discharge Taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(ii) execute, in connection with any sale provided for in Section 7.5 or Section 7.6, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(iii) (A) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (B) take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account, Instrument, General Intangible, Chattel Paper or Payment Intangible constituting Collateral or with respect to any other Collateral, and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting

any or all such moneys due under any Account, Instrument or General Intangible constituting Collateral or with respect to any other Collateral whenever payable; (C) ask or demand for, collect, and receive payment of and receipt for any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (D) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (E) receive, change the address for delivery, open and dispose of mail addressed to any Grantor, and execute, assign and indorse negotiable and other instruments for the payment of money, documents of title or other evidences of payment, shipment or storage for any form of Collateral on behalf of and in the name of any Grantor; (F) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (G) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (H) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate; (I) assign any Patent, Copyright or Trademark (along with the goodwill of the business to which any such Trademark pertains) throughout the world for such term or terms, on such conditions, and in such manner as the Administrative Agent shall in its sole discretion determine; and (J) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Administrative Agent's and the other Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this subsection to the contrary notwithstanding, the Administrative Agent agrees that it will not exercise any rights under the power of attorney provided for in this subsection or exercise any right to exclusive control (including by submitting an activation or similar notice) under a Control Agreement unless an Event of Default shall have occurred and be continuing. The Administrative Agent shall give the relevant Grantor notice of any action taken pursuant to this subsection when reasonably practicable; provided that the Administrative Agent shall have no liability for the failure to provide any such notice.

(b) The power of attorney hereunder is coupled with an interest and shall be irrevocable until a Termination Event shall have occurred with respect to such Grantor.

(c) The reasonable and documented out-of-pocket costs and expenses of the Administrative Agent incurred in connection with actions undertaken as provided in this Section shall be payable by such Grantor to the Administrative Agent in accordance with Section 10.3 of the Credit Agreement.

**Section 8.2 Duty of the Administrative Agent.** The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same

manner as the Administrative Agent deals with similar property for its own account, and the Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which comparable secured parties accord comparable collateral. Neither the Administrative Agent, any other Secured Party nor any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Administrative Agent and the other Secured Parties hereunder are solely to protect the Administrative Agent's and the other Secured Parties' interests in the Collateral and shall not impose any duty upon the Administrative Agent or any other Secured Party to exercise any such powers. The Administrative Agent and the other Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and non-appealable judgment. To the fullest extent permitted by applicable law, the Administrative Agent shall be under no duty whatsoever to make or give any presentment, notice of dishonor, protest, demand for performance, notice of non-performance, notice of intent to accelerate, notice of acceleration, or other notice or demand in connection with any Collateral, or to take any steps necessary to preserve any rights against any Grantor or other Person or ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral or the Secured Obligations, whether or not it has or is deemed to have knowledge of such matters. Each Grantor, to the extent permitted by applicable law, waives any right of marshaling in respect of any and all Collateral, and waives any right to require the Administrative Agent or any other Secured Party to proceed against any Grantor or other Person, exhaust any Collateral or enforce any other remedy which the Administrative Agent or any other Secured Party now has or may hereafter have against any Grantor or other Person.

**Section 8.3 Filing of Financing Statements.** Pursuant to the UCC and any other applicable law, each Grantor authorizes the Administrative Agent, its counsel or its representative, at any time and from time to time, to file or record financing statements, continuation statements, amendments thereto and other filing or recording documents or instruments with respect to the Collateral without the signature of such Grantor in such form and in such offices as the Administrative Agent reasonably determines necessary or appropriate to perfect the security interests of the Administrative Agent under this Agreement (subject in all aspects to Section 6.2(d) hereof); provided, that the Administrative Agent shall provide the applicable Grantor with a copy of any such filings. Additionally, each Grantor authorizes the Administrative Agent, its counsel or its representative, at any time and from time to time, to file or record such financing statements that describe the collateral covered thereby as "all assets of the Grantor", "all personal property of the Grantor" or words of similar effect. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction to the extent permitted under applicable law.

**Section 8.4 Authority of the Administrative Agent.** Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the other Secured Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

**Section 8.5 Releases of Collateral.** Subject to any applicable approval rights of the Lenders under the Credit Agreement, the Administrative Agent may release any of the Collateral from this Agreement without altering, varying or diminishing in any way the force, effect, lien, pledge or security interest of this Agreement as to any Collateral not expressly released, and the security interests created under this Agreement shall continue on all Collateral not expressly released.

**Section 8.6 Quiet Enjoyment of Distributors.** The Administrative Agent acknowledges its security interests in the Collateral pursuant to this Agreement and the other Collateral Documents may be subject to rights of Quiet Enjoyment (as defined below) of the Distributors (which are not Affiliates of any Loan Party) under existing and future distribution agreements. For the purpose hereof, "Quiet Enjoyment" shall mean, in connection with the rights of a Distributor which is not an Affiliate of any Loan Party under any applicable distribution agreement, the Administrative Agent's agreement that its rights in the Collateral (held for the benefit of the Secured Parties) are subject to the rights of such Distributor to distribute, exhibit and/or exploit the Items of Product licensed to it under such distribution agreement, and to receive prints, tapes and other delivery items and/or to have access to preprint material, master tapes and other items to which such Distributor is entitled in connection therewith, and that, even if the Administrative Agent (for the benefit of the Secured Parties) shall become the owner of the Collateral in case of an Event of Default, the Administrative Agent's ownership rights shall be subject to the rights of such Distributor under such agreement, subject to a reservation by the Administrative Agent (for the benefit of the Secured Parties) of any rights available to the applicable Loan Party if such Distributor is in default under the applicable distribution agreement. The Administrative Agent agrees that, upon the reasonable request of a Loan Party, it will provide written confirmation (in form and substance reasonably acceptable to the Administrative Agent) of such rights of Quiet Enjoyment to such Distributors under the distribution agreements.

**Section 8.7 Assignment by the Administrative Agent.** The Administrative Agent may from time to time assign its rights and obligations (including the security interests created) under this Agreement to a successor administrative agent appointed in accordance with the Credit Agreement, and such successor shall be entitled to all of the rights and remedies of the Administrative Agent under this Agreement in relation thereto.

**Section 8.8 Secured Parties.** Each Secured Party that is not a party to the Credit Agreement who obtains the benefit of this Agreement shall be deemed to have acknowledged and



accepted the appointment of the Administrative Agent pursuant to the terms of the Credit Agreement, and with respect to the actions and omissions of the Administrative Agent hereunder or otherwise relating hereto that do or may affect such Secured Party, the Administrative Agent and each of its Affiliates shall be entitled to all of the rights, benefits and immunities conferred under Article IX of the Credit Agreement.

## ARTICLE IX

### **SUBORDINATION OF INDEBTEDNESS**

**Section 9.1    Subordination of All Guarantor Claims.** As used herein, the term “Guarantor Claims” shall mean all debts and obligations of the Borrower or any other Guarantor to any Guarantor, whether such debts and obligations now exist or are hereafter incurred or arise, or whether the obligation of the debtor thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or obligations be evidenced by note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such debts or obligations may, at their inception, have been or may hereafter be created, or the manner in which they have been or may hereafter be acquired. After the occurrence and during the continuation of an Event of Default, following receipt of notice by the Borrower, to such effect by the Administrative Agent, no Guarantor shall receive or collect, directly or indirectly, from any obligor in respect thereof any amount upon the Guarantor Claims.

**Section 9.2    Claims in Bankruptcy.** In the event of receivership, bankruptcy, reorganization, arrangement, debtor’s relief or other insolvency proceedings involving any Guarantor, the Administrative Agent on behalf of the Secured Parties shall have the right to prove their claim in any proceeding, so as to establish their rights hereunder and receive directly from the receiver, trustee or other court custodian dividends and payments which would otherwise be payable upon Guarantor Claims. Each Guarantor hereby assigns such dividends and payments to the Administrative Agent for the benefit of the Secured Parties for application against the Secured Obligations as provided under Section 8.2 of the Credit Agreement. Should the Administrative Agent or any other Secured Party receive, for application upon the Secured Obligations, any such dividend or payment which is otherwise payable to any Guarantor, and which, as between such Guarantor, shall constitute a credit upon the Guarantor Claims, then upon payment in full of the Secured Obligations and termination of all Commitments, the intended recipient shall become subrogated to the rights of the Administrative Agent and the other Secured Parties to the extent that such payments to the Administrative Agent and the other Secured Parties on the Guarantor Claims have contributed toward the liquidation of the Secured Obligations, and such subrogation shall be with respect to that proportion of the Secured Obligations which would have been unpaid if the Administrative Agent and the other Secured Parties had not received dividends or payments upon the Guarantor Claims.

**Section 9.3    Payments Held in Trust.** In the event that, notwithstanding Section 9.1 and Section 9.2, any Guarantor should receive any funds, payments, claims or distributions which are prohibited by such Sections, then it agrees (a) to hold in trust for the Administrative Agent and the other Secured Parties an amount equal to the amount of all funds, payments, claims or distributions so received, and (b) that it shall have absolutely no dominion over the amount of such funds, payments, claims or distributions except to pay them promptly to the Administrative Agent,

for the benefit of the Secured Parties; and each Guarantor covenants promptly to pay the same to the Administrative Agent.

**Section 9.4 Liens Subordinate.** Each Guarantor agrees that, until the Termination Date, any Liens securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any Liens securing payment of the Secured Obligations, regardless of whether such encumbrances in favor of such Guarantor, the Administrative Agent or any other Secured Party presently exist or are hereafter created or attach. Without the prior written consent of the Administrative Agent, no Guarantor, during the period in which any of the Secured Obligations are outstanding or any of the Commitments are in effect, shall (a) exercise or enforce any creditor's right it may have against any debtor in respect of the Guarantor Claims, or (b) foreclose, repossess, sequester or otherwise take steps or institute any action or proceeding (judicial or otherwise, including, without limitation, the commencement of or joinder in any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any Lien held by it.

**Section 9.5 Notation of Records.** Upon the reasonable request of the Administrative Agent, all promissory notes and all accounts receivable ledgers or other evidence of the Guarantor Claims accepted by or held by any Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Agreement.

## ARTICLE X

### MISCELLANEOUS

**Section 10.1 Notices.** All notices and other communications provided for herein shall be given in the manner and subject to the terms of Section 10.1 of the Credit Agreement; provided that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on Schedule 1.

**Section 10.2 Waiver.** No failure on the part of the Administrative Agent or any other Secured Party to exercise and no delay in exercising, and no course of dealing with respect to, any right, remedy, power or privilege under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any of the Loan Documents preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges provided herein are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law. The exercise by the Administrative Agent of any one or more of the rights, powers and remedies herein shall not be construed as a waiver of any other rights, powers and remedies, including, without limitation, any rights of set-off. No waiver of any provision of this Agreement or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitted by Section 10.4, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

### **Section 10.3 Payment of Expenses, Indemnification.**

(a) Each Grantor agrees to pay or promptly reimburse the Administrative Agent and each other Secured Party for all reasonable and documented advances, charges, costs and

expenses (including, without limitation, all costs and expenses of holding, preparing for sale and selling, collecting or otherwise realizing upon the Collateral and all reasonable and documented attorneys' fees, legal expenses and court costs) incurred by any Secured Party in connection with the exercise of its respective rights and remedies hereunder, including, without limitation, any advances, charges, costs and expenses that may be incurred in any effort to enforce any of the provisions of this Agreement or any obligation of any Grantor in respect of the Collateral or in connection with (i) the preservation of the Lien of, or the rights of the Administrative Agent or any other Secured Party under, this Agreement, (ii) any actual or attempted sale, lease, disposition, exchange, collection, compromise, settlement or other realization in respect of, or care of, the Collateral, including all such costs and expenses incurred in any bankruptcy, reorganization, workout or other similar proceeding, or (iii) collecting against such Grantor or Guarantor, as applicable, under the guarantee contained in Article II or otherwise enforcing or preserving any rights under this Agreement and the other Loan Documents to which such Grantor or Guarantor, as applicable, is a party.

(b) Each Grantor or Guarantor, as applicable, agrees to pay, and to save the Administrative Agent and the other Secured Parties harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including, without limitation, court costs and attorneys' fees and any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement) incurred because of, incident to, or with respect to the Collateral (including, without limitation, any exercise of rights or remedies in connection therewith) or the execution, delivery, enforcement, performance or administration of this Agreement, to the extent the Borrower would be required to do so pursuant to Section 10.3 of the Credit Agreement.

(c) All amounts for which any Grantor or Guarantor, as applicable, is liable pursuant to this Section shall be due and payable by such Grantor or Guarantor, as applicable, to the Administrative Agent or any Secured Party upon demand.

**Section 10.4 Amendments in Writing.** None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 10.2 of the Credit Agreement. In the event of a conflict between any term or provision of this Agreement and the Credit Agreement, such terms and provisions in the Credit Agreement shall control.

**Section 10.5 Successors and Assigns.** This Agreement shall be binding upon each Grantor or Guarantor, as applicable, and the successors and assigns of each Grantor or Guarantor, as applicable, and shall inure to the benefit of the Administrative Agent and the other Secured Parties, the future holders of the Loans, and their respective successors and permitted assigns; provided that such transfers and assignments are permitted by and have been made pursuant to the Credit Agreement.

**Section 10.6 Severability.** Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and

enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

**Section 10.7 Counterparts.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart to this Agreement by facsimile transmission or other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

**Section 10.8 Survival.** The obligations of the parties under Section 10.3 shall survive the repayment of the Secured Obligations and the termination of the Credit Agreement, the Letters of Credit, the Commitments, the Hedging Obligations and the Bank Product Obligations. To the extent that any payments on the Secured Obligations or proceeds of any Collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then, to such extent, the Secured Obligations so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the other Secured Parties' Liens, security interests, rights, powers and remedies under this Agreement and each other applicable Collateral Document shall continue in full force and effect. In such event, each applicable Collateral Document shall be automatically reinstated and each Grantor shall take such action as may be reasonably requested by the Administrative Agent to effect such reinstatement.

**Section 10.9 Captions.** Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

**Section 10.10 No Oral Agreements.** The Loan Documents embody the entire agreement and understanding between the parties and supersede all other agreements and understandings between such parties relating to the subject matter hereof and thereof. The Loan Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**Section 10.11 Governing Law; Submission to Jurisdiction.**

(a) This Agreement and the other Loan Documents and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof) of the State of New York.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York, and of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan, and of any appellate court from any thereof, in any action or

proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions contemplated hereby or thereby, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such District Court or such New York state court or, to the extent permitted by applicable law, such appellate court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent or any other Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or its properties in the courts of any jurisdiction.

(c) Each party hereto irrevocably and unconditionally waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding described in subsection (b) of this Section and brought in any court referred to in subsection (b) of this Section. Each of the parties hereto irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court, any claim that is not subject personally to the jurisdiction of such court, that its property is exempt or immune from attachment or execution, or that the venue of such suit, action or proceeding is improper.

(d) Each party to this Agreement irrevocably consents to the service of process in the manner provided for notices in Section 10.1. Nothing in this Agreement or in any other Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

**Section 10.12 WAIVER OF JURY TRIAL.** EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**Section 10.13 Acknowledgments.**

(a) Each party hereto hereby acknowledges that:

(i) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(ii) neither the Administrative Agent nor any other Secured Party has any fiduciary relationship with or duty to any Grantor or Guarantor, as applicable, arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Grantors or Guarantors, as applicable, on the one hand, and the Administrative Agent and the other Secured Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(iii) no joint venture is created hereby or by any Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Secured Parties or among the Grantors or Guarantors, as applicable, and the Secured Parties.

(b) Each of the parties hereto specifically agrees that it has a duty to read this Agreement and the other Loan Documents to which it is a party and agrees that it is charged with notice and knowledge of the terms of this Agreement and the other Loan Documents to which it is a party; that it has in fact read this Agreement and the other Loan Documents to which it is a party and is fully informed and has full notice and knowledge of the terms, conditions and effects of this Agreement and the other Loan Documents to which it is a party; that it has been represented by independent legal counsel of its choice throughout the negotiations preceding its execution of this Agreement and the other Loan Documents to which it is party; and has received the advice of its attorney in entering into this Agreement and the other Loan Documents to which it is a party; and that it recognizes that certain of the terms of this Agreement and other Loan Documents to which it is a party result in one party assuming the liability inherent in some aspects of the transaction and relieving the other party of its responsibility for such liability. Each Grantor or Guarantor, as applicable agrees and covenants that it will not contest the validity or enforceability of any exculpatory provision of this Agreement or the other Loan Documents to which it is a party on the basis that such Grantor or Guarantor, as applicable had no notice or knowledge of such provision or that the provision is not “conspicuous”.

(c) Each Grantor or Guarantor, as applicable warrants and agrees that each of the waivers and consents set forth in this Agreement are made voluntarily and unconditionally after consultation with outside legal counsel and with full knowledge of their significance and consequences, with the understanding that events giving rise to any defense or right waived may diminish, destroy or otherwise adversely affect rights which such Grantor or Guarantor, as applicable otherwise may have against the Borrower, any other Grantor or Guarantor, as applicable, the Administrative Agent, the other Secured Parties or any other Person or against any Collateral. If, notwithstanding the intent of the parties that the terms of this Agreement shall control in any and all circumstances, any such waivers or consents are determined to be unenforceable under applicable law, such waivers and consents shall be effective to the maximum extent permitted by law.

**Section 10.14 Additional Grantors or Guarantors.** Each Person that is required to become a party to this Agreement pursuant to Section 5.14 of the Credit Agreement and is not a signatory hereto shall become a Grantor or Guarantor, as applicable for all purposes of this Agreement upon execution and delivery by such Person of a Joinder in the form of Annex I.

**Section 10.15 Set-Off.** Each Grantor or Guarantor, as applicable agrees that, in addition to (and without limitation of) any right of set-off, bankers' lien or counterclaim a Secured Party

may otherwise have, at any time and from time to time after the occurrence and during the continuation of an Event of Default, each Secured Party shall have the right and be entitled (after consultation with the Administrative Agent), at its option, to offset (i) balances held by it or by any of its Affiliates for account of any Grantor or Guarantor, as applicable or any of its Subsidiaries at any of its offices, in Dollars or in any other currency, and (ii) Obligations then due and payable to such Secured Party (or any Affiliate of such Secured Party), which are not paid when due, in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Secured Party's failure to give such notice shall not affect the validity thereof.

#### **Section 10.16 Releases.**

(a) Release Upon Payment in Full. Upon the Termination Date, this Agreement, the guarantees made herein and the security interests granted hereby in the Collateral shall automatically terminate and be released and all rights in the Collateral shall revert to the Grantors. The Administrative Agent, at the written request and expense of the Borrower, will promptly execute and deliver to, and authorize the filing by, the Grantors all releases and other documents reasonably necessary or desirable to evidence the release of the Liens created hereby on the Collateral, all of which shall be made, without recourse, representation, warranty or other assurance of any kind, and declare this Agreement to be of no further force or effect.

(b) Further Assurances. If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement, such Collateral shall automatically be released from the Lien created hereby, and the Administrative Agent, at the request and sole expense of such Grantor, shall promptly execute and deliver to, and authorize the filing by, such Grantor all releases or other documents reasonably necessary or desirable to evidence the release of the Liens created hereby on such Collateral of such Grantor, all of which shall be made without recourse, representation, warranty or other assurance of any kind. A Grantor or Guarantor, as applicable, shall be automatically released from its obligations hereunder in the event that all the Capital Stock of such Grantor or Guarantor, as applicable, shall be sold, transferred or otherwise disposed of in a transaction permitted by the Credit Agreement and, at the request and sole expense of the Borrower, the Administrative Agent shall promptly execute and deliver to and authorize the filing by, such Guarantor or Grantor all releases or other documents reasonably necessary or desirable to evidence the release of the guarantee and/or the Liens created hereby on the Collateral of such Grantor, all of which shall be made, without recourse, representation, warranty or other assurances of any kind; provided that the Borrower shall deliver to the Administrative Agent, at least five (5) Business Days (or such shorter time period as may be agreed by the Administrative Agent) prior to the date it is requesting written evidence of a release, a written request for documents evidencing such release identifying the relevant Grantor or Guarantor, as applicable, and the terms of the sale or other disposition in reasonable detail, including the price thereof, together with a certification by the Borrower stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents if the Borrower is requesting written evidence of such release.

(c) Retention in Satisfaction. Except as may be expressly applicable pursuant to Section 9-620 of the UCC, no action taken or omission to act by the Administrative Agent or the other Secured Parties hereunder, including, without limitation, any exercise of voting or consensual rights or any other action taken or inaction, shall be deemed to constitute a retention of

the Collateral in satisfaction of the Secured Obligations or otherwise to be in full satisfaction of the Secured Obligations, and the Secured Obligations shall remain in full force and effect, until the Administrative Agent and the other Secured Parties shall have applied payments (including, without limitation, collections from Collateral) towards the Secured Obligations in the full amount then outstanding or until such subsequent time as is provided in subsection (a) of this Section.

**Section 10.17 Reinstatement.** To the extent that any payments on the Secured Obligations or proceeds of any Collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then, to such extent, the Secured Obligations so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the other Secured Parties' Liens, security interests, rights, powers and remedies under this Agreement and each other applicable Collateral Document shall continue in full force and effect, and the obligations of each Grantor or Guarantor, as applicable, under this Agreement (including, without limitation, with respect to the guarantee contained in Article II and the provision of collateral herein) shall continue to be effective, or be reinstated, as the case may be. In such event, this Agreement and each other applicable Collateral Document shall be automatically reinstated and each Grantor or Guarantor, as applicable, shall take such action as may be reasonably requested by the Administrative Agent and the other Secured Parties to effect such reinstatement. In furtherance of the provisions of this Section, and not in limitation of any other right which the Administrative Agent or any other Secured Party may have at law or in equity against the Borrower, a Grantor or Guarantor, as applicable, or any other Person by virtue hereof, upon any failure of the Borrower to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice or otherwise, each Grantor or Guarantor, as applicable, hereby promises to and will, upon receipt of written demand by the Administrative Agent on behalf of itself and/or any of the other Secured Parties, forthwith pay or cause to be paid to the Administrative Agent (for the benefit of itself and/or the other Secured Parties, as applicable), in cash an amount equal to the unpaid amount of such unpaid Obligations with Default Interest thereon from the due date thereof, and thereupon the Administrative Agent shall assign such Obligation, together with all security interests, if any, then held by the Administrative Agent in respect of such Obligation, to the Grantor, Guarantor or Guarantors, as applicable, making such payment; such assignment to be subordinate and junior to the rights of the Administrative Agent (on behalf of the Secured Parties) with regard to amounts payable by the Borrower in connection with the remaining unpaid Obligations and to be pro tanto to the extent to which the Obligation in question was discharged by the Grantor or Guarantor or Grantors or Guarantors, as applicable, making such payments.

**Section 10.18 Acceptance.** Each Grantor or Guarantor, as applicable, hereby expressly waives notice of acceptance of this Agreement, acceptance on the part of the Administrative Agent and the other Secured Parties being conclusively presumed by their request for this Agreement and delivery of the same to the Administrative Agent.

**Section 10.19 Keepwell.** Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Agreement in respect of Swap Obligations (provided, however, that each Qualified ECP



Guarantor shall only be liable under this Section 10.19 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 10.19, or otherwise under this Agreement, as it relates to such other Loan Party, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until this Agreement has been terminated pursuant to Section 10.16(a). Each Qualified ECP Guarantor intends that this Section 10.19 constitute, and this Section 10.19 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

**Section 10.20 Jersey Waivers.** Without prejudice to the generality of any other waiver granted in any Loan Document, each Guarantor and the Borrower irrevocably abandons and waives any right it may have at any time under Jersey law whether existing or future:

(a) whether by virtue of the *droit de division* or otherwise, to require that any liability under any Loan Document be divided or apportioned with any other person or reduced in any manner whatsoever; and

(b) whether by virtue of the *droit de discussion* or otherwise, to require that recourse be had to the assets of any other person before any claim is enforced against that Guarantor under any Loan Document.

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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**BORROWER:**

**Moonbug Entertainment Limited**

[Redacted Signature]

Name: John Robson

Title: Director

**GRANTORS:**

**Blippi Entertainment Limited**

**El Bebe Productions Limited**

**Little Explorers Nursery Rhymes UK**

**Ltd Moonbug International Limited**

**Moonbug Music Limited**

**Moonbug Music Publishing Limited**

[Redacted Signature]

Name: John Robson

Title: Director

**Moonbug Entertainment USA Inc.**

[Redacted Signature]

Name: John Robson

Title: Treasurer

[Redacted Signature]

Name: John Robson

Title: President

**Moonbug Production USA Inc.**

[Redacted Signature]

Name: Rene Rechtman

Title: President and Chief Executive Officer

**Moonbug Stories Inc.**

By: \_\_\_\_\_

Name: John Robson

Title: President

**Treasure Studio, Inc.**

By: \_\_\_\_\_

Name: John Robson

Title: Treasurer

**Moonbug Production USA Inc.**

By: \_\_\_\_\_

Name: Rene Rechtman

Title: President and Chief Executive Officer

**Moonbug Stories Inc.**

\_\_\_\_\_

Name: John Robson

Title: President

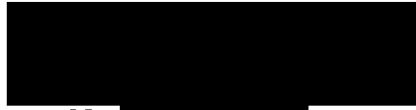
**Treasure Studio Inc.**

\_\_\_\_\_

Name: John Robson

Title: Treasurer

**Project ABC HoldCo (Jersey) Limited**



Name: John Robson  
Title: Director

Acknowledged and Agreed to as of the date hereof:

**ADMINISTRATIVE AGENT:**

EAST WEST BANK,  
as Administrative Agent



~~Jeff Zaks~~  
Senior Vice President

[Signature Page to Guaranty and Security Agreement]

## **SCHEDULE 1**

### **Notice Addresses**

To each Guarantor or Grantor:

c/o Moonbug Entertainment Limited  
3-6, 2nd Floor, Labs Upper Lock, Water Ln  
London, United Kingdom, NW1 8JZ

Attention: John Robson; Rene Rechtman

Telephone: [REDACTED]

E-Mail: [REDACTED]

with copies (which shall not constitute notice) to:

Latham & Watkins LLP  
10250 Constellation Blvd. Suite 1100  
Los Angeles, CA 90067

Attention: Nancy A. Bruington

Telephone: [REDACTED]

E-Mail: [REDACTED]

## SCHEDULE 2

### Pledged Securities and Notes

Owner	Issuer	Class/Type of Capital Stock	No. of Shares/ Interests	Certificated? (Y/N)	Percentage of Issuer's Capital Stock included in the Pledged Securities
Project ABC Holdco (Jersey) Limited	Moonbug Entertainment Limited	Ordinary shares	1	Y – Certificate No. 1	100%
			64,846,150	Y – Certificate No. 2	
			153,585,165	Y – Certificate No. 3	
Moonbug Entertainment Limited	Morphle B.V.	Ordinary shares	85 shares	Y – Certificate No. [1] <sup>1</sup>	100%
Moonbug Entertainment Limited	Fun Learning Studios Ltd	Ordinary shares	102 shares	1	100%
Moonbug Entertainment Limited	Moonbug Newco Limited	Ordinary shares	80 shares	Y – Certificate No. 1	100%
Moonbug Entertainment Limited	El Bebe Productions Limited	Ordinary shares	100 shares	Y – Certificate No. 1	100%
El Bebe Productions Limited	El Bebe Productions (AsiaPac) Limited	Ordinary shares	100 shares	Y – Certificate No. [1] <sup>2</sup>	100%
Moonbug Entertainment Limited	Moonbug Entertainment USA Inc.	Common stock	100 shares	N	100%
Moonbug Entertainment USA Inc.	Moonbug Production USA Inc.	Common stock	1 share	N	100%
Moonbug Entertainment USA Inc.	Moonbug Stories Inc.	Common stock	500 shares	N	100%

<sup>1</sup> To be certificated on post-closing basis.

<sup>2</sup> To be certificated on post-closing basis.



Moonbug Entertainment USA Inc.	Moonbug Lane Inc.	Common stock	1,000 shares	N	100%
Moonbug Entertainment Limited	Blippi Entertainment Limited	Ordinary shares	1 share	Y – Certificate No. 1	100%
Moonbug Entertainment Limited	Treasure Studio, Inc.	Common stock	10,000 shares	N	100%
Moonbug Entertainment Limited	Moonbug Entertainment South Africa (Pty) Limited	Ordinary shares	100 shares	Y – Certificate No. [1] <sup>3</sup>	100%
Moonbug Entertainment Limited	Moonbug International Limited	Ordinary shares	1 share	Y – Certificate No. 1	100%
Moonbug Entertainment Limited	Moonbug Music Limited	Ordinary shares	1 share	Y – Certificate No. 1	100%
Moonbug Music Limited	Little Explorers Nursery Rhymes UK Ltd	Ordinary shares	1 share	Y – Certificate No. 1	100%
Moonbug Entertainment Limited	Moonbug Music Publishing Limited	Ordinary shares	1 share	Y – Certificate No. 1	100%
Moonbug Entertainment Limited	Moonbug Productions Australia Limited	Ordinary shares	100 shares	Y – Certificate No. [1] <sup>4</sup>	100%
Moonbug Productions Australia Limited	Moonbug Stories Australia Pty Limited	Ordinary shares	100 shares	Y – Certificate No. [1] <sup>5</sup>	100%

### **Notes**

None.

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<sup>3</sup> To be certificated on post-closing basis.

<sup>4</sup> To be certificated on post-closing basis.

<sup>5</sup> To be certificated on post-closing basis.

### **SCHEDULE 3**

#### **Filing Offices**

#### **Uniform Commercial Code Filings (UCC-1)**

<b>Grantor</b>	<b>Filing Office</b>
Moonbug Entertainment USA Inc.	Secretary of State of the State of Delaware
Moonbug Production USA Inc.	Secretary of State of the State of Delaware
Moonbug Stories Inc.	Secretary of State of the State of Delaware
Treasure Studio Inc.	Secretary of State of the State of California
Moonbug Lane Inc.	Secretary of State of the State of Delaware
Project ABC HoldCo (Jersey) Limited	Office of the Recorder of Deeds in the District of Columbia
Moonbug Entertainment Limited	Office of the Recorder of Deeds in the District of Columbia
El Bebe Productions Limited	Office of the Recorder of Deeds in the District of Columbia

## SCHEDULE 4

### **Prior Names and Prior Chief Executive Offices**

Grantor	Prior Names	Prior Chief Executive Offices
Project ABC HoldCo (Jersey) Limited	N/A	N/A
Moonbug Entertainment USA Inc.	N/A	N/A
Moonbug Production USA Inc.	N/A	N/A
Moonbug Stories Inc.	Treehouse Productions Inc. Treehouse Media Inc.	N/A
Treasure Studio Inc.	N/A	18100 Von Karman, #400, Irvine, CA 92612
Moonbug Lane Inc.	N/A	N/A
Moonbug Entertainment Limited	Project ABC Holdings Limited	10 Parkway, 1st Floor Camden Town, London NW1 7AA England  7th Floor, One Welbeck Street London W1G 0AA United Kingdom
El Bebe Productions Limited	N/A	10 Parkway, 1st Floor Camden Town, London NW1 7AA England  86-90 Paul Street London London EC2A 4NE

## **SCHEDULE 5**

### **Patents and Patent Licenses**

None.

**SCHEDULE 6**

**Commercial Tort Claims**

None.

**SCHEDULE 7**

**Letter-of-Credit Rights**

None.

## ANNEX I

### **Form of Joinder Agreement**

**THIS JOINDER AGREEMENT**, dated as of [\_\_\_\_\_] (this “Joinder Agreement”), is made by [NAME OF NEW SUBSIDIARY], a [state of incorporation] [corporation] (the “Additional [Grantor] [Guarantor]”), in favor of EAST WEST BANK, as administrative agent (in such capacity, the “Administrative Agent”) for the Secured Parties. All capitalized terms not defined herein shall have the meanings assigned to them in the Guaranty and Security Agreement.

**WHEREAS**, Moonbug Entertainment Limited, a corporation incorporated under the laws of England and Wales, (the “Borrower”), the lenders from time to time party thereto, each Issuing Bank and the Administrative Agent have entered into a Revolving Credit and Delayed Draw Term Loan Agreement, dated as of June 7, 2021(as amended, restated, supplemented, replaced, increased, refinanced or otherwise modified from time to time, the “Credit Agreement”);

**WHEREAS**, in connection with the Credit Agreement, Project ABC HoldCo (Jersey) Limited (Company No. 126379), a company incorporated under the laws of Jersey (“Parent”), the Borrower and certain Subsidiaries of the Parent have entered into the Guaranty and Security Agreement, dated as of June 7, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the “Guaranty and Security Agreement”), in favor of the Administrative Agent for the benefit of the Secured Parties;

**WHEREAS**, the Credit Agreement requires the Additional [Grantor] [Guarantor] to become a party to the Guaranty and Security Agreement; and

**WHEREAS**, the Additional [Grantor] [Guarantor] has agreed to execute and deliver this Joinder Agreement in order to become a party to the Guaranty and Security Agreement;

**NOW, THEREFORE**, it is agreed:

**SECTION 1. Guaranty and Security Agreement**. By executing and delivering this Joinder Agreement, the Additional [Grantor] [Guarantor], as provided in Section 10.14 of the Guaranty and Security Agreement, hereby becomes a party to the Guaranty and Security Agreement as a [Grantor] [Guarantor] thereunder with the same force and effect as if originally named therein as a [Grantor] [Guarantor] and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a [Grantor] [Guarantor] thereunder and expressly grants to the Administrative Agent, for the benefit of the Secured Parties, a security interest in all Collateral now owned or at any time hereafter acquired by such Additional [Grantor] [Guarantor] to secure all of such Additional [Grantor] [Guarantor]’s obligations and liabilities thereunder]. The information set forth in Schedule A hereto is hereby added to the information set forth in Schedules 1 through 8 to the Guaranty and Security Agreement. The Additional [Grantor] [Guarantor] hereby represents and warrants that each of the representations and warranties contained in Article V of the Guaranty and Security Agreement is true and correct with respect to the Additional [Grantor] [Guarantor] on and as of the date hereof (after giving effect to this Joinder Agreement) as if made on and as of such date.

**SECTION 2. Governing Law.** This Joinder Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Joinder Agreement and the transactions contemplated hereby shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof) of the State of New York.

**SECTION 3. Execution in Counterparts.** This Joinder Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart to this Joinder Agreement by facsimile transmission or other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.



**IN WITNESS WHEREOF**, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

***[NAME OF ADDITIONAL [GRANTOR] [GUARANTOR]***

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged and Agreed to as of the date hereof:

**ADMINISTRATIVE AGENT:**

EAST WEST BANK, as Administrative Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE A**

**Supplement to Schedules to  
Guaranty and Security Agreement**

Annex I

## ANNEX II

### **Form of Supplement**

**THIS SUPPLEMENT TO GUARANTY AND SECURITY AGREEMENT**, dated as of [\_\_\_\_\_] (this “Supplement”), is made by [NAME OF GRANTOR], a [state of incorporation] [corporation] (the “Grantor”), in favor of EAST WEST BANK, as administrative agent (in such capacity, the “Administrative Agent”) for the Secured Parties. All capitalized terms not defined herein shall have the meanings assigned to them in the Guaranty and Security Agreement.

**WHEREAS**, [Moonbug Entertainment Limited, a corporation incorporated under the laws of England and Wales, (the “Borrower”)] [the Grantor], the lenders from time to time party thereto, each Issuing Bank and the Administrative Agent have entered into a Revolving Credit and Delayed Draw Term Loan Agreement, dated as of June 7, 2021 (as amended, restated, supplemented, replaced, increased, refinanced or otherwise modified from time to time, the “Credit Agreement”);

**WHEREAS**, in connection with the Credit Agreement, the [Borrower] [Grantor], Project ABC HoldCo (Jersey) Limited (Company No. 126379), a company incorporated under the laws of Jersey (“Parent”) and certain Subsidiaries of the Parent[, including the Grantor,] have entered into the Guaranty and Security Agreement, dated as of June 7, 2021 (as amended, restated, supplemented or otherwise modified from time to time, the “Guaranty and Security Agreement”), in favor of the Administrative Agent for the benefit of the Secured Parties; and

**WHEREAS**, it is a condition precedent to the continued extension of the Loans under the Credit Agreement that the Grantor grant to the Administrative Agent a security interest in all of its Additional Pledged Collateral (as defined below), and the Grantor wishes to fulfill said condition precedent;

**NOW, THEREFORE**, in consideration of the premises and in order to ensure compliance with the Credit Agreement, the Grantor hereby agrees as follows:

**SECTION 1. Additional Pledge.** As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, the Grantor hereby:

(a) pledges, assigns and transfers to the Administrative Agent, and grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a continuing security interest in, and a right to set off against, any and all right, title and interest of such Grantor in, to and under all of the following property, whether now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest, wherever located or situated, and whether now existing or hereafter coming into existence (collectively, the “Additional Pledged Collateral”):

(i) the shares of Capital Stock and Stock Equivalents more particularly described in Schedule A hereto and the certificates, if any, evidencing such shares (the “Additional Pledged Securities”) and all cash, instruments and other property from time to

time received, receivable or otherwise distributed in exchange for any and all of such Additional Pledged Securities; and

(ii) all other Collateral (as defined in the Guaranty and Security Agreement) relating to the Additional Pledged Securities; and

(b) concurrently herewith delivers to the Administrative Agent (or a Person designated by the Administrative Agent) all certificates and instruments representing or evidencing any Additional Pledged Securities that constitute Pledged Certificated Stock, accompanied by an undated stock power or other equivalent instrument of transfer (in such other form that is acceptable to the Administrative Agent) covering such certificates or instruments duly executed in blank by such Grantor, any required transfer tax stamps and such other instruments or documents relating thereto as the Administrative Agent or its counsel shall reasonably request to effect the pledge of the Additional Pledged Securities to the Administrative Agent.

**SECTION 2. Representations and Warranties.** The Grantor hereby (a) represents and warrants that it is the legal and beneficial owner of the Additional Pledged Collateral, free and clear of any lien, security interest, option or other charge or encumbrance except for the security interest created by the Guaranty and Security Agreement as supplemented by this Supplement; and (b) restates each representation and warranty set forth in Article V of the Guaranty and Security Agreement, as supplemented by this Supplement, as of the date hereof with respect to the Additional Pledged Collateral.

**SECTION 3. Additional Pledged Collateral.** By execution and delivery of this Supplement, the Additional Pledged Collateral shall become a part of the Collateral referred to in the Guaranty and Security Agreement and shall secure the Secured Obligations as if such Additional Pledged Collateral were Collateral on the Closing Date, and shall be subject to all of the terms and conditions governing Collateral under the Guaranty and Security Agreement. From and after the date hereof, Schedule 2 to the Guaranty and Security Agreement is hereby deemed amended to add the Additional Pledged Collateral thereto.

**SECTION 4. Binding Effect.** This Supplement shall become effective when it shall have been executed by the Grantor and thereafter shall be binding upon the Grantor and shall inure to the benefit of the Administrative Agent and the Secured Parties. Upon the effectiveness of this Supplement, this Supplement shall be deemed to be a part of and shall be subject to all of the terms and conditions of the Guaranty and Security Agreement. The Grantor shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders.

**SECTION 5. Governing Law.** This Supplement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Supplement and the transactions contemplated hereby shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof) of the State of New York.

**SECTION 6. Execution in Counterparts.** This Supplement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original

and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart to this Supplement by facsimile transmission or other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

**IN WITNESS WHEREOF**, the Grantor has caused this Supplement to be duly executed and delivered by its duly authorized officer as of the date first above written.

**[NAME OF GRANTOR]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged and Agreed to as of the date hereof:

**ADMINISTRATIVE AGENT:**

EAST WEST BANK, as Administrative Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## SCHEDULE A

### Additional Pledged Securities

Owner	Issuer	Class/Type of Capital Stock	No. of Shares/ Interests	Certificated? (Y/N)