



Registration of a Charge

Company name: **Kodak Alaris Limited**

Company number: **08552155**



X55X93KB

Received for Electronic Filing: **29/04/2016**

Details of Charge

Date of creation: **20/04/2016**

Charge code: **0855 2155 0004**

Persons entitled: **HSBC BANK PLC, 8 CANADA SQUARE, CANARY WHARF, LONDON E14 5HQ AS SECURITY AGENT (AS SECURITY TRUSTEE FOR EACH OF THE SECURED PARTIES)**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8552155

Charge code: 0855 2155 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th April 2016 and created by Kodak Alaris Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th April 2016 .

Given at Companies House, Cardiff on 3rd May 2016

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

DATED 20 April 2016

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

HSBC BANK PLC
AS SECURITY AGENT

SUPPLEMENTAL DEBENTURE

EXECUTED IN CONNECTION WITH THE
AMENDMENT AND RESTATEMENT OF A
MULTICURRENCY FACILITY AGREEMENT
ORIGINAL DATED 3 SEPTEMBER 2013 AND
AMENDED ON 6 NOVEMBER 2013 AND 11 JULY
2014 AND AMENDED AND RESTATED ON 21 APRIL
2015 AND ON OR ABOUT THE DATE HEREOF
SUPPLEMENTAL TO A DEBENTURE DATED
3 SEPTEMBER 2015

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THIS DEBENTURE is made by way of deed on 20 April 2016

BY:

- (1) **THE PERSONS** listed in Schedule 1 (*The Chargors*) (each a "**Chargor**") in favour of
- (2) **HSBC BANK PLC** as trustee for each of the Secured Parties on the terms and conditions set out in the Amended Facility Agreement (as defined below) (the "**Security Agent**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture:

"**Account**" means each of the accounts opened or maintained by any Chargor with the Security Agent, any bank, building society, financial institution or other person (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby.

"**Administration Event**" means:

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor; or
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an administrator of any Chargor or the filing of such a notice with the court.

"**Amended Facility Agreement**" means the Original Facility Agreement as amended and restated by the Amendment and Restatement Agreement.

"**Amendment and Restatement Agreement**" means the amendment and restatement agreement dated on or about the date of this Debenture between, amongst others, Kodak Alaris Holdings Limited as borrower (formerly known as KPP Holdco Limited) and HSBC Bank plc as agent.

"**Charged Assets**" means all of the assets and undertaking of each Chargor which from time to time are the subject of any Security created or expressed to be created by it in favour of the Security Agent by or pursuant to this Debenture.

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

"**Fixed Security**" means any mortgage, fixed charge or assignment expressed to be constituted by or pursuant to Clause 4 (*Supplemental Fixed Security*) of this Debenture.

"Insurance Policy" means any policy of insurance in which any Chargor may from time to time have an interest (as amended or supplemented).

"Intellectual Property" means any patents, trade marks, service marks, designs, business and trade names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, and the benefit of all applications and rights to use such assets in which any Chargor may from time to time have an interest.

"Investments" means any:

- (a) stocks, shares, debentures and certificates of deposit and other instruments creating or acknowledging indebtedness, including alternative finance investment bonds;
- (b) interests in collective investment schemes, in whatever form or jurisdiction any such scheme is established, including partnership interests;
- (c) warrants and other instruments entitling the holder to subscribe for or acquire any investments described in paragraphs (a) or (b) above;
- (d) certificates and other instruments conferring contractual or property rights (other than options) in respect of the investments in paragraphs (a), (b) or (c) above; and
- (e) options to acquire any investments described in paragraphs (a), (b), (c) or (d) above,

in each case whether held directly by or to the order of any Chargor or by any trustee, nominee, custodian, fiduciary or clearance system on its behalf (including all rights against any such trustee, nominee, custodian, fiduciary or clearance system including, without limitation, any contractual rights or any right to delivery of all or any part of the Investments from time to time).

"Monetary Claims" means any book and other debts and monetary claims owing to any Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, any court order or judgment, any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of that Chargor).

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 (*Form of Notice of Security to Account Bank*), Schedule 4 (*Form of Notice of Assignment of Specific Contract*) or Schedule 5 (*Form of Notice of Assignment of Insurance Policy*) (as appropriate) or in such form as may be specified by the Security Agent.

"Notice of Charge" means a notice of charge in substantially the form set out in Schedule 3 (*Form of Notice of Security to Account Bank*) or in such form as may be specified by the Security Agent.

"Original Debenture" means the debenture dated 3 September 2013 between the Chargors and the Security Agent.

"Original Security" means the Security created by or pursuant to the Original Debenture.

"Original Facility Agreement" means the multicurrency revolving facility agreement dated 3 September 2013 between, among others, Kodak Alaris Holdings Limited (formerly known as KPP Holdco Limited) as borrower, HSBC Bank plc as agent and security agent and the financial institutions listed therein as lenders, as amended and/or restated from time to time prior to the date of the Amendment and Restatement Agreement.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

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

- (a) the proceeds of sale or rental of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset.

"Secured Obligations" means all present and future obligations and liabilities of each Chargor (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by that Chargor or by some other person) to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to each of the Finance Documents including any liability in respect of any further advances made under the Finance Documents or resulting from any increase in the Total Commitments (however fundamental) and, for the avoidance of doubt, all such obligations arising under the Finance Documents on or after the Effective Date (as defined in the Amendment and Restatement Agreement), except for any obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful, prohibited or invalid by or under any applicable law.

"Security Period" means the period beginning on the date of this Debenture and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally discharged in full and no Finance Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor or any other person under any of the Finance Documents.

"Shares" means any stocks, shares, debentures and other securities listed in Schedule 2 (*Shares*) and all of each Chargor's other present and future shares in the capital of

any member of the Group from time to time held by, to the order, or on behalf, of each Chargor.

"Specific Contracts" means any contract that may from time to time be identified in writing as a Specific Contract by the Security Agent and the relevant Chargor.

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles, furniture, fittings and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress).

1.2 Terms defined in other Finance Documents

Unless defined in this Debenture, or the context otherwise requires, a term defined in the Amended Facility Agreement or in any other Finance Document has the same meaning in this Debenture, or any notice given under or in connection with this Debenture.

1.3 Construction

In this Debenture:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and definitions*) of the Amended Facility Agreement shall apply to the construction of this Debenture, or in any notice given under or in connection with this Debenture;
- (b) any reference to the **"Security Agent"**, the **"Secured Parties"**, the **"Finance Parties"** or a **"Chargor"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Amended Facility Agreement; and
- (c) references in this Debenture to any Clause or Schedule shall be to a Clause or Schedule contained in this Debenture.

1.4 Incorporation of provisions from Amended Facility Agreement

Clauses 1.4 (*Third party rights*), 17 (*Tax gross up and indemnities*), 19 (*Other indemnities*), 42.1 (*Accounts*), 42.2 (*Certificates and determinations*) and 45 (*Amendments and waivers*) of the Amended Facility Agreement are deemed to form part of this Debenture as if expressly incorporated into it and as if all references in those clauses to the Amended Facility Agreement were references to this Debenture.

1.5 Original Debenture

Except insofar as supplemented by this Debenture, the Original Debenture shall remain in full force and effect.

1.6 No merger

For the avoidance of doubt, any mortgage, charge or assignment (whether at law or in equity) created by the Original Debenture shall continue in full force and effect notwithstanding this Debenture and shall not merge in any security constituted by this Debenture or be released, extinguished or affected in any way by the security constituted by this Debenture.

1.7 Present and future assets

- (a) A reference in this Debenture to any Charged Asset or other asset includes, unless the contrary intention appears, present and future Charged Assets and other assets.
- (b) The absence of or incomplete details of any Charged Assets in any Schedule shall not affect the validity or enforceability of any Security under this Debenture.

1.8 Separate Security

Clauses 4.1 (*Fixed charge over Tangible Moveable Property*) to 4.11 (*Fixed charge over other assets*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Debenture and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Debenture or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

1.9 Security Agent assumes no obligation

The Security Agent shall not be under any obligation in relation to the Charged Assets as a consequence of this Debenture and each Chargor shall at all times remain liable to perform all obligations in respect of the Charged Assets.

2. COVENANT TO PAY

2.1 Covenant to pay

Each Chargor covenants with the Security Agent that it shall, on demand of the Security Agent pay, discharge and satisfy its Secured Obligations and indemnify the Security Agent and each of the Secured Parties against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy its Secured Obligations in accordance with their respective terms.

2.2 Default interest

If any Chargor fails to pay any amount payable by it under this Debenture on its due date, interest shall accrue on the overdue amount (both before and after judgment) at the rate determined in accordance with and on the terms set out in clause 13.3 (*Default interest*) of the Amended Facility Agreement.

3. COMMON PROVISIONS

3.1 Supplemental Security

All the Security created by or pursuant to Clauses 4 (*Supplemental Fixed Security*) and 5 (*Supplemental Floating Charge*) is created in addition and without prejudice, but subject only to, the Original Security.

3.2 Common provisions as to all Security

All the Security constituted by or pursuant to this Debenture is:

- (a) created with full title guarantee;
- (b) created in favour of the Security Agent as trustee for the Secured Parties and the Security Agent shall hold the benefit of this Debenture and the Security created by or pursuant to them on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Secured Obligations.

3.3 Consent for Fixed Security

Each Chargor creates each Fixed Security subject to obtaining any necessary consent to such Fixed Security from any relevant third party.

4. SUPPLEMENTAL FIXED SECURITY

4.1 Fixed charge over Tangible Moveable Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to the Tangible Moveable Property and all Related Rights.

4.2 Fixed charge over Accounts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to the Accounts and all Related Rights.

4.3 Fixed charge over contracts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any contract or agreement to which that Chargor is a party (except for the Specific Contracts) and all Related Rights.

4.4 Fixed charge over Monetary Claims

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Monetary Claims (other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture) and all Related Rights (to the extent not already charged under this Clause 4.4).

4.5 **Fixed charge over Investments**

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Investments and all dividends, interest and other monies payable in respect of those Investments and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise).

4.6 **Fixed charge over Shares**

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Shares and all dividends, interest and other monies payable in respect of those Shares and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise).

4.7 **Fixed charge over Intellectual Property**

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Intellectual Property and all Related Rights.

4.8 **Fixed charge over goodwill**

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any goodwill, rights and claims in relation to the uncalled capital of that Chargor.

4.9 **Assignment of Specific Contracts**

Each Chargor assigns and agrees to assign absolutely, all of its rights, claims, title and interest from time to time in and to each Specific Contract of that Chargor and all Related Rights.

4.10 **Assignment of Insurance Policies**

Each Chargor assigns and agrees to assign absolutely, all of its rights, claims, title and interest from time to time in and to the proceeds of each Insurance Policy of that Chargor and all Related Rights.

4.11 **Fixed charge over other assets**

Each Chargor charges (to the extent not validly and effectively assigned pursuant to Clauses 4.9 (*Assignment of Specific Contracts*) and 4.10 (*Assignment of Insurance Policies*)), by way of first fixed charge, all of its rights, title and interest from time to time in and to each Specific Contract and each Insurance Policy and all Related Rights in relation to each of those assets.

5. SUPPLEMENTAL FLOATING CHARGE

5.1 Floating charge

- (a) Each Chargor charges by way of first floating charge in favour of the Security Agent all present and future assets and undertaking of that Chargor.
- (b) The floating charge created by each Chargor pursuant to paragraph (a) of Clause 5.1 above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Security Agent as security for that Chargor's Secured Obligations.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) of Clause 5.1 above.

5.2 Crystallisation: by notice

The Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by that Chargor pursuant to Clause 5.1 (*Supplemental Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Event of Default has occurred and is continuing;
- (b) the Security Agent considers that any of the Charged Assets of such Chargor may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process **provided that** such notice may only relate to such affected Charged Assets;
- (c) the Security Agent considers that it is desirable in order to protect the priority of the security created by such Chargor; or
- (d) such Chargor requests the Security Agent to exercise any of its powers under this Debenture.

5.3 Crystallisation: automatic

Notwithstanding Clause 5.2 (*Crystallisation: by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by a Chargor pursuant to Clause 5.1 (*Supplemental Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) that Chargor creates or attempts to create any Security (other than any Security permitted under the terms of the Amended Facility Agreement), over any of the Charged Assets;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets of that Chargor;
- (c) an Administration Event occurs in relation to that Chargor;

- (d) a Receiver is appointed over all or any of the Charged Assets of that Chargor;
- (e) a meeting is convened for the passing of a resolution for the voluntary winding-up of that Chargor;
- (f) a petition is presented for the compulsory winding-up of that Chargor;
- (g) a provisional liquidator is appointed to that Chargor; or
- (h) a resolution is passed or an order is made for the dissolution or reorganisation of that Chargor,

or any analogous procedure or step is taken in any jurisdiction.

6. PROVISIONS AS TO SECURITY AND PERFECTION

6.1 Negative pledge and restriction on dealings

Except as permitted under the Amended Facility Agreement, no Chargor shall at any time during the Security Period create or permit to subsist any Security over all or any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets.

6.2 Implied covenants for title

- (a) The covenants set out in section 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 4 (*Supplemental Fixed Security*) or 5 (*Supplemental Floating charge*).
- (b) It shall be implied in respect of Clauses 4 (*Supplemental Fixed Security*) and 5 (*Supplemental Floating charge*) that each Chargor is disposing of the Charged Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment) other than any charges, encumbrances or rights which that Chargor does not and could not reasonably be expected to know about.

6.3 Notice of Security: other assets

- (a) When requested by the Security Agent following an Event of Default which is continuing, each Chargor shall promptly deliver to the Security Agent (or procure the delivery of) a Notice of Assignment or a Notice of Charge (as appropriate) duly executed by, or on behalf of, that Chargor in relation to any asset which is the subject of the Fixed Security and any floating charge which is converted into a fixed charge pursuant to Clauses 5.2 (*Crystallisation: by notice*) and 5.3 (*Crystallisation: automatic*).
- (b) Each Chargor shall use all reasonable endeavours to procure from each recipient of such a Notice of Assignment or a Notice of Charge (as appropriate) an acknowledgement in the form set out therein.

- (c) The execution of this Debenture by each Chargor and the Security Agent shall constitute notice to the Security Agent of the charge created over any Account opened or maintained with the Security Agent.

6.4 **Deposit of documents of title: Investments**

When requested by the Security Agent following an Event of Default which is continuing, each Chargor shall promptly deposit with the Security Agent (or procure the deposit of) all of the Investments and any certificates and other documents of title representing the Investments to which that Chargor (or its nominee(s)) is or becomes entitled, together with any other document which the Security Agent may reasonably request (in such form and executed in such manner as the Security Agent may reasonably require (including stock transfer forms or other instruments of transfer executed in blank by it or on its behalf), with a view to perfecting or improving its security over the Investments or to registering any Investment in its name or the name of any nominee(s).

6.5 **Deposit of share certificates**

Each Chargor shall:

- (a) on the date of this Debenture, deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares listed in Schedule 2 (*Shares*) and stock transfer forms (executed in blank by it or on its behalf); and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares (or upon acquiring any interest therein), notify the Security Agent of that occurrence and deposit with the Security Agent (or procure the deposit of) (i) all certificates or other documents of title representing such items and (ii) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Security Agent may request.

6.6 **Registration of Intellectual Property**

When requested by the Security Agent following an Event of Default which is continuing, each Chargor shall promptly execute all such documents and do all such acts as the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Intellectual Property.

6.7 **Further advances**

Subject to the terms of the Amended Facility Agreement, each Lender is under an obligation to make further advances to each Chargor and that obligation will be deemed to be incorporated in this Debenture as if set out in this Debenture.

7. FURTHER ASSURANCE

7.1 Further assurance

- (a) The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in paragraph (b) of Clause 7.1 below.
- (b) Each Chargor shall promptly, at its own cost, do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notarisations, registrations, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):
 - (i) to create, perfect and/or protect the Security created or intended to be created in respect of the Charged Assets (which may include the execution by that Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Charged Assets) or for the exercise of the Collateral Rights;
 - (ii) to confer on the Security Agent Security over any asset or undertaking of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture to which it is a party; and/or
 - (iii) to facilitate the realisation of the Charged Assets,

provided that no Chargor must execute a charge by way of legal mortgage in respect of any Real Property pursuant to this Clause 7. This paragraph (b) shall not, save when an Event of Default is continuing, require notice of charge or assignment to be given, or a specific charge executed over a particular asset or asset class, at a time not otherwise required under the terms of this Debenture.

7.2 Necessary action

Each Chargor shall take all such action as is available to it (including making all filings and registrations and applying for relief against forfeiture) as may be necessary or as may reasonably be requested by the Security Agent for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent by or pursuant to this Debenture to which it is a party.

7.3 Consents

Each Chargor shall, as soon as possible, use all reasonable endeavours to obtain any consents necessary or to remove any restriction on the creation of Security (in each case in form and substance satisfactory to the Security Agent, acting reasonably) to enable the assets of that Chargor to be the subject of the relevant Fixed Security pursuant to this Debenture. Immediately upon obtaining any such consent or removing any such restriction, the asset concerned will become subject to that Fixed

Security and each relevant Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Security Agent.

8. SHARES AND INVESTMENTS

8.1 Dividends prior to an Event of Default

Without prejudice to the restrictions in the Amended Facility Agreement, save when an Event of Default is continuing in relation to such Chargor, each Chargor shall be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Shares.

8.2 Dividends after an Event of Default

Following an Event of Default which is continuing in relation to such Chargor, the Security Agent may, at its discretion, in the name of that Chargor or otherwise and without any further consent or authority from that Chargor, apply all dividends, interest and other monies arising from the Shares as though they were the proceeds of sale in accordance with Clause 17 (*Application of Proceeds*).

8.3 Voting rights prior to Security Agent Notice

Save when an Event of Default is continuing, each Chargor shall be entitled to exercise all voting rights in relation to the Shares.

8.4 Voting rights after Security Agent Notice

Subject to Clause 8.5 (*Waiver of voting rights by Security Agent*), following an Event of Default which is continuing in relation to a Chargor, the Security Agent may (but without having any obligation to do so) give notice to that Chargor (with a copy to the Agent) that this Clause 8.4 will apply. With effect from the giving of that notice the Security Agent may, at its discretion, in the name of that Chargor or otherwise and without any further consent or authority from that Chargor:

- (a) exercise (or refrain from exercising) any voting rights in respect of the Shares of that Chargor; and
- (b) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of those Shares including the right, in relation to any company whose shares or other securities are included in those Shares, to concur or participate in:
 - (i) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
 - (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Agent thinks fit, and the proceeds of any such action shall form part of those Shares.

8.5 Waiver of voting rights by Security Agent

- (a) The Security Agent may, in its absolute discretion and without any consent or authority from the other Secured Parties or the relevant Chargor, at any time, by notice to any relevant Chargor (which notice shall be irrevocable) , with a copy to the Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Shares of that Chargor conferred or to be conferred on the Security Agent pursuant to Clause 8.4 (*Voting rights after Security Agent Notice*) and the other Secured Parties unconditionally waive any rights they may otherwise have to require the Security Agent not to make such election or to require the Security Agent to indemnify, compensate or otherwise make good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Security Agent making such election.
- (b) Once a notice has been issued by the Security Agent under paragraph (a) of this Clause 8.5, on and from the date of such notice the Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights and powers in respect of the Shares conferred or to be conferred on it pursuant to Clause 8.4 (*Voting rights after Security Agent Notice*) or any other provision of this Debenture and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Shares.

8.6 Shares: Voting rights

No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Shares of that Chargor in any manner, or otherwise permit or agree to or concur or participate in any:

- (a) variation of the rights attaching to or conferred by all or any part of those Shares;
- (b) increase in the issued share capital of any company whose shares are charged pursuant to this Debenture;
- (c) exercise, renunciation or assignment of any right to subscribe for any shares or securities; or
- (d) reconstruction, amalgamation, sale or other disposal of any company or any of the assets or undertaking of any company (including the exchange, conversion or reissue of any shares or securities as a consequence thereof) whose shares are charged pursuant to this Debenture, which, in the opinion of the Security Agent, would prejudice the value of, or the ability of the Security Agent to realise, the Security created pursuant to this Debenture **provided that** the proceeds of any such action shall form part of those Shares.

8.7 **Investments and Shares: Payment of calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares of that Chargor, and in any case of default by it in such payment, the Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Security Agent shall be reimbursed by that Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed in accordance with Clause 2.2 (*Default interest*).

8.8 **Investments: Exercise of rights**

No Chargor shall exercise any of its rights and powers in relation to any of the Investments in any manner which would prejudice the value of, or the ability of the Security Agent to realise, the Security created pursuant to this Debenture.

9. **ACCOUNTS**

9.1 **Accounts: Notification and variation**

- (a) Each Chargor shall promptly deliver to the Security Agent on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of each Account opened or maintained by it with any bank, building society, financial institution or other person.
- (b) No Chargor shall, without the Security Agent's prior written consent, permit or agree to any material variation of the rights attaching to any Account or close any Account.

9.2 **Accounts: Operation before Event of Default**

Save when an Event of Default is continuing, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account subject to the terms of the Amended Facility Agreement.

9.3 **Accounts: Operation after Event of Default**

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

9.4 **Accounts: Application of monies**

The Security Agent shall, upon the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 17 (*Application of Proceeds*).

10. MONETARY CLAIMS

10.1 Release of Monetary Claims: Before Event of Default

Save when an Event of Default is continuing, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Amended Facility Agreement), upon such proceeds being credited to an Account, be released from the fixed charge created pursuant to Clause 4 (*Supplemental Fixed Security*) and each Chargor shall be entitled to withdraw such proceeds from such Account **provided that** such proceeds shall continue to be subject to the floating charge created pursuant to Clause 5 (*Supplemental Floating Charge*) and the terms of this Debenture.

10.2 Release of Monetary Claims: After Event of Default

Following an Event of Default which is continuing, each Chargor shall not except with the prior written consent of the Security Agent, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

11. INSURANCES

11.1 Insurance: Undertakings

Each Chargor shall at all times during the Security Period:

- (a) keep the Charged Assets insured in accordance with the terms of the Amended Facility Agreement;
- (b) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Security Agent a copy of each policy and evidence (in form and substance acceptable to the Security Agent, acting reasonably) of the payment of such sums; and
- (c) if required by the Security Agent (but subject to the provisions of any lease of the Charged Assets), deposit all Insurance Policies relating to the Charged Assets with the Security Agent.

11.2 Insurance: Default

If any Chargor defaults in complying with Clause 11.1 (*Insurance: Undertakings*), the Security Agent may (without any obligation to do so) effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies spent by the Security Agent in doing so shall be reimbursed by the relevant Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed in accordance with Clause 2.2 (*Default interest*).

11.3 Application of Insurance proceeds

All monies received under any Insurance Policies relating to the Charged Assets shall (subject to the rights and claims of any person having prior rights to such monies):

- (a) save when an Event of Default is continuing, be applied in repairing, replacing, restoring or rebuilding the property or assets damaged or destroyed; and
- (b) following an Event of Default which is continuing, be held upon trust for the Security Agent pending payment to the Security Agent for application in accordance with Clause 17 (*Application of Proceeds*) and each Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Assets.

12. GENERAL UNDERTAKINGS

Each Chargor shall from time to time on request of the Security Agent, furnish the Security Agent with such information as the Security Agent may reasonably require about that Chargor's business and affairs, the Charged Assets and its compliance with the terms of this Debenture and each Chargor shall permit the Security Agent, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice (a) to inspect and take copies and extracts from the books, accounts and records of that Chargor and (b) to view the Charged Assets (without becoming liable as mortgagee in possession).

13. ENFORCEMENT OF SECURITY

13.1 Enforcement

In relation to any Chargor, at any time after the occurrence of:

- (a) an Event of Default (as long as it is continuing);
- (b) an Administration Event in relation to such Chargor;
- (c) any event or the receipt by the Security Agent of any information or the coming to the attention of the Security Agent of any other matter or thing whatsoever which causes the Security Agent to reasonably believe that all or any part of the Charged Assets of that Chargor is in danger of seizure, distress or other legal process or that all or any part of the Security created by or pursuant to this Debenture is otherwise for any reason whatsoever in jeopardy; or
- (d) a request from such Chargor to the Security Agent that it exercise any of its powers under this Debenture,

the Security created by or pursuant to this Debenture by such Chargor is immediately enforceable and the Security Agent may, without notice to such Chargor or prior authorisation from any court, in its absolute discretion:

- (i) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of

all or any part of the Charged Assets of that Chargor (at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration)); and

- (ii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

13.2 Effect of moratorium

The Security Agent shall not be entitled to exercise its rights under Clause 13.1 (*Enforcement*) or Clause 5.2 (*Crystallisation: by notice*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining, or taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

14. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

14.1 Extension of powers

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

14.2 Restrictions

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Agent of its right to consolidate all or any of the Security created by or pursuant to this Debenture with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to any Chargor on or at any time after this Debenture has become enforceable in accordance with Clause 13 (*Enforcement of Security*).

14.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Security Agent at any time on or after this Debenture has become enforceable in accordance with Clause 13 (*Enforcement of Security*) and the Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with sections 99 and 100 of the Law of Property Act 1925.
- (b) For the purposes of sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither section 99(18) nor section 100(12) of the Law of Property Act 1925 will apply.

- (c) No Chargor shall have, at any time during the Security Period, the power pursuant to section 99 of the Law of Property Act 1925, to make any lease in respect of any Real Property without the prior written consent of the Security Agent or as permitted pursuant to the terms of the Amended Facility Agreement.

14.4 **Right of appropriation**

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended, (the "**Regulations**") apply to a Charged Asset, the Security Agent shall have the right to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations of the relevant Chargor and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of that Charged Asset shall be:

- (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time of appropriation; and
- (b) in the case of any Investments and/or Shares, the market value of such Investments and/or Shares determined by the Security Agent by reference to a public index or independent valuation, or by such other process as the Security Agent may select.

In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

15. **APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

15.1 **Appointment and removal**

After the Security created by or pursuant to this Debenture by a Chargor has become enforceable in accordance with Clause 13.1 (*Enforcement*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent):

- (a) without prior notice to that Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets of that Chargor; or
 - (ii) appoint two or more Receivers of separate parts of the Charged Assets of that Chargor; or
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed; or
 - (iv) appoint another person(s) as an additional or replacement Receiver(s); or

- (v) appoint one or more persons to be an administrator of that Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; and
- (b) following notice to the relevant Chargor, appoint one or more persons to be an administrator of that Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

15.2 Capacity of Receivers

Each person appointed to be a Receiver in relation to a Chargor pursuant to Clause 15.1 (*Appointment and removal*) shall be:

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

15.3 Statutory powers of appointment

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

16. POWERS OF RECEIVERS

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

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which that Chargor itself could do or omit to do; and

- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of that Chargor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of that Chargor forming part of, or which when got in would be, Charged Assets of that Chargor.

17. APPLICATION OF PROCEEDS

All monies received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of the Amended Facility Agreement.

18. PROTECTION OF PURCHASERS

18.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

18.2 Protection of purchasers

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

19. POWER OF ATTORNEY

19.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all other documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on any Chargor by this Debenture or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets of that Chargor and perfecting and/or releasing the Security created or intended to be created in respect of the Charged Assets of that Chargor); and
- (b) enabling the Security Agent and any Receiver to exercise (subject to Clause 8.5 (*Waiver of voting rights by Security Agent*)), or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Charged Assets).

19.2 Ratification

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

20. EFFECTIVENESS OF SECURITY

20.1 Continuing security

- (a) The Security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent in writing.
- (b) No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

20.2 Cumulative rights

The Security created by or pursuant to this Debenture, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Security which the Security Agent or any Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Assets shall merge into the Security constituted by this Debenture.

20.3 No prejudice

The Security created by or pursuant to this Debenture, and the Collateral Rights, shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security

Agent holds the Security or by any other thing which might otherwise prejudice that Security or any Collateral Right.

20.4 Remedies and waivers

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising, any Collateral Right, shall operate as a waiver of that Collateral Right or constitute an election to affirm this Debenture. No election to affirm this Debenture on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

20.5 No liability

None of the Security Agent, its nominee(s) or any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Debenture or any neglect or default in connection with the Charged Assets or taking possession of or realising all or any part of the Charged Assets,

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

20.6 Partial invalidity

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

20.7 Chargor intent

Without prejudice to the generality of clause 22.4 (*Waiver of Defences*) of the Amended Facility Agreement, each Chargor expressly confirms that it intends that the Security created under this Debenture, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

21. PRIOR SECURITY INTERESTS

- (a) In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Assets or in case of exercise by the Security Agent or any Receiver of any power of sale under this Debenture, the Security Agent may redeem such prior Security or procure the transfer thereof to itself.
- (b) The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.
- (c) All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand together with accrued interest thereon calculated in accordance with Clause 2.2 (*Default interest*).

22. SUBSEQUENT SECURITY INTERESTS

If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting all or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter by or on behalf of the relevant Chargor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by that Chargor) be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

23. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Debenture (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Agent considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

24. RELEASE OF SECURITY

24.1 Release of Security

Upon the expiry of the Security Period in relation to a Chargor, the Security Agent shall, at the request and cost of that Chargor, release and cancel the Security constituted by this Debenture created by that Chargor and procure the reassignment to that Chargor of the property and assets assigned to the Security Agent pursuant to this Debenture created by that Chargor, in each case subject to Clause 24.2 (*Clawback*)

and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

24.2 Clawback

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Debenture and the Security constituted by that or those documents will continue and such amount will not be considered to have been irrevocably discharged.

25. SET-OFF

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing in relation to that Chargor, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to that Chargor, and apply any credit balance to which that Chargor is entitled on any account with the Security Agent in accordance with Clause 17 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

26. ASSIGNMENT

26.1 No assignments or transfers by Chargor

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Debenture.

26.2 Assignments and transfers by the Security Agent

The Security Agent may assign and transfer all or any of its rights and obligations under this Debenture. The Security Agent shall be entitled to disclose such information concerning any Chargor and this Debenture as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

27. NOTICES

27.1 Communications in Writing

Each communication to be made under or in connection with this Debenture shall be made in writing and, unless otherwise stated, shall be made by fax or letter.

27.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Debenture is:

- (a) in the case of a Chargor:

Kodak Business Centre, Hemel One, Boundary Way
Hemel Hempstead, Herts HP2 7YU

Tel: +44 (0) 1442 261122

Fax: +44 (0) 845 602 5992

Attn: Phillip Gibbons (Chief Financial Officer)

- (b) in the case of the Security Agent:

8 Canada Square, London E14 5HQ

Fax: +44 (0) 20 7992 4680

Attn: Phil J Brading, Loans Administration

or any substitute address, fax number, or department or officer as the Party may notify to the Agent pursuant to clause 41 (*Notices*) of the Amended Facility Agreement by not less than five Business Days' notice.

27.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Debenture will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 27.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified above (or any substitute department or officer as the Security Agent shall specify for this purpose).

27.4 English language

- (a) Any notice given under or in connection with this Debenture must be in English.

- (b) All other documents provided under or in connection with this Debenture must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

28. EXPENSES, STAMP TAXES AND INDEMNITY

28.1 Expenses

Each Chargor shall, from time to time on demand of the Security Agent, reimburse the Security Agent for all the costs and expenses (including legal fees) on a full indemnity basis together with any VAT thereon incurred by it in connection with:

- (a) the negotiation, preparation and execution of this Debenture and the completion of the transactions and perfection of the Security contemplated in this Debenture; and
- (b) the exercise, preservation and/or enforcement of any of the Collateral Rights or the Security contemplated by this Debenture or any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Security or of enforcing the Collateral Rights,

and shall carry interest from the date of such demand until so reimbursed in accordance with Clause 2.2 (*Default interest*).

28.2 Stamp Taxes

Each Chargor shall pay all stamp, registration, notarial and other taxes and fees to which this Debenture, the Security contemplated in this Debenture or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Security Agent on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax.

28.3 Indemnity

Each Chargor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Security Agent, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by that Chargor of the provisions of this Debenture, the exercise or purported exercise of any of the rights and powers conferred on them in relation to that Chargor by this Debenture or otherwise relating to the Charged Assets of that Chargor.

29. DISCRETION AND DELEGATION

29.1 Discretion

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

29.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

30. GOVERNING LAW

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

31. JURISDICTION

31.1 English Courts

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

31.2 Convenient Forum

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

31.3 Exclusive Jurisdiction

This Clause 31 (*Jurisdiction*) is for the benefit of the Security Agent only. As a result and notwithstanding Clause 31.1 (*English Courts*), it does not prevent the Security Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Agent may take concurrent proceedings in any number of jurisdictions.

THIS DEBENTURE has been executed as, and is intended to take effect as, a deed by each Chargor and has been signed by the Security Agent on the date written on the first page of this Debenture.

**SCHEDULE 1
THE CHARGORS**

<u>Name and Company Number of Chargor</u>	<u>Jurisdiction</u>
Kodak Alaris Holdings Limited (formerly known as KPP Holdco Limited), registration number 08550309	England and Wales
Kodak Alaris International Limited (formerly known as 111616 Branch Opco (UK) Limited), registration number 08574793	England and Wales
Kodak Alaris Limited (formerly known as 111616 Opco (UK) Limited), registration number 08552155	England and Wales

SCHEDULE 2
SHARES

Name of Company	Issued Capital Share	Description and Number of Shares Held	Share Certificate Number(s)
Kodak Alaris International Limited (formerly known as 111616 Branch Opco (UK) Limited), registration number 08574793	1	1 ordinary share of £1.00	1
Kodak Alaris Limited (formerly known as 111616 Opco (UK) Limited), registration number 08552155	1	1 ordinary share of £1.00	1

SCHEDULE 3
FORM OF NOTICE OF SECURITY TO ACCOUNT BANK

To: [Account Bank/other financial institution]

Date: []

Dear Sirs

We give you notice that, by a Debenture dated [] (the "**Debenture**"), we have charged by way of fixed charge to HSBC Bank plc (the "**Security Agent**") as trustee for the Secured Parties all of our right, title and interest in and to the account[s] listed below maintained with your [bank/building society/financial institution] (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby:

Account Name[s]: []

Sort Code[s]: []

Account No[s]: []

[repeat list as necessary]

We irrevocably instruct and authorise you to disclose to the Security Agent without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to [the]/[any] account[s] maintained with you from time to time as the Security Agent may request you to disclose to it.

We further instruct and authorise you to act only in accordance with the Security Agent's instructions.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at 8 Canada Square, London E14 5HQ marked for the attention of Phil J Brading.

Yours faithfully,

.....
 for and on behalf of
[CHARGOR(S)]

Form of Acknowledgement of Notice of Security by Account Bank

To: HSBC Bank plc (the "**Security Agent**")

Date:

Dear Sirs

We confirm receipt from [*Enter Chargor Name*] (the "**Chargor**") of a notice dated [] of a fixed charge upon the terms of a Debenture dated [] (the "**Debenture**") of all the Chargor's right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following account[s] which [is/are] maintained with us and the debt or debts represented thereby:

[*List relevant accounts here*]

(the "**Account[s]**").

We confirm that the balance standing to the Account[s] at today's date is [], no fees or periodic charges are payable in respect of the Account[s] and there are no restrictions on (a) the payment of the credit balance on the Account[s] [(except, in the case of a time deposit, the expiry of the relevant period)] or (b) the creation of Security over the Account[s] in favour of the Security Agent or any third party.

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts and security in respect of any Account[s] and similar rights (however described) which we may have now or in the future in respect of [each of] the Account[s] or the balance thereon to the extent that such rights relate to amounts owed to us by the Chargor.

We confirm that we have not received notice of the interest of any third party in [any of] the Account[s] and will not, without the Security Agent's prior written consent, amend or vary any rights attaching to the Account[s].

We will act only in accordance with the instructions given by persons authorised by the Security Agent and we shall send all statements and other notices given by us relating to the Account[s] to the Security Agent.

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with English law.

Yours faithfully,

.....
for and on behalf of
[*Account Bank/other financial institution*]

cc. [*Enter Chargor Name*]

SCHEDULE 4
FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT

To: []

Date: []

Dear Sirs

We give you notice that, by a Debenture dated [] (the "**Debenture**"), we have assigned to HSBC Bank plc (the "**Security Agent**") as trustee for the Secured Parties all our right, title and interest in and to *[details of contract]* (the "**Contract**") including all monies which may be payable in respect of the Contract.

With effect from your receipt of this notice:

1. all payments by you to us under or arising from the Contract (the "**Payments**") shall be made to the Security Agent or to its order as it may specify in writing from time to time *[include details of the account into which sums are to be paid]*;
2. all remedies provided for in the Contract or available at law or in equity shall be exercisable by the Security Agent;
3. all rights to compel performance of the Contract shall be exercisable by the Security Agent although we shall remain solely liable to perform all the obligations assumed by us under or in connection with the Contract;
4. all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract shall belong to the Security Agent and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Security Agent's consent; and
5. you are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied, waived or terminated without the prior written consent of the Security Agent.

This letter and all non-contractual obligations arising out of or in conjunction with it are governed by and will be construed in accordance with the laws of England and Wales.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at 8 Canada Square, London E14 5HQ marked for the attention of Phil J Brading.

Yours faithfully,

.....
 for and on behalf of
[Enter Chargor Name]

Form of Acknowledgement of Assignment of Specific Contract

To: HSBC Bank plc as trustee for the Secured Parties (the "**Security Agent**")

Date:

Dear Sirs

We acknowledge receipt of a notice dated [] in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

We further confirm that:

- (a) we have not claimed or exercised and have no outstanding right to claim or exercise any right of set-off, counterclaim or other right relating to any payments by us to the Chargor under or arising from the Contract;
- (b) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Security Agent;
- (c) no termination of such rights, interests or benefits shall be effective unless we have given the Security Agent thirty days written notice of the proposed termination, specifying the action necessary to avoid such termination; and
- (d) no breach or default on the part of the Chargor of any of the terms of the Contract shall be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach.

Yours faithfully,

.....
for and on behalf of

[]

[*Enter Chargor Name*]

SCHEDULE 5
FORM OF NOTICE OF ASSIGNMENT OF INSURANCE POLICY

To: *[Insert name of Insurer]*

Date:

Dear Sirs

We give you notice that, by a Debenture dated [] (the "**Debenture**"), we have assigned to HSBC Bank plc (the "**Security Agent**") as trustee for the Secured Parties all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "**Policy of Insurance**").

With effect from your receipt of this notice we instruct and authorise you to:

1. make all payments and claims under or arising from the Policy of Insurance to the Security Agent *[insert relevant account number and sort code]* or to its order as it may specify in writing from time to time;
2. note the interest of the Security Agent on the Policy of Insurance; and
3. disclose to the Security Agent, without further approval from us, such information regarding the Policy of Insurance as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance.

We will remain liable to perform all our obligations under the Policy of Insurance and the Security Agent is under no obligation of any kind whatsoever under the Policy of Insurance nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy of Insurance.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Security Agent.

This letter and all non-contractual obligations arising out of or in conjunction with it are governed by and will be construed in accordance with the laws of England and Wales.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at 8 Canada Square, London E14 5HQ marked for the attention of Phil J Brading.

Yours faithfully,

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

Form of Acknowledgement of Assignment from Insurer

To: HSBC Bank plc as trustee for the Secured Parties (the "**Security Agent**")

Date:

Dear Sirs

We acknowledge receipt of a notice dated [] in the terms set out above and confirm that we have not received notice of:

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice; or
- (b) the interest of any third party in any of the rights, interests and benefits specified in such notice,

and will make all payments in the manner and to the account specified in that notice. We confirm that we have made all necessary arrangements for all future payments payable under such Policy of Insurance, to be made into the account specified in the notice.

We further confirm that:

- 1. no amendment, waiver or release or any such rights, interest and benefits will be effective without the prior written consent of the Security Agent;
- 2. no termination of such rights, interests or benefits will be effective unless we have given the Security Agent [21] days' written notice of the proposed termination and specifying the action necessary to avoid such termination;
- 3. the Chargor will remain liable to perform all its obligations under the Policy of Insurance and the Security Agent is under no obligation of any kind whatsoever under the Policy of Insurance nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Policy of Insurance; and
- 4. no breach or default on the part of the Chargor of any of the terms of such Policy of Insurance will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach.

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

Yours faithfully,

.....
for and on behalf of

[Insert name of Insurer]

[Enter Chargor Name]

EXECUTION PAGES TO DEBENTURE

The Chargors

EXECUTED AS A DEED BY)
 KODAK ALARIS HOLDINGS LIMITED)
 (FORMERLY KNOWN AS KPP)
 HOLDCO LIMITED))
 acting by)

Name: **MARK ALFLATT**)
 Title: Director)

M. Alflatt

in the presence of:

Signature of witness: *[Signature]*

Name of witness: **JOHN O'REILLY**

Occupation of witness: **SOLICITOR**

Address of witness: **HEMEL ONE, BOUNDARY WAY,**

HEMEL HEMPSTEAD, HERTS. HP2 7YU

EXECUTED AS A DEED BY)
 KODAK ALARIS INTERNATIONAL LIMITED)
 (FORMERLY KNOWN AS 111616 BRANCH OPCO)
 (UK) LIMITED))
 acting by)

Name: **MARK ALFLATT**)
 Title: Director)

M. Alflatt

in the presence of:

Signature of witness: *[Signature]*

Name of witness: **JOHN O'REILLY**

Occupation of witness: **SOLICITOR**

Address of witness: **HEMEL ONE, BOUNDARY WAY,**

HEMEL HEMPSTEAD, HERTS. HP2 7YU

EXECUTED AS A DEED BY)
 KODAK ALARIS LIMITED)
 (FORMERLY KNOWN AS 111616 OPCO)
 UK LIMITED))
 acting by)

Name: MARIE AUFART)
 Title: Director)

M. Aufart

in the presence of:

Signature of witness: *John J. Reilly*

Name of witness: JOHN J. REILLY

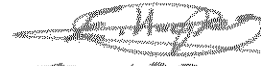
Occupation of witness: SOLICITOR

Address of witness: HEMEL ONE, BOUNDARY WAY
HEMEL HEMSTEAD, HERTS. HP2 7YU.

The Security Agent

Signed by
HSBC BANK PLC
for and on its behalf by
its duly authorised officer

)
)
)
)


EDWARD HUGHES
ASSOCIATE DIRECTOR