

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM355634

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Denby Brands Limited		01/28/2015	Private Limited Company: UNITED KINGDOM
RECEIVING PARTY DATA			
Name:	PNC Financial Services UK Limited		
Street Address:	PNC House, 34-36 Perrymount Road		
City:	Haywards Heath, West Sussex		
State/Country:	UNITED KINGDOM		
Postal Code:	RH16 3DN		
Entity Type:	Private Limited Company: UNITED KINGDOM		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	1972734	DENBY	
Registration Number:	3582024	DENBY 1809	
CORRESPONDENCE DATA			
Fax Number:	4153939887		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
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ATTORNEY DOCKET NUMBER:	800002.01344		
NAME OF SUBMITTER:	Philip R. Zender		
SIGNATURE:	/philip r. zender/		
DATE SIGNED:	09/18/2015		
Total Attachments: 66			
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DATED 28 January 2015

(1) PNC BUSINESS CREDIT
a trading style of PNC FINANCIAL SERVICES UK LTD
as PNC

- and -

(2) THE COMPANIES NAMED IN THIS DEED AS SECURITY OBLIGORS
as Security Obligors

**COMPOSITE GUARANTEE AND
DEBENTURE**

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THIS COMPOSITE GUARANTEE AND DEBENTURE is made on

28 January
2015

BETWEEN

- (1) **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD** a company registered in England and Wales with the number 07341483 and having its registered office at PNC House, 34/36 Perrymount Road, Haywards Heath, West Sussex, RH16 3DN ("PNC"); and
- (2) **THE COMPANIES LISTED IN SCHEDULE 1 TO THIS DEED** (the "Security Obligors" and each a "Security Obligor").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Master Facilities Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and
- (b) the following terms have the following meanings:

"**ABL Insurances**" means Inventory Insurances, P&M Insurances and Real Property Insurances and "**ABL Insurance**" means any policy of insurance falling within any of the definitions of Inventory Insurances, P&M Insurances and Real Property Insurances;

"**Account Balance**" means all monies at any time standing to the credit of the Assigned Account or the Charged Account (as applicable) and:

- (a) all interest at any time accrued or accruing on such monies;
- (b) all investments at any time made out of such monies or account; and
- (c) all rights to repayment of any of the same.

"**Acknowledgement**" means a duly completed acknowledgement of assignment in the form set out in the relevant part of schedule 4 (*Forms of Notice and Acknowledgement of Assignment*) being:

- (a) Part 1B in the case of ABL Insurances and Insurances;
- (b) Part 2B in the case of Assigned Account or the Charged Account (as applicable); and
- (c) Part 3B in the case of Material Contracts,

or in such other form as may be approved by PNC.

"**Act**" means the Law of Property Act 1925;

"Assigned Account" means the bank account held by Denby USA Limited with Bank of America N.A. with the following account details: LTSB RE: Denby USA Limited, P.O. BOX 844623, Dallas, TX 75284;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 5.2 (*Security assignments*);

"Charged Account" means the bank account held by The Denby Pottery Company Limited with Bank of Scotland plc with sort code: 12-09-19, account number: 10023561 and account name: BoS Re: The Denby Pottery Company Limited;

"Charged Investments" means the Charged Securities and all present and future Securities Rights accruing to all or any of the Charged Securities;

"Charged Securities" means the Securities specified in part 3 of schedule 3 (*Details of Security Assets*);

"Default" has the meaning given to Potential Event of Default in the Master Facilities Agreement;

"Guarantee" means the guarantee and indemnity contained in clause 2 (*Guarantee and indemnity*) as extended by schedule 2 (*The Guarantee*);

"Insurances" means, save for the ABL Insurances, all policies of insurance (and all cover notes) which are at any time held by, or written in favour of, a Security Obligor or in which a Security Obligor from time to time has an interest;

"Intellectual Property" means all present and future Intellectual Property Rights;

"Intellectual Property Rights" means

- (a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests whether registered or unregistered; and
- (b) the benefit of all applications and rights to use such assets of each Security Obligor;

"Inventory Insurances" means those policies of insurance (if any) specified in part 5 of schedule 3 (*Details of Security Assets*) and any other policies of insurance which may replace those policies of insurance;

"Master Facilities Agreement" means the master facilities agreement dated the same date as this Deed and made between (1) PNC, (2) each of the entities listed as Obligors therein, (3) each of the entities listed as Security Obligors therein and (4) Denby Holdings Limited as Parent, pursuant to which PNC has agreed to make certain accounts receivables facilities and certain asset based lending facilities available to the Obligors;

"Material Contracts" means the contracts (if any) detailed in part 8 of schedule 3 (*Details of Security Assets*) and any other contract from time to time designated in writing as a Material Contract by PNC.

"Non-Vesting A/R" means Non-Vesting Domestic A/R and Non-Vesting Export A/R and **"Non-Vesting A/R"** means any one of them;

"Non-Vesting Domestic A/R" means any A/R (other than an Export A/R) purportedly assigned to PNC pursuant to the Master Facilities Agreement but which does not, for any reason, vest absolutely and effectively in PNC;

"Non-Vesting Export A/R" means any Export A/R purportedly assigned to PNC pursuant to the Master Facilities Agreement but which does not, for any reason, vest absolutely and effectively in PNC;

"Notice of Assignment" means a duly completed notice of assignment in the form set out in the relevant part of schedule 4 (*Forms of Notice and Acknowledgement of Assignment*) being:

- (a) Part 1A, in the case of ABL Insurances and Insurances;
- (b) Part 2A, in the case of the Assigned Account or the Charged Account (as applicable); and
- (c) Part 3A, in the case of Material Contracts,

or in such other form as may be approved by PNC.

"Other Proceeds" means all and any monies paid to a Trust Account which are not the proceeds of A/R;

"Other Receivables" means, save for A/R, all present and future book debts and other debts, rentals, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to, any Security Obligor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) together with:

- (a) the benefit of all rights, guarantees, Security Interests and remedies relating to any of the foregoing (including, without limitation, negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid vendor's liens and similar associated rights); and
- (b) all proceeds of any of the foregoing;

"Party" means a party to this Deed;

"P&M Insurances" means those policies of insurance (if any) specified in part 6 of schedule 3 (*Details of Security Assets*) and any other policies of insurance which may replace those policies of insurance;

"Real Property Insurances" means those policies of insurance (if any) specified in part 7 of schedule 3 (*Details of Security Assets*) and any other policies of insurance which may replace those policies of insurance;

"Receiver" means any receiver or receiver and manager appointed by PNC under this Deed;

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

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

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of any member of the Group to PNC under or pursuant to any Finance Document (including all monies covenanted to be paid under this Deed) and/or any other present or future obligations or liabilities howsoever arising of any of the Security Obligors to PNC.

"Securities" means all stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or *"investments"* (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by a Security Obligor, held by a nominee on its behalf or in which such Security Obligor has an interest at any time;

"Securities Rights" means:

- (a) all dividends, distributions and other income paid or payable on the relevant Securities or Charged Securities or on any asset referred to in paragraph (b) of this definition;
- (b) all rights, monies or property accruing or offered at any time in relation to such Securities or Charged Securities whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

"Security" means the Security Interests created by or pursuant to this Deed;

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed;

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full;
- (b) the A/R Facility has been terminated according to its terms; and
- (c) PNC has no further commitment, obligation or liability under or pursuant to the Finance Documents;

"Specified P&M" means the P&M (if any) specified in part 2 of schedule 3 (*Details of Security Assets*); and

"Specified Real Property" means the estates and interests in freehold, leasehold and other immovable property (if any) specified in part 1 of schedule 3 (*Details of Security Assets*), together with:

- (a) all buildings and fixtures (including trade fixtures) and fixed P&M at any time thereon;
- (b) all easements, rights and agreements in respect thereof; and
- (c) the benefit of all covenants given in respect thereof.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) an "**Obligor**", a "**Security Obligor**" or "**PNC**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) "**this Deed**", the "**Master Facilities Agreement**", any other "**Finance Document**" or any other agreement or instrument shall be construed as a reference to this Deed, the Master Facilities Agreement, such other Finance Document or such other agreement or instrument as varied, amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any member of the Group or provides for further advances);
 - (iii) "**assets**" includes any present and future properties, revenues and rights of every description and includes uncalled capital;
 - (iv) an Event of Default that is "**continuing**" shall be construed as meaning an Event of Default that has not been waived in writing by PNC, to the satisfaction of PNC and any waiver given by PNC shall only apply to the specific occurrence of the specific event referred to in such waiver;
 - (v) "**including**" or "**includes**" means including or includes without limitation;
 - (vi) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting any member of the Group;
 - (vii) a provision of law is a reference to that provision as amended or re-enacted; and
 - (viii) the singular includes the plural and vice versa.
- (b) References to clauses, paragraphs and schedules are to be construed, unless otherwise stated, as references to clauses, paragraphs and schedules of and to this Deed and references to this Deed include its schedules.

- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Deed.
- (d) Each undertaking of any Security Obligor contained in this Deed must be complied with at all times during the Security Period.
- (e) The terms of the other Finance Documents and of any side letters between any of the parties thereto in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any disposition of the property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If PNC reasonably considers that an amount paid by any Security Obligor to PNC under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Security Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) The liabilities and obligations of each Security Obligor under this Deed shall be joint and several. Each Security Obligor agrees to be bound by this Deed notwithstanding that any other Security Obligor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.
- (h) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.
- (i) This Deed is a Finance Document.

1.3 Third party rights

A person who is not a Party shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

2. GUARANTEE AND INDEMNITY

2.1 Guarantee and indemnity

Each Security Obligor irrevocably and unconditionally:

- (a) guarantees in favour of PNC punctual performance by each member of the Group of all obligations of each member of the Group under the Finance Documents;
- (b) undertakes in favour of PNC that whenever a member of the Group does not pay any amount when due under, or in connection with, any Finance Document, such Security Obligor shall immediately on demand pay that amount as if it were the principal obligor; and
- (c) indemnifies PNC immediately on demand against any cost, loss or liability suffered by PNC, if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability

shall be equal to the amount which PNC would otherwise have been entitled to recover.

2.2 Extension of guarantee

The guarantee set out in this clause 2 is given subject to and with the benefit of the provisions set out in schedule 2 (*The Guarantee*).

3. COVENANT TO PAY

3.1 Covenant to pay

Each Security Obligor, as principal obligor and not merely as surety, covenants in favour of PNC that it will pay and discharge the Secured Obligations from time to time when they fall due.

3.2 Default interest

- (a) Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the Finance Document under which such amount is payable and, in the absence of such agreement, at the Default Rate from time to time.
- (b) Default interest will accrue from day to day and will be compounded at such intervals as PNC states are appropriate.

4. GRANT OF SECURITY

4.1 Nature of security

All Security Interests and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of PNC;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

4.2 Qualifying floating charge

Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

5. FIXED SECURITY

5.1 Fixed charges

Each Security Obligor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first legal mortgage the Specified Real Property;
- (b) by way of first fixed charge:
 - (i) all Real Property and all interests in Real Property not charged by clause 5.1(a);
 - (ii) all licences to enter upon or use land and the benefit of all other agreements relating to land; and
 - (iii) the proceeds of sale of all Real Property other than Specified Real Property;
- (c) by way of first fixed charge all Specified P&M;
- (d) by way of first fixed charge the benefit of all contracts, licences and warranties relating to the Specified P&M;
- (e) by way of first fixed charge all P&M (not charged by clauses 5.1(a), 5.1(b) or 5.1(c)) and the benefit of all contracts, licences and warranties relating to the same;
- (f) by way of first fixed charge:
 - (i) all computers, vehicles, office equipment and other equipment (not charged by clause 5.1(c)); and
 - (ii) the benefit of all contracts, licences and warranties relating to the same,

other than any which are for the time being part of any Security Obligor's Inventory;

- (g) by way of first fixed charge the Charged Securities;
- (h) by way of first fixed charge all Securities Rights from time to time accruing to the Charged Securities;
- (i) by way of first fixed charge all rights which a Security Obligor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Securities;
- (j) by way of first fixed charge all Securities (not charged by clause 5.1(g));
- (k) by way of first fixed charge (A) all Securities Rights from time to time accruing to those Securities and (B) all rights which such Security Obligor

may have at any time against any clearance or settlement system or any custodian in respect of any Securities;

- (l) in respect of the Obligors only, by way of first fixed charge all Non-Vesting Domestic A/R and their proceeds now or in the future owing to any Obligor;
- (m) in respect of the Obligors only, by way of first fixed charge all Related Rights relating to any Non-Vesting Domestic A/R;
- (n) in respect of the Obligors only, by way of first fixed charge all Non-Vesting Export A/R and their proceeds now or in the future owing to any Obligor;
- (o) in respect of the Obligors only, by way of first fixed charge all Related Rights relating to any Non-Vesting Export A/R;
- (p) in respect of the Obligors only, by way of first fixed charge all Other Proceeds;
- (q) by way of first fixed charge the Intellectual Property (if any) specified in part 4 of schedule 3 (*Details of Security Assets*);
- (r) by way of first fixed charge all Intellectual Property (if any) not charged by clause 5.1(r);
- (s) to the extent that any Assigned Asset is not effectively assigned under clause 5.2 (*Security assignments*), by way of first fixed charge, such Assigned Asset;
- (t) by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):
 - (i) the benefit of all licences, consents, agreements and authorisations held or used in connection with the business of such Security Obligor or the use of any of its assets; and
 - (ii) any letter of credit issued in favour of such Security Obligor and all bills of exchange and other negotiable instruments held by it; and
- (u) by way of first fixed charge all of the goodwill and uncalled capital of such Security Obligor; and
- (v) by way of first fixed charge the Charged Account, the Account Balance and all Related Rights.

5.2 Security assignments

Each Security Obligor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all its present and future right, title and interest in and to:

- (a) the proceeds of the sale of any Specified Real Property;
- (b) the proceeds of the sale of any Specified P&M;

- (c) the proceeds of the sale of any Charged Securities;
- (d) the proceeds of the sale of any Intellectual Property specified in part 4 of schedule 3 (*Details of Security Assets*);
- (e) the Inventory Insurances, all claims under the Inventory Insurances and the proceeds of the Inventory Insurances;
- (f) the P&M Insurances, all claims under the P&M Insurances and the proceeds of the P&M Insurances;
- (g) the Real Property Insurances, all claims under the Real Property Insurances and the proceeds of the Real Property Insurances;
- (h) the Insurances, all claims under the Insurances and all proceeds of the Insurances;
- (i) all Material Contracts and all Related Rights;
- (j) the Assigned Account, the Account Balance and all Related Rights; and
- (k) Other Receivables (not assigned under clauses 5.2(a) to 5.2(h) (inclusive) above.

To the extent that any Assigned Asset described in clauses 5.2(a) to 5.2(i) inclusive is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of such Security Obligor to any proceeds of an Assigned Asset.

5.3 Assigned Assets

PNC is not obliged to take any steps necessary to preserve any Assigned Asset, or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

6. FLOATING CHARGE

Each Security Obligor charges and agrees to charge by way of first floating charge all of its present and future:

- (a) assets and undertaking (wherever located) which are not effectively charged by way of first fixed mortgage or charge or assigned pursuant to clause 5.1 (*Fixed charges*), clause 5.2 (*Security assignments*) or any other provision of this Deed; and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland.

7. CONVERSION OF FLOATING CHARGE

7.1 Conversion by notice

PNC may, by written notice to a Security Obligor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of such Security Obligor specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) PNC (acting reasonably) considers any Security Assets (whether or not those specified in the notice) to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

7.2 Small companies

The floating charge created under this Deed by any Security Obligor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Security Obligor.

7.3 Automatic conversion

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

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

7.4 Partial conversion

The giving of a notice by PNC pursuant to clause 7.1 (*Conversion by notice*) in relation to any class of assets of any Security Obligor shall not be construed as a waiver or abandonment of the rights of PNC to serve similar notices in respect of any other class of assets or of any other right of PNC.

8. CONTINUING SECURITY

8.1 Continuing security

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

8.2 Additional and separate security

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

8.3 Right to enforce

This Deed may be enforced against each or any Security Obligor without PNC first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it.

9. LIABILITY OF SECURITY OBLIGORS RELATING TO SECURITY ASSETS

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

10. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of any Security Obligor with PNC or in which any Security Obligor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any third party.

11. REPRESENTATIONS

11.1 General

Each Security Obligor makes the representations and warranties set out in this clause 11 to PNC.

11.2 No Security Interests

Its Security Assets are, or when acquired will be, beneficially owned by such Security Obligor free from any Security Interest other than:

- (a) as created by this Deed; and
- (b) as permitted by the Master Facilities Agreement.

11.3 No avoidance

This Deed creates the Security Interests which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of any Security Obligor or otherwise.

11.4 Ownership of Security Assets

Each Security Obligor is the sole legal and beneficial owner of all the Security Assets identified against its name in schedule 3 (*Details of Security Assets*) except in respect of those Charged Securities (if any) which are held by a nominee for a Security Obligor, in which case such Security Obligor is the beneficial owner only of such Charged Securities.

11.5 No proceedings pending or threatened

Each Security Obligor hereby gives the representation set out at paragraph 6(h) of Schedule 1 (*Common Terms*) of the Master Facilities Agreement as if the same were set out in this Deed, save that the reference to an Obligor is a reference to the relevant Security Obligor.

11.6 Charged Securities

- (a) All Securities (including any Charged Securities) are fully paid.
- (b) If any Charged Securities are listed in part 3 of schedule 3 (*Details of Security Assets*) those Charged Securities constitute the entire share capital owned by each Security Obligor in the relevant company.

11.7 Time when representations made

- (a) All the representations and warranties in this clause 11 are made by each Security Obligor on the date of this Deed and are also deemed to be made by each Security Obligor on the date of each Notification.
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

12. UNDERTAKINGS BY SECURITY OBLIGORS

12.1 Master Facilities Agreement

On the Commencement Date, and until the end of the Security Period, each Security Obligor hereby:

- (a) gives the warranties and representations set out at paragraphs 6(a) to 6(f) inclusive, 6(i), 6(k), 6(l) and 6(o) of schedule 1 (*Common terms*) of the Master Facilities Agreement;
- (b) gives the covenants set out at paragraph 7 of schedule 1 (*Common terms*) of the Master Facilities Agreement; and

- (c) gives the undertakings set out at paragraphs 8(a) to 8(c) inclusive, 8(f), 8(g) and 8(k) of schedule 1 (*Common terms*) of the Master Facilities Agreement;

as if the same were set out in this Deed mutatis mutandis and (save for the reference to the "Obligors" in paragraph 8(f)(ii)) references in those paragraphs to the "Obligors" are deemed to be references to the relevant Security Obligor and references to "this Deed" are deemed to be references to this Deed.

12.2 Restrictions on dealing

No Security Obligor shall do or agree to do any of the following without the prior written consent of PNC:

- (a) create or permit to subsist any Security Interest on any Security Assets except a Security Interest which is permitted by the Master Facilities Agreement;
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset except for the sale at full market value of stock in trade in the usual course of trading as conducted by such Security Obligor at the Commencement Date.

12.3 Security Assets generally

Each Security Obligor shall:

- (a) permit PNC (or its designated representatives), on reasonable written notice:
 - (i) access during normal office hours to any documents and records relating to the Security Assets; and
 - (ii) to inspect, take extracts from, and make photocopies of, the same,
- and to provide (at the expense of the relevant Obligor), such clerical and other assistance which PNC may reasonably require to do this;
- (b) notify PNC of every notice, order, application, requirement or proposal given or made by any competent authority:
 - (i) in relation to any Security Asset specified in schedule 3 (*Details of Security Assets*), immediately upon receipt; and
 - (ii) within 14 days of receipt of every notice, order, application, requirement or proposal given or made in relation to any Security Assets other than Security Asset specified in schedule 3 (*Details of Security Assets*)

and (if required by PNC) immediately provide it with a copy of the same and either (A) comply with such notice, order, application, requirement or proposal or (B) make such objections to the same as PNC may require or approve **PROVIDED ALWAYS** that notices in respect of limb (a) of the definition of Securities Rights shall be dealt with in accordance with clause 12.3(b)(i) above following the exercise by PNC of its rights in accordance with clause 12.7(b)(*Rights in respect of Charged Securities and Securities Rights*);

- (c) duly and punctually pay all rates, rents, Taxes, and other outgoings owed by it in respect of the Security Assets; and
- (d) in addition to any provisions of the Master Facilities Agreement or this Deed relating to specific Security Assets:
 - (i) comply in all material respects with all obligations in relation to the Security Assets under any present or future law, regulation, order or instrument or under any bye-laws, regulations or requirements of any competent authority or other approvals, licences or consents;
 - (ii) comply with all material covenants and obligations affecting the Security Assets (or their manner of use);
 - (iii) not, except with the prior written consent of PNC, enter into any onerous or restrictive obligation affecting any Security Asset;
 - (iv) provide PNC with all information which it may reasonably request in relation to the Security Assets; and
 - (v) not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

12.4 Specified P&M

Each Security Obligor undertakes that it is the owner, with full title guarantee, of the Specified P&M listed by its name in schedule 3 (*Details of Security Assets*) and in relation to that Specified P&M, that it shall at all times comply with paragraphs 6(b)(i), 6(b)(iii), 6(b)(iv), 6(f)(i), 6(g)(i) of schedule 4 (*P&M Facility terms and conditions*) to the Master Facilities Agreement as if those paragraphs were set out in this Deed mutatis mutandis and references in those paragraphs and the definitions used in those paragraphs to the "Obligors" are deemed to be references to the relevant Security Obligor.

12.5 Specified Real Property

Each Security Obligor undertakes that it is the owner, with full title guarantee, of the Specified Real Property listed by its name in schedule 3 (*Details of Security Assets*) and in relation to that Specified Real Property, that it shall at all times comply with paragraphs 6(c)(i), 6(e), 6(f), 6(g)(i) of schedule 5 (*Real Property Facility terms and conditions*) to the Master Facilities Agreement as if those paragraphs were set out in this Deed mutatis mutandis and references in those paragraphs and the definitions used in those paragraphs to the "Obligors" are deemed to be references to the relevant Security Obligor.

12.6 Charged Securities

- (a) In relation to any Charged Securities, each Security Obligor shall, immediately upon execution of this Deed or (if later), as soon as is practicable after its acquisition of any such Charged Securities in certificated form, by way of security for the Secured Obligations:

- (i) deposit with PNC or, as PNC may direct, all certificates and other documents of title or evidence of ownership to such Charged Securities and their Securities Rights; and
 - (ii) execute and deliver to PNC pre-stamped instruments of transfer in respect of such Charged Securities (executed in blank and left undated) and/or such other documents as PNC shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to such Charged Securities and their Securities Rights (or to pass legal title to any purchaser).
- (b) In relation to any Charged Securities, each Security Obligor shall:
 - (i) promptly give notice to any custodian of any agreement with such Security Obligor in respect of any such Charged Securities and all present and future Securities Rights accruing to all or any of such Charged Securities, in a form PNC may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form PNC may require.
- (c) Without prejudice to the rest of this clause 12.6, PNC may, at the expense of the relevant Security Obligor, take whatever action is required for the dematerialisation or rematerialisation of any Charged Securities and all present and future Securities Rights accruing to all or any of such Charged Securities.
- (d) Each Security Obligor shall promptly pay all calls or other payments which may become due in respect of Charged Securities and all present and future Securities Rights accruing to all or any of such Charged Securities.
- (e) Each Security Obligor shall immediately upon a request from PNC comply with the provisions of this clause 12.6 in relation to any Securities other than the Charged Securities and their Securities Rights.

12.7 Rights in respect of Securities Charged Securities and Securities Rights

- (a) Until an Event of Default occurs, each Security Obligor shall be entitled to:
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Securities and its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Securities and its Charged Securities, provided that it must not do so in a manner which (A) has the effect of changing the terms of the Securities or the Charged Securities (or any class of them) or of any Securities Rights or (B) which is prejudicial to the interests of PNC.
- (b) At any time following the occurrence of an Event of Default which is continuing, PNC may complete the instrument(s) of transfer for all or any Securities or Charged Securities on behalf of any Security Obligor in favour of itself or such other person as it may select.

- (c) At any time when any Securities or Charged Securities are registered in the name of PNC or its nominee, PNC shall be under no duty to:
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Securities or Charged Securities are duly and promptly paid or received by it or its nominee; or
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Securities Rights in respect of or in substitution for any such Securities or Charged Securities.

12.8 Dealings with and realisation of Non-Vesting A/R and Other Proceeds

- (a) The Obligors shall only deal with Non-Vesting A/R and the proceeds thereof and the Related Rights thereto in accordance with the Master Facilities Agreement.
- (b) The Obligors agrees that the Other Proceeds shall be dealt with as if they were the proceeds of A/R assigned or purportedly assigned to PNC in accordance with the terms of the Master Facilities Agreement.

12.9 Intellectual Property

Unless PNC is of the opinion that the relevant Intellectual Property is of minor importance to the Group each Security Obligor shall:

- (a) do all acts as are reasonably practicable to maintain, protect and safeguard (including, without limitation, registration with all relevant authorities) its Intellectual Property and not discontinue the use of any of its Intellectual Property;
- (b) take all such reasonable steps, including the commencement of legal proceedings, as may be necessary to safeguard and maintain the validity, reputation, integrity, registration or subsistence of its Intellectual Property; and
- (c) in relation to any Intellectual Property specified in part 4 of schedule 3 (*Details of Security Assets*) only, comply with any warranties, covenants and/or undertakings relating to Intellectual Property set out at paragraph 6(j) of schedule 1 (*Common terms*) of the Master Facilities Agreement.

12.10 Proceeds of the sale of certain Charged Securities, Specified P&M, Real Property and Intellectual Property

The Security Obligors undertake to deal with the proceeds of sale of the Security Assets referred to at clauses 5.2(a) to (d) inclusive in accordance with the terms of the Master Facilities Agreement or otherwise, in accordance with the terms of any consent issued by PNC to a Security Obligor in relation to any such Security Asset.

12.11 Insurance

In relation to any ABL Insurance, the Security Obligor listed in part 5, part 6 or part 7 of schedule 3 (*Details of Security Assets*) as holding the relevant ABL Insurance shall at all times comply with the following provisions of the Master Facilities Agreement as if the same were set out in this Deed:

- (a) in relation to Inventory Insurance, paragraphs 6(i) to 6(m) inclusive of schedule 3 (*Inventory Facility terms and conditions*) to the Master Facilities Agreement;
- (b) in relation to the P&M Insurance, paragraphs 6(h) to 6(l) inclusive of schedule 4 (*P&M Facility terms and conditions*) to the Master Facilities Agreement; and
- (c) in relation to Real Property Insurance, paragraphs 6(h) to (l) inclusive of schedule 5 (*Real Property Facility terms and conditions*) to the Master Facilities Agreement,

and references to the "Obligors" in those paragraphs and the definitions used in those paragraphs are deemed to be references to the relevant Security Obligor.

12.12 Notice of Assignment

The relevant Security Obligors shall promptly upon the execution of this Deed and thereafter upon the request of PNC, give notice of the assignments effected pursuant to Clause 5.2 (*Security assignments*) by sending a Notice of Assignment to:

- (a) in relation to the ABL Insurances and the Insurances, each of the insurers party to each such ABL Insurance or Insurance;
- (b) in relation to the Assigned Account and the Charged Account, each bank or other financial institution with which the Assigned Account and the Charged Account are maintained; and
- (c) in relation to the Material Contracts, each debtor or obligor party to each such Material Contract (including any relevant landlord or tenant),

and such Security Obligors shall use its reasonable endeavours to ensure that the addressee of any Notice of Assignment acknowledges that notice substantially in the form of the Acknowledgment.

13. POWER TO REMEDY

13.1 Power to remedy

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

13.2 Mortgagee in possession

The exercise of the powers of PNC under this clause 13 shall not render it liable as a mortgagee in possession.

13.3 Monies expended

The relevant Security Obligor shall pay to PNC on demand any monies which are expended by PNC in exercising its powers under this clause 13, together with interest at the Default Rate from the date on which those monies were expended by PNC (both before and after judgment) and otherwise in accordance with clause 3.2 (*Default interest*).

14. WHEN SECURITY BECOMES ENFORCEABLE

14.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

14.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

14.3 Enforcement

After this Security has become enforceable, PNC may in its absolute discretion enforce all or any part of the Security in such manner as it sees fit.

15. ENFORCEMENT OF SECURITY

15.1 General

For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to the Security. The statutory powers of leasing conferred on PNC are extended so as to authorise PNC to lease, make agreements for leases, accept surrenders of leases and grant options as PNC may think fit and without the need to comply with section 99 or 100 of the Act.

15.2 Powers of PNC

- (a) At any time after the Security becomes enforceable, PNC may without further notice (unless required by law):
 - (i) (or if so requested by any Security Obligor by written notice at any time may) appoint any person or persons to be a receiver or receiver and manager of all or any part of the Security Assets and/or of the income of the Security Assets; and/or

- (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Security Obligor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
 - (iv) exercise (in the name of any Security Obligor and without any further consent or authority of such Security Obligor) any voting rights and any powers or rights which may be exercised by the person(s) in whose name the Charged Investments are registered, or who is the holder of any of them.
- (b) PNC is not entitled to appoint a Receiver in respect of any Security Assets of any Security Obligor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Security Obligor.

15.3 Redemption of prior mortgages

At any time after the Security has become enforceable, PNC may:

- (a) redeem any prior Security Interest against any Security Asset; and/or
- (b) procure the transfer of that Security Interest to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security Interest and any accounts so settled and passed shall be conclusive and binding on each Security Obligor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the relevant Security Obligor to PNC on demand.

15.4 Privileges

Each Receiver and PNC is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.

15.5 No liability

- (a) Neither PNC nor any Receiver shall be liable (i) in respect of all or any part of the Security Assets or (ii) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 15.5(a), neither PNC nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or

for any default or omission for which a mortgagee in possession might be liable.

15.6 Protection of third parties

No person (including a purchaser) dealing with PNC or any Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable; or
- (b) whether any power which PNC or the Receiver is purporting to exercise has become exercisable; or
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to PNC or to the Receiver is to be applied.

16. RECEIVER

16.1 Removal and replacement

PNC may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

16.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

16.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and PNC (or, failing such agreement, to be fixed by PNC).

16.4 Payment by Receiver

Only monies actually paid by a Receiver to PNC in relation to the Secured Obligations shall be capable of being applied by PNC in discharge of the Secured Obligations.

16.5 Agent of Security Obligors

Any Receiver shall be the agent of the Security Obligor in respect of which it is appointed. Such Security Obligor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. PNC shall incur no liability (either to such Security Obligor or to any other person) by reason of the appointment of a Receiver or for any other reason.

17. POWERS OF RECEIVER

17.1 General powers

Any Receiver shall have:

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

17.2 Additional powers

In addition to the powers referred to in clause 17.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of any Security Obligor as he thinks fit;
- (c) to redeem any security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act. Fixtures may be severed and sold separately from the Real Property containing them, without the consent of any Security Obligor. The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party). Any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which any Security Obligor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Security Obligor and, for that purpose, to enter into covenants

and other contractual obligations in the name of, and so as to bind, such Security Obligor;

- (g) to take any such proceedings (in the name of any of the relevant Security Obligors or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as PNC shall direct);
- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more Subsidiaries of any Security Obligor, and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Real Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and
- (m) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of any Security Obligor for any of the above purposes.

18. APPLICATION OF PROCEEDS

18.1 Application

All monies received by PNC or any Receiver after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security) be applied in the following order:

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made by PNC or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets;
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations; and

- (c) *thirdly*, in payment of any surplus to any Security Obligor or other person entitled to it.

18.2 Contingencies

If the Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), PNC or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account.

19. SET-OFF

19.1 Set-off

- (a) PNC may (but shall not be obliged to) set off any obligation (contingent or otherwise under the Finance Documents or which has been assigned to PNC) against any obligation (whether or not matured) owed by PNC to the Security Obligor, regardless of the place of payment, booking branch or currency of either obligation.
 - (a) If the obligations are in different currencies, PNC may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
 - (b) If either obligation is unliquidated or unascertained, PNC may set off in an amount estimated by it in good faith to be the amount of that obligation.

19.2 Time deposits

Without prejudice to clause 19.1(*Set-off*) if any time deposit matures on any account which any Security Obligor has with PNC at a time when:

- (a) this Security has become enforceable; and
- (b) no Secured Obligation is due and payable,
- (c) such time deposit shall automatically be renewed for such further maturity as PNC in its absolute discretion considers appropriate unless PNC otherwise agrees in writing.

20. DELEGATION

Each of PNC and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither PNC nor any Receiver shall be in any way liable or responsible to any Security Obligor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

21. FURTHER ASSURANCES

21.1 Further action

Each Security Obligor shall, at its own expense, promptly take whatever action PNC or a Receiver may require for:

- (a) creating, perfecting or protecting the Security Interests intended to be created by this Deed; and
- (b) facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable by PNC or any Receiver or any of its or his delegates or sub-delegates in respect of any Security Asset,

including the execution of any transfer, conveyance, assignment or assurance of any property whether to PNC or to its nominees, the giving of any notice, order or direction and the making of any registration which in any such case PNC may think expedient.

21.2 Specific security

Without prejudice to the generality of clause 21.1 (*Further action*), each Security Obligor shall forthwith at the request of PNC execute a legal mortgage, charge, assignment, assignation or other security over any Security Asset which is subject to or intended to be subject to any fixed security created by this Deed in favour of PNC (including any arising or intended to arise pursuant to clause 7 (*Conversion of floating charge*)) in such form as PNC may require.

22. POWER OF ATTORNEY

Each Security Obligor, by way of security, irrevocably and severally appoints PNC, each Receiver and any of its or his delegates or sub-delegates to be its attorney to take any action which such Security Obligor is obliged to take under this Deed, including under clause 21 (*Further assurances*). Each Security Obligor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

23. PAYMENTS

23.1 Payments

Subject to clause 23.2 (*Gross-up*), all payments to be made by a Security Obligor in respect of this Deed shall be made:

- (a) in immediately available funds to the credit of such account as PNC may designate; and
- (b) without (and free and clear of, and without any deduction for or on account of):
 - (i) any set-off or counterclaim; or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax.

23.2 Gross-up

If any Security Obligor is compelled by law to make any deduction or withholding from any sum payable under this Deed to PNC, the sum so payable by such Security Obligor shall be increased so as to result in the receipt by PNC of a net amount equal to the full amount expressed to be payable under this Deed.

23.3 Master Facilities Agreement

Without prejudice to the provisions of clause 2 (*Guarantee and indemnity*) and each Security Obligor's obligations in accordance with this Deed, PNC may at any time discharge a Security Obligor's obligation to make payment of any sums due by a Security Obligor to PNC by debiting such sum to any account held by PNC in relation to any Obligor.

24. STAMP DUTY

Each Security Obligor shall:

- (a) pay all present and future stamp, registration and similar Taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this Deed or any judgment given in connection therewith; and
- (b) indemnify PNC and any Receiver on demand against any and all costs, losses or liabilities (including, without limitation, penalties) with respect to, or resulting from, its delay or omission to pay any such stamp, registration and similar Taxes or charges.

25. COSTS AND EXPENSES

25.1 Transaction and amendment expenses

Each Security Obligor shall promptly on demand pay to PNC the amount of all reasonable costs, charges and expenses (including, without limitation, reasonable legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by PNC in connection with:

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, the Security or any document referred to in this Deed; or
- (b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed.

25.2 Enforcement and preservation costs

Each Security Obligor shall promptly on demand pay to PNC and any Receiver the amount of all costs, charges and expenses (including (without limitation) legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver).

26. CURRENCIES

26.1 Conversion

All monies received or held by PNC or any Receiver under this Deed may be converted from their existing currency into such other currency as PNC or the Receiver considers necessary or desirable to cover the obligations and liabilities

comprised in the Secured Obligations in that other currency at the Spot Rate of Exchange. Each Security Obligor shall indemnify PNC against all costs, charges and expenses incurred in relation to such conversion. Neither PNC nor any Receiver shall have any liability to any Security Obligor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

26.2 Currency indemnity

No payment to PNC (whether under any judgment or court order or in the liquidation, administration or dissolution of any Security Obligor or otherwise) shall discharge the obligation or liability of any Security Obligor in respect of which it was made, unless and until PNC shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, PNC shall have a further separate cause of action against any Security Obligor and shall be entitled to enforce the Security to recover the amount of the shortfall.

27. INDEMNITY

Each Security Obligor shall indemnify PNC, any Receiver and any attorney, agent or other person appointed by PNC under this Deed and PNC's officers and employees (each an "**Indemnified Party**") on demand against any cost, loss, liability or expense (however arising) incurred by any Indemnified Party as a result of or in connection with:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this Deed;
- (b) the Security Assets or the use or occupation of them by any person (including any Environmental Claim); or
- (c) any breach by any Security Obligor of any of its obligations under this Deed.

28. MISCELLANEOUS

28.1 Appropriation and suspense account

- (a) PNC may apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations as it thinks fit. Any such appropriation shall override any appropriation by any Security Obligor.
- (b) All monies received, recovered or realised by PNC under, or in connection with, this Deed may at the discretion of PNC be credited to a separate interest bearing suspense account for so long as PNC determines (with interest accruing thereon at such rate, if any, as PNC may determine for the account of the relevant Security Obligor) without PNC having any obligation to apply such monies and interest or any part thereof in or towards the discharge of any of the Secured Obligations.

28.2 New accounts

If PNC receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Security Asset and/or

the proceeds of sale of any Security Asset or the Guarantee ceases to continue in force, it may open a new account or accounts for any Security Obligor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice. As from that time all payments made to PNC will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

28.3 Changes to the Parties

- (a) No Security Obligor may assign any of its rights under this Deed.
- (b) PNC may assign or transfer all or any part of its rights under this Deed. Each Security Obligor shall, immediately upon being requested to do so by PNC, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

28.4 Memorandum and articles

Each Security Obligor certifies that the Security does not contravene any of the provisions of the memorandum or articles of association of that Security Obligor.

28.5 Tacking

If any Obligor has been provided with a Real Property Facility the following provisions shall apply:

- (a) PNC shall perform its obligations under the Master Facilities Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

28.6 The Land Registry

If any Obligor has been provided with a Real Property Facility the following provisions shall apply:

- (a) Each Security Obligor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of PNC) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated __ January 2015 in favour of PNC Business Credit a trading style of PNC Financial Services UK Ltd referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer."

- (b) Each Security Obligor:
 - (i) authorises PNC to make any application which PNC deems appropriate for the designation of this Deed, the Master Facilities Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003;

- (ii) shall use its best endeavours to assist with any such application made by or on behalf of PNC; and
 - (iii) shall notify PNC in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Master Facilities Agreement or any other Finance Document, following its designation as an exempt information document.
- (c) No Security Obligor shall make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.
 - (d) Each Security Obligor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules to protect the Security.
 - (e) No Security Obligor shall, without the prior written consent of PNC, permit any person to be or become registered under the Land Registration Act 2002 as the proprietor of a Security Asset who is not so registered under the Land Registration Act 2002 at the date of this Deed or, in the case of Real Property acquired after the date of this Deed, at the date of such acquisition.

28.7 Amendments and waivers

Any provision of this Deed may be amended only if PNC and the Security Obligors so agree in writing and any breach of this Deed may be waived before or after it occurs only if PNC so agrees in writing. A waiver given or consent granted by PNC under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

28.8 Calculations and certificates

A certificate of PNC specifying the amount of any Secured Obligation due from a Security Obligor (including details of any relevant calculation thereof) shall be prima facie evidence of such amount against each Security Obligor in the absence of manifest error.

28.9 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of PNC, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

29. NOTICES

29.1 Communications in writing

- (a) The provisions of paragraphs 24(a) to 24(c) inclusive of schedule 1 (*Common Terms*) of the Master Facilities Agreement shall apply to this Deed as if the same were set out in this Deed, provided that:

- (b) reference to "each Party" shall be deemed to be references to each party to this Deed; and
- (c) references to an "Obligor" or the "Obligors" shall be deemed to be references to each Security Obligor.

29.2 Electronic communications

No communication to be made under this Deed shall be made electronically.

29.3 Agent for service

Each Security Obligor (other than the Parent) by its execution of this Deed irrevocably appoints the Parent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

- (a) the Parent on its behalf to supply all information concerning itself contemplated by this Deed to PNC and to give all notices and instructions to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Security Obligor notwithstanding that they may affect the Security Obligor, without further reference to or the consent of that Security Obligor; and
- (b) PNC to give any notice, demand or other communication to be given to that Security Obligor pursuant to the Finance Documents to the Parent,

and in each case the Security Obligor shall be bound as though the Security Obligor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

30. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

31. RELEASE

Upon the expiry of the Security Period (but not otherwise) PNC shall, at the request and cost of the Security Obligors, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

32. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

33. GOVERNING LAW

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

IN WITNESS of which this Deed has been duly executed by each Security Obligor as a deed and duly executed by PNC and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE 1

Security Obligors

Names of Security Obligors	Company Numbers	Registered Office
Denby Holdings Limited	06760049	Denby Pottery, Denby, Derbyshire DE5 8NX
Burgess & Leigh Limited	03820303	The Denby Pottery Company Derby Road, Denby, Ripley, Derbyshire DE5 8NX
Denby Brands Limited	06761664	Denby Pottery, Denby, Derbyshire DE5 8NX
The Denby Pottery Company Limited	06798163	Denby Pottery, Denby, Derbyshire DE5 8NX
Denby Retail Limited	06800973	Denby Pottery, Denby, Derbyshire DE5 8NX
Denby Potteries Limited	06784072	Denby Pottery, Denby, Derbyshire DE5 8NX
Denby Catering Limited	06808176	The Denby Pottery Company Ltd, Derby Road, Ripley, Derbyshire DE5 8NX
Poole Pottery Retail Limited	06081868	Denby Pottery, Pottery Lane, Denby, Ripley, Derbyshire DE5 8NX
Denby USA Limited	03112680	Denby Pottery, Denby, Derbyshire, DE5 8NX

SCHEDULE 2

The Guarantee

1. Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Security Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

2. Reinstatement

If any payment by a Security Obligor, or any discharge given by PNC (whether in respect of the obligations of any Security Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Security Obligor under this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) PNC shall be entitled to recover the value or amount of that security or payment from each Security Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

3. Waiver of defences

The obligations of each Security Obligor under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to PNC) including:

- (a) any time, waiver or consent granted to, or composition with, any Security Obligor or other person;
- (b) the release of any other Security Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Security Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Security Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement or replacement (in each case, however fundamental and of any nature whatsoever including, without limitation, which results in any increase in any amount due or owing under any Finance Document or in the rate of interest or any other sum payable under any Finance Document) of a Finance Document or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

(g) any insolvency, administration or similar proceedings.

4. Immediate recourse

Each Security Obligor waives any right it may have of first requiring PNC to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Security Obligor under this schedule 2. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

5. Appropriations

Until all amounts which may be or become payable during the Security Period by the Security Obligors under or in connection with the Finance Documents have been irrevocably paid in full, PNC may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by PNC in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Security Obligor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Security Obligor or on account of any Security Obligor's liability under this schedule 2.

6. Deferral of guarantors' rights

Until all amounts which may be or become payable during the Security Period by the Security Obligors under, or in connection with, the Finance Documents have been irrevocably paid in full and unless PNC otherwise directs, no Security Obligor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

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

7. Additional security

This guarantee is in addition to, and is not in any way prejudiced by, any other guarantee or security at the date of this guarantee or subsequently held by PNC.

SCHEDULE 3

Details of Security Assets

Part 1 - Specified Real Property

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Part 2 - Specified P&M

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Part 3 - Charged Securities




Security Obligor	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Denby Holdings Limited	Denby North America Limited	Ordinary	1	£1
Denby Holdings Limited	Burgess & Leigh Limited	Ordinary A	2	£2
Denby Holdings Limited	Denby Brands Limited	Ordinary	1	£1
Denby Holdings Limited	The Denby Pottery Company Limited	Ordinary	1	£1
Denby Holdings Limited	Denby Retail Limited	Ordinary	1	£1
Denby Holdings Limited	Denby Potteries Limited	Ordinary	1	£1
Denby Holdings Limited	Denby Catering Limited	Ordinary	1	£1
Denby Holdings Limited	Poole Pottery Retail Limited	Ordinary	2	£2
Denby Holdings Limited	Denby Accessories Limited	Ordinary	1	£1
Denby Holdings Limited	Hartley Greens Limited	Ordinary	1	£1
Burgess & Leigh Limited	Burleigh Designs Limited	Ordinary	100	£100

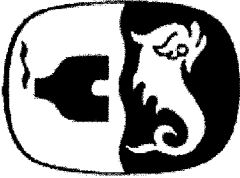
Part 4 - Intellectual Property

Trademarks



TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
United Kingdom Q3 gb 1	Burgess, Dorling & Leigh Ltd. Middleport Pottery, Burslem, Stoke-on-Trent, ST6 3PE, United Kingdom	BURGESS & LEIGH	May 3, 1995	United Kingdom Registered Last Status Received: Registered October 11, 1996	Int'l Class(es): 21
United Kingdom Q3 gb 2	Burgess, Dorling & Leigh Ltd. Middleport Pottery, Burslem, Stoke-on-Trent, ST6 3PE, United Kingdom	BURLEIGH	July 7, 1979	United Kingdom Registered Last Status Received: Registered July 07, 1979	Int'l Class(es): 21
United Kingdom Q5	Denby Brands Limited (Company or Organisation) Denby Pottery, Denby, Derbyshire, DE5 8NX,	DENBY	March 16, 1978	United Kingdom Registered Last Status Received: Registered	Int'l Class(es): 8


TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
gb 3	United Kingdom			March 16, 1978	
United Kingdom Q5 gb 4	Denby Brands Limited (Company or Organisation) Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	DENBY	July 20, 1955	United Kingdom Registered Last Status Received: Registered July 20, 1955	Int'l Class(es): 21
United Kingdom Q5 gb 5	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	Design Only 	March 4, 1999	United Kingdom Registered Last Status Received: Registered September 03, 1999	Int'l Class(es): 19, 21, 24, 25
United Kingdom Q5 gb 6	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	Design Only	January 5, 1953	United Kingdom Registered Last Status Received: Registered January 05, 1953	Int'l Class(es): 19

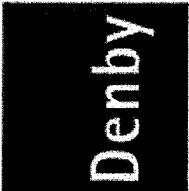
TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
					
United Kingdom Q5 gb 7	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	Design Only 	January 25, 2012	United Kingdom Registered Last Status Received: Registered April 27, 2012	Int'l Class(es): 21, 24, 35
United Kingdom Q5 gb 8	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	Design Only 	April 2, 2012	United Kingdom Registered Last Status Received: Registered September 07, 2012	Int'l Class(es): 16, 18, 25, 30, 41
United Kingdom Q5	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX,	Design Only	May 2, 2012	United Kingdom Registered Last Status Received:	Int'l Class(es): 35



TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
gb 9	United Kingdom			Registered August 17, 2012	
United Kingdom Q5 gb 10	Denby Brands Limited (Company or Organisation) Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	HARTLEY GREENS	February 15, 2011	United Kingdom Registered Last Status Received: Registered May 20, 2011	Int'l Class(es): 21
United Kingdom Q5 gb 11	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	LIFESTYLE	March 15, 2002	United Kingdom Registered Last Status Received: Registered March 07, 2003	Int'l Class(es): 20, 21, 24
United Kingdom Q5	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX,	LIVING GLAZE	May 25, 2000	United Kingdom Registered Last Status Received: Registered	Int'l Class(es): 11

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
gb 12	United Kingdom			November 17, 2000	
United Kingdom Q5 gb 13	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	LIVING GLAZE	January 20, 2000	United Kingdom Registered Last Status Received: Registered July 14, 2000	Int'l Class(es): 21
United Kingdom Q5 gb 14	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	LIVING GLAZE	September 20, 2007	United Kingdom Registered Last Status Received: Registered July 11, 2008	Int'l Class(es): 35
United Kingdom Q5 gb 15	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	POOLE	October 14, 1949	United Kingdom Registered Last Status Received: Registered October 14, 1949	Int'l Class(es): 21

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
United Kingdom Q5 gb 16	Denby Brands Limited (Company or Organisation) Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	POOLE and Design  POOLE	December 22, 1994	United Kingdom Cancelled Last Status Received: Expired	Int'l Class(es): 19, 21, 24, 25
United Kingdom Q5 gb 17	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	POOLE England and Design POOLE  England	October 27, 1966	United Kingdom Registered Last Status Received: Registered October 27, 1966	Int'l Class(es): 21
United Kingdom Q5 gb 18	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	POOLE ENGLAND and Design	February 22, 1950	United Kingdom Registered Last Status Received: Registered February 22, 1950	Int'l Class(es): 21

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
		POOLE  ENGLAND			
United Kingdom Q5 gb 19	Denby Brands Limited Denby Pottery, Denby, Derbyshire, DE5 8NX, United Kingdom	TABLETALK	May 2, 2012	United Kingdom Registered Last Status Received: Registered August 17, 2012	Int'l Class(es): 21, 24
Community (CTM) Q5 eu 20	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	BURGESS & LEIGH	October 18, 2010	Community Registered Last Status Received: Registered May 11, 2011	Int'l Class(es): 21, 24, 35
Community (CTM) Q5	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United	BURLEIGH	October 18, 2010	Community Registered Last Status Received: Registered	Int'l Class(es): 21, 24, 35


TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
eu 21	Kingdom			May 11, 2011	
Community (CTM) Q5 eu 22	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	DENBY	December 4, 2001	Community Registered Last Status Received: Registered April 3, 2003	Int'l Class(es): 21, 24, 35
Community (CTM) Q5 eu 23	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	Denby 1809 and Design 	March 19, 2007	Community Registered Last Status Received: Registered December 25, 2008	Int'l Class(es): 21, 24, 35
Community (CTM) Q5 eu 24	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	Design Only	September 26, 2002	Community Registered Last Status Received: Registered December 7, 2006	Int'l Class(es): 11, 19, 21

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
					
Community (CTM) Q5 eu 25	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	Design Only 	December 19, 2014	Community Filed Last Status Received: Pending Application December 23, 2014	Int'l Class(es): 11, 19, 21, 24, 35, 41
Community (CTM) Q5 eu 26	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	LEEDS POTTERY	May 3, 2012	Community Registered Last Status Received: Registered September 21, 2012	Int'l Class(es): 21, 35

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
Community (CTM) Q5 eu 27	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	LOVE FOOD, LOVE	November 15, 2005	Community Registered Last Status Received: Registered May 22, 2008	Int'l Class(es): 8, 21, 24
Community (CTM) Q5 eu 28	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	LOVE FOOD, LOVE DENBY	November 15, 2005	Community Registered Last Status Received: Registered May 27, 2008	Int'l Class(es): 8, 21, 24
Community (CTM) Q5 eu 29	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	MIDDLEPORT POTTERY	October 24, 2011	Community Registered Last Status Received: Registered May 8, 2012	Int'l Class(es): 21, 24, 35
Community (CTM) Q5 eu 30	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	POOLE	April 29, 2002	Community Registered Last Status Received: Registered	Int'l Class(es): 11, 19, 21

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
				June 10, 2004	
Community (CTM) Q5 eu 31	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	POOLE	May 1, 2012	Community Registered Last Status Received: Registered September 11, 2012	Int'l Class(es): 24, 35, 41
Community (CTM) Q5 eu 32	Denby Brands Limited Denby Pottery, DE5 8NX, Denby,, Derbyshire, United Kingdom	TOP TABLE	June 21, 1996	Community Registered Last Status Received: Registered January 27, 1999	Int'l Class(es): 20, 21, 24
WIPO Q5 wo 33	Denby Brands Limited Denby Pottery Denby, Derbyshire DE5 8NX, United Kingdom	BURGESS & LEIGH		International Registered Last Status Received: Registered April 14, 2011	Int'l Class(es): 21, 24, 35

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
WIPO Q5 wo 34	Denby Brands Limited Denby Pottery Denby, Derbyshire DE5 8NX, United Kingdom	BURLEIGH		International Registered Last Status Received: Registered April 14, 2011	Int'l Class(es): 21, 24, 35
WIPO Q5 wo 35	Denby Brands Limited Denby Pottery Denby, Derbyshire DE5 8NX, United Kingdom	MIDDLEPORT POTTERY		International Registered Last Status Received: Registered April 18, 2012	Int'l Class(es): 21, 24, 35
US Federal Q5 uf 36	DENBY BRANDS LIMITED (UNITED KINGDOM LIMITED COMPANY) DENBY POTTERY DENBY, DERBYSHIRE DE5 8NX, United Kingdom	BURGESS & LEIGH BURGESS & LEIGH	April 14, 2011	United States (Federal) Registered Last Status Received: Registered March 20, 2012	Int'l Class(es): 21, 24, 35
US Federal Q5	DENBY BRANDS LIMITED (UNITED KINGDOM LIMITED	BURLEIGH	April 14, 2011	United States (Federal) Registered Last Status Received:	Int'l Class(es): 21, 24, 35

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
uf 37	COMPANY) DENBY POTTERY DENBY, DERBYSHIRE DE5 8NX, United Kingdom	BURLEIGH		Registered November 13, 2012	
US Federal Q5 uf 38	DENBY BRANDS LIMITED (UNITED KINGDOM LIMITED LIABILITY COMPANY) DENBY POTTERY DENBY, DERBYSHIRE, United Kingdom	DENBY	April 18, 1995	United States (Federal) Renewed Last Status Received: May 7, 2006	Int'l Class(es): 21
US Federal Q5 uf 39	DENBY BRANDS LIMITED (UNITED KINGDOM LIMITED LIABILITY COMPANY) DENBY POTTERY DENBY, DERBYSHIRE, United Kingdom	DENBY 1809 and Design 	July 5, 2007	United States (Federal) Registered Last Status Received: March 3, 2009	Int'l Class(es): 8, 21, 24, 35

TM Record	Owner	Mark/Name	Filing Date	Status/Status Date	Int'l Classes
US Federal Q5 uf 40	DENBY BRANDS LIMITED (UNITED KINGDOM) LIMITED COMPANY) DENBY POTTERY DENBY, DERBYSHIRE DE5 8NX, United Kingdom	MIDDLEPORT POTTERY MIDDLEPORT POTTERY	April 18, 2012	United States (Federal) Registered Last Status Received: Registered September 24, 2013	Int'l Class(es): 21, 24, 35

Patents

1. TEAPOT					
Inventor:	Applicant:	CPC:	IPC:	Publication info:	Priority date:
	DENBY POTTERY COMPANY LTD [GB]			CA121953 (S) 2009-01-28	2007-05-01
2. JUG					
Inventor:	Applicant:	CPC:	IPC:	Publication info:	Priority date:
	DENBY POTTERY COMPANY LTD [GB]			CA121955 (S) 2009-02-11	2007-05-01
3. MUG					
Inventor:	Applicant:	CPC:	IPC:	Publication info:	Priority date:
	DENBY POTTERY COMPANY LTD [GB]			CA121954 (S) 2009-02-11	2007-05-01
4. Glazing holloware internally on rotating support which can be tipped to remove excess glaze					
Inventor:	Applicant:	CPC:	IPC:	Publication info:	Priority date:
HARRISON MICHAEL KOSZEGI GYULA (+1)	DENBY POTTERY COMPANY LIMITED [GB]	B05B13/0609 B05B15/0406 (+4)	B05B13/02 B05B13/06 B05B15/04 (+7)	GB2281873 (A) 1995-03-22	1993-09-15

Part 5 - Inventory Insurances

Security Obligor	Insurer	Insured risks	Policy number
Denby Holdings Limited	QBE	Commercial Combined policy to cover (amongst other things) stock and machinery	QBE YO28760QBE0110B

Part 6 - P&M Insurances

Intentionally left blank.

Part 7 - Real Property Insurances

Intentionally left blank.

Part 8 - Material Contracts

Parties	Description	Date
(1) Denby Brands Limited (2) Monsoon Accessorize Limited	Licence agreement	Originally dated 22 August 2009 as novated on 1 July 2009 and as amended on 20 June 2012 and 14 May 2014

SCHEDULE 4

Forms of Notice and Acknowledgement of Assignment

Part I

1A

Form of Notice to Insurer

To: [Insert name of Insurer]

[Date]

Dear Sirs

We hereby give you notice that, pursuant to a Debenture dated [•] we have charged and assigned to **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD** ("PNC") all our rights, title, interests and benefits in, to or in respect of the insurance policies with you detailed in the Schedule attached hereto (the "**Insurances**") including all claims and returns of premiums in respect thereof to which we are, or may at any future time become, entitled.

With effect from your receipt of this notice we hereby request and instruct that:

1. you immediately name PNC as loss payee in respect of each of the Insurances;
2. upon the security granted by the Debenture in respect of the Insurances becoming enforceable (as notified to you by PNC):
 - (a) all payments under or arising from the Insurances are to be made to PNC or to its order;
 - (b) all remedies provided for in the Insurances or available at law or in equity are to be exercisable by PNC;
 - (c) all rights to compel the performance of the Insurances are to be exercisable by PNC; and
 - (d) all rights, title, interests and benefits whatsoever accruing to or the benefit of ourselves arising from the Insurances shall belong to PNC; and
3. you give notice to PNC promptly in writing:
 - (a) if we propose to cancel or give notice of cancellation of any Insurance, at least 30 days before such cancellation is to take effect;
 - (b) of any material alteration or the termination or expiry of any such Insurance, at least 30 days before such alteration, termination or expiry is to take effect; and
 - (c) of any default in the payment of any premium or failure to renew any such Insurance and shall give PNC not less than 30 days in which to pay the defaulted premium without cancelling the policy during such 30-day period.

Please confirm your receipt of this notice and your acknowledgement of the matters and instructions set out above by signing and dating the Acknowledgement of Assignment set out on the enclosed copy of this notice, and returning the same to PNC with a copy to ourselves.

Yours faithfully

.....

(Authorised signatory)

[SECURITY OBLIGOR]

Schedule

Relevant Insurance Policies

[List All Policies in respect of which notice given]

[•]

Part 1B

Form of Acknowledgment of Assignment

[To be printed only on the copy of the Notice of Assignment given]

To: **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD**

Attention:

Dear Sirs

We hereby acknowledge receipt of a notice in the terms set out above (the "**Notice**").

We confirm that we shall hereafter act in accordance with the Notice and that we have not received any other notice of any other third party interests whether by way of assignment or charge in respect of any of the Insurances.

We further confirm that no amendment or termination of any of the Insurances shall be effective unless we have given you [30] days' prior written notice of our intention to so amend or terminate the same.

Yours faithfully

.....
(Authorised signatory)

[INSURER]

Date:

Part 2

Part 2A

Form of Notice to Bank with whom [Assigned][Charged] Account Maintained

To: [•]

Dear Sirs

We hereby give you notice that pursuant to a debenture dated [•] we have [assigned][charged] to PNC BUSINESS CREDIT a trading style of PNC FINANCIAL SERVICES UK LTD ("PNC") all of our rights, title, interests and benefits in, to or in respect of account number [•], account name [•] maintained with you (including any renewal or redesignation thereof) (the "Account") and all monies standing to the credit of that Account from time to time.

With effect from the date of your receipt of this notice we hereby instruct you that:

- (a) [any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made only to PNC or to its order (with a copy to ourselves)]/[insert agreed operating procedures in relation to relevant Account, which should be stated to be revocable at any time but only on notice from PNC]; and
- (b) all rights, interests and benefits whatsoever accruing to or arising from the Account shall be exercisable by and shall belong to PNC.

Please acknowledge receipt of this notice by signing and dating the acknowledgement printed on the enclosed copy of this notice and returning it to PNC.

Yours faithfully

.....

for and on behalf of

[SECURITY OBLIGOR]

Part 2 B

Form of Acknowledgement of [Assignment][Charge]

[To be printed only on copy of the Notice of [Assignment][Charge] given]

To: **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD**

Attention:

Dear Sirs

We hereby acknowledge receipt of a notice in the terms set out above.

We confirm that:

- (a) no fees or periodic charges are payable in respect of the Account and there are no restrictions on (i) the payment of the credit balance on the Account [(except the expiry of the relevant notice period)] or (ii) the assignment of the Account to PNC or any third party;
- (b) we have not received notice of any other assignment of, charge over or trust or other third party interests in respect of the Account and we will not, without PNC's consent (i) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (ii) amend or vary any rights attaching to the Account; and
- (c) we will act only in accordance with the instructions given by PNC or persons authorised by PNC and we shall send all statements and other notices given by us relating to the Account to PNC.

Yours faithfully

.....

For and on behalf of [•]

By:

Date:

Part 3

Part 3A

Form of Notice to Material Contract Party

To: [•]

Dear Sirs

We hereby give you notice that pursuant to a Debenture dated [•] we have charged and assigned to **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD**, all our rights, title, interests and benefits in, to or in respect of [*details of contract*] between [•] and [•] (the "Company") (the "Contract") including all monies which may be payable in respect of the Contract.

With effect from your receipt of this notice we hereby give you notice that we have agreed that:

- (a) [all payments to be made to us under or arising from the Contract should be made [to PNC or to its order as it may specify in writing from time to time/to [*specify bank account*]];
- (b) all remedies provided for in the Contract or available at law or in equity shall be exercisable by PNC;
- (c) all rights to compel performance of the Contract shall be exercisable by PNC (although the Company shall remain liable to perform all the obligations assumed by it under the Contract); and
- (d) all rights, title, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to PNC and no changes may be made to the terms of the Contract nor may the Contract be terminated without PNC's consent.

You are hereby authorised and instructed, without requiring further approval from us, to provide PNC with such information relating to the Contract as it may from time to time request and to send copies of all notices issued by you under the Contract to PNC as well as to us.

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

Please acknowledge receipt of this notice by signing and dating the acknowledgement set out on the enclosed copy and returning it to PNC.

Yours faithfully

.....

for and on behalf of
[SECURITY OBLIGOR]

Part 3B

Form of Acknowledgement of Assignment

[To be printed only on copy of the relevant Notice of Assignment given]

To: **PNC BUSINESS CREDIT** a trading style of **PNC FINANCIAL SERVICES UK LTD**
("PNC")

To: *[Security Obligor]*

Attention:

Dear Sirs

We acknowledge receipt of a notice in the terms set out above (the "Notice"). We confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title, interests and benefits in, to or in respect of the Contract and that we will comply with the terms of the Notice.

We further agree and confirm that:

- (a) no amendment, waiver or release of any provision of the Contract shall be effective without the prior written consent of PNC; and
- (b) we will not terminate the Contract or take any action in relation to any breach thereof by the Company unless we have given PNC [30] days' prior written notice of our intention to do so specifying the action necessary by the Company or PNC to avoid such termination or action.

Yours faithfully

.....

For and on behalf of [•]

By:

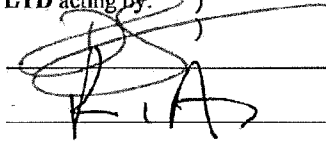
Date:

EXECUTION PAGE

PNC

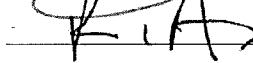
Executed as a deed, but not delivered until the)
first date specified on page 1, by PNC)
BUSINESS CREDIT a trading style of PNC)
FINANCIAL SERVICES UK LTD acting by:)

Authorised Signatory



DANIEL HARRISON

Authorised Signatory



PAUL ADAMS


Address: PNC House, 34/36 Perrymount Road, Haywards Heath, West Sussex RH16 3DN

Facsimile No: 01444 475849

Attention: The Directors, PNC Business Credit

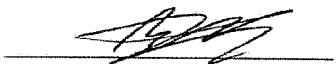
THE SECURITY OBLIGORS

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY)
HOLDINGS LIMITED acting by:)



Director C. Emmott

In the presence of a witness:



Name M. HOLT

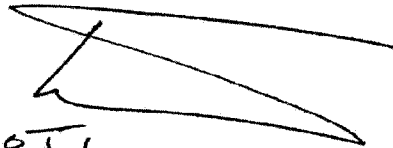
Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

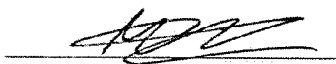
Attention: The Directors, Denby Holdings Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, by BURGESS)
AND LEIGH LIMITED acting by:)



Director C. Emmott

In the presence of a witness:



Name M. HOLT

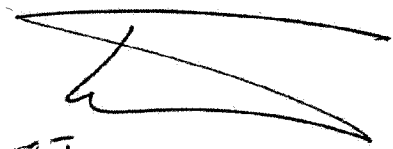
Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: The Denby Pottery Company, Derby Road, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

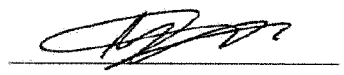
Attention: The Directors, Burgess and Leigh Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY BRANDS)
LIMITED acting by:)



Director C. Emmott.

In the presence of a witness:



Name M. HOLT

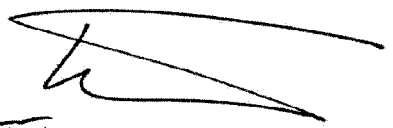
Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

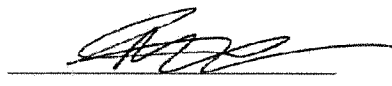
Attention: The Directors, Denby Brands Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, THE DENBY)
POTTERY COMPANY LIMITED acting by:)



Director C. Emmott

In the presence of a witness:



Name M. HOLT

Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

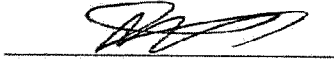
Attention: The Directors, The Denby Pottery Company Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY RETAIL)
LIMITED acting by:)



Director C. Emmott.

In the presence of a witness:



Name M. HOLT

Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

Attention: The Directors, Denby Retail Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY)
POTTERIES LIMITED acting by:)



Director C. Emmott.

In the presence of a witness:



Name M. HOLT

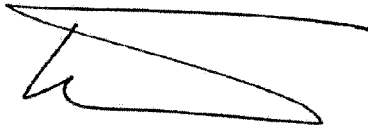
Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

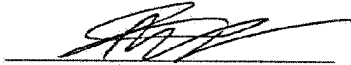
Attention: The Directors, Denby Potteries Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY)
CATERING LIMITED acting by:)



Director C. CHUMOTTI.

In the presence of a witness:



Name M. HOLT

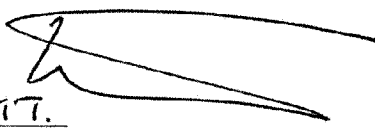
Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: The Denby Pottery Company Ltd, Derby Road, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

Attention: The Directors, Denby Catering Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, POOLE)
POTTERY RETAIL LIMITED acting by:)



Director C. CHUMOTTI.

In the presence of a witness:



Name M. HOLT

Address 80 NEW BOND STREET
LONDON, W1S 1SB

Address: Denby Pottery, Pottery Lane, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

Attention: The Directors, Poole Pottery Retail Limited

Executed as a deed, but not delivered until the)
first date specified on page 1, DENBY USA)
LIMITED acting by:)

Director

C. KUMSTI.

In the presence of a witness:

Name

M. HOLT

Address

80 NEW BOND STREET
LONDON. W1S 1SB

Address: Denby Pottery, Denby, Ripley, Derbyshire DE5 8NX

Facsimile No: 01773 740781

Attention: The Directors, Denby USA Limited