

**[NWB headed paper]**

To:

The Stanley Gibbons Group PLC (Jersey registered number 13177)  
as Parent and Obligors' Agent

and

A.H. Baldwin & Sons Limited (registered number 00162789)  
Noble Investments (UK) Limited (registered number 04075304)  
The Fine Art Auction Group Limited (registered number 03839469) ("TFAAG")  
Stanley Gibbons Limited (registered number 00348043) ("SGL")  
Concept Court Limited (formerly called (registered number 07250443)  
Benham Collectibles Limited)  
Murray Payne Limited (registered number 02541681)  
Milsom Street Limited (formerly called (registered number 00335556)  
Mallett & Sons (Antiques) Limited)

(each, a "Company")

[•]<sup>1</sup> 2018

Dear Sirs

**The Stanley Gibbons Group PLC**

**Escrow And Framework Agreement dated [•] 2018 between (among others) you and us (the "Escrow Agreement")**

**Continuing Facilities Letter**

1. **Introduction**

1.1 We refer to the Escrow Agreement. This letter is the Continuing Facilities Letter referred to in the Escrow Agreement.

2. **Definitions**

2.1 Terms used in this letter and not otherwise defined in it have the meanings given to them in the Escrow Agreement or, as relevant, the Facility Agreement.

2.2 In this letter:

"Bank Accounts" means the bank accounts set out in Annex B to this letter.

"Bonds" means the bank guarantees comprised in the Continuing Facilities.

"Cards Facilities" mean the credit card facilities comprised in the Continuing Facilities.

"Cash Collateral Amount" means the sum which will be notified by us to you in accordance with paragraph 4, and applied in accordance with paragraph 7, below.

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<sup>1</sup> To be entered into on EGM-4, in accordance with the Escrow Agreement

“Clearing Period” means the period commencing on Completion and ending on 31 May 2018.

“Completion” means completion of the steps set out in clause [7(g)] (*Completion steps*) of the Escrow Agreement and payment by TW to us and our advisors in accordance with the TW Undertaking.

“Continuing Facilities” means those facilities, financial accommodation and services listed in Annex A.

“HMRC” means HM Revenue & Customs.

2.3 A reference to “EGM-” a number is a reference to the day falling that number of Business Days before the Proposed EGM Date.

### 3. **Conversion of Overdraft**

3.1 The Parent shall procure that the Gross Outstandings under the Overdraft Facility are, as of start of business on EGM-3:

(A) not greater than £2,000,000; and

(B) contained in as few accounts under the Overdraft Facility as is reasonably practicable (but ensuring that the Outstanding Principal Amounts will not be less than £17,000,000 following the refinancing contemplated by this paragraph 3 having occurred).

3.2 No amounts will be debited to any account under the Overdraft Facility (and we may decline any requested payments) on or after EGM-3.

3.3 By not later than 9.30 a.m. on EGM-3, the Parent shall deliver a duly completed Utilisation Request to the Agent for a Revolving Facility Loan (the “Refinancing Loan”) substantially in the form set out in Annex C to this letter (or in such other form as we may agree with you).

3.4 Subject to the Parent complying with paragraphs 3.1, 3.2 and 3.3 above:

(A) the Refinancing Loan shall (notwithstanding clause 4.2 (*Further conditions precedent*) of the Facility Agreement, but otherwise without prejudice to our rights (which are reserved in relation to any Default); and ignoring the Ancillary Commitment in relation to the Overdraft Facility) be:

(1) advanced; and

(2) applied in repayment of the Gross Outstandings,

on EGM-2, whereupon (and with no further action required by any person) (i) the Overdraft Facility shall be cancelled and no longer constitute an Ancillary Facility, (ii) the Ancillary Commitment of the Ancillary Lender shall be reduced to zero and (iii) the Available Commitments in relation to the Revolving Facility shall be cancelled.

3.5 We shall not permit any other Utilisation of the Revolving Facility on or after EGM-3.

#### 4. **Notification of amounts**

As soon as is reasonably practicable on EGM-2, we shall (or shall procure that our solicitors shall) give notice by email to the Recipient Mailing List of the following amounts:

- (A) the Cash Collateral Amount (including an itemised calculation by Continuing Facility)<sup>2</sup>;
- (B) the Outstanding Principal Amounts;
- (C) the RBS Interest; and
- (D) the RBS Fees.

#### 5. **Continuing Facilities**

##### 5.1 Subject to:

- (A) the existing terms and conditions applicable to each of the Continuing Facilities (including any rights to terminate or decline to provide any facility, utilisation of a facility or a service; but excluding any right to do so without cause; and save insofar as expressly varied by this letter); and
- (B) the other terms of this letter,

we shall provide the Continuing Facilities and allow the Bank Accounts to be operated during the Clearing Period.

5.2 No Bank Account (or any other bank account which any member of the Parent's Group may hold with us) may become overdrawn during the Clearing Period, and we shall refuse any utilisation or decline any transaction which would result in any Bank Account or other bank account having an overdrawn balance.

5.3 We will only accept a request to submit payments to the BACS system if the relevant amount is first transferred from a Bank Account in the relevant Company's name to an account in our name (and we shall use that sum to make the BACS payment).

#### 6. **Termination of facilities**

6.1 We will on the last day of the Clearing Period (or sooner, if so requested by you) give notice to HMRC to terminate the Bonds.

6.2 The Bank Accounts will be closed (and any associated services terminated) at the end of the Clearing Period and no further credits or debits will be processed in relation to them (other than a single debit from each Bank Account of its entire credit balance, to such account as you must instruct us no later than the end of the Clearing Period).

6.3 The accounts in relation to the Cards Facilities will be closed at the end of the Clearing Period and no further debits will be processed in relation to them. All credit cards will be cancelled, and must be returned or destroyed in accordance with the terms applicable to the Cards Facilities. Any debit balances must be cleared immediately on demand from time to time.

6.4 It is the responsibility of the relevant Company to ensure that it has made suitable arrangements with another bank for its business before the end of the Clearing Period.

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<sup>2</sup> To be calculated as HMRC bond max exposures (currently £600K) + credit card limits (currently £13,100)

6.5 The termination of any facility pursuant to this letter is without prejudice to the relevant Companies' liabilities under that facility and any related indemnity obligation. For the avoidance of doubt, any interest and fees accruing in relation to the Overdraft Facility remain payable to us (and shall be paid pursuant to the TW Undertaking) notwithstanding the terms of the Debt Purchase Documents.

7. **Cash Collateral**

7.1 The Cash Collateral Amount shall be paid into an account in our own name. No Company shall have any rights or interest in the resulting deposit, which shall be owned absolutely by us.

7.2 Each Company's obligations to make payments to us in accordance with the terms applicable to the Continuing Facilities shall continue.

7.3 If all liabilities (present or future, actual or contingent) in relation to a Continuing Facility have been fully and finally discharged, we shall pay to the Parent (or such other Company as it shall direct), promptly and in any event within 5 Business days of such liabilities being fully discharged, an amount equal to the Cash Collateral Amount attributable to the relevant Continuing Facility, less any costs, losses or liabilities we have incurred in relation to that Continuing Facility (and which have not been repaid or reimbursed to us by a Company).

7.4 No security interest is created by these arrangements.

8. **Miscellaneous**

8.1 The "New Finance Documents" under (and as defined in) the letter agreement between (among others) RBS as Agent and you dated 31 March 2016 shall cease to constitute Finance Documents with effect from immediately before Admission.

8.2 We reserve all of our rights and remedies we may have now or in the future under or in connection with the Continuing Facilities or the Finance Documents.

8.3 A person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this letter.

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

8.5 This letter may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this letter. Please countersign and return to us a copy of this letter to confirm your acceptance of its terms.

Yours faithfully

.....  
For and on behalf of  
The Royal Bank of Scotland plc  
acting as agent for **National Westminster Bank Plc**

Accepted and agreed:

For and on behalf of

..... Date: ..... 2018  
Director, The Stanley Gibbons Group PLC

..... Date: ..... 2018  
Director, A.H.Baldwin & Sons Limited

..... Date: ..... 2018  
Director, Noble Investments (UK) Limited

..... Date: ..... 2018  
Director, The Fine Art Auction Group Limited

..... Date: ..... 2018  
Director, Stanley Gibbons Limited

..... Date: ..... 2018  
Director, Concept Court Limited

..... Date: ..... 2018  
Director, Murray Payne Limited

..... Date: ..... 2018  
Director, Milsom Street Limited

## Annex A – the Continuing Facilities

SGL	BACS
	£50,000 (£100,000 maximum liability) bank guarantee issued by us in favour of HM Revenue & Customs, relating to SGL
TFAAG	BACS
	£50,000 (£100,000 maximum liability) bank guarantee issued by us in favour of HM Revenue & Customs, relating to TFAAG
A.H.Baldwin and Sons Limited	BACS
	Credit Cards (£10,000 limit)
Murray Payne Limited	Credit Cards (£3,100 limit)
Noble Investment (UK) Limited	BACS
Milsom Street Limited (formerly called Mallett & Son (Antiques) Limited)	£200,000 (£400,000 maximum liability) bank guarantee issued by us in favour of HM Revenue & Customs, relating to SGL

## Annex B – Bank Accounts

Account holder	Account name	Account number	Currency
SGL	Buyers Account	41796527	GBP
SGL	Main Account	41796489	GBP
Concept Court Limited	Benham Collectibles	21461481	GBP
SGL	SG SIBA Account	21090165	GBP
SGL	Main Account	550/00/10387617	EUR
SGL	Main Account	140/00/10387609	USD
Murray Payne Limited	MP Current	66036224	GBP
A. H.Baldwin & Sons Limited	AHB Apex	32265662	GBP
A. H.Baldwin & Sons Limited	AHB Deposit	32098626	GBP
Noble Investments (UK) Limited	Noble Current	32097301	GBP
Noble Investments (UK) Limited	Noble Deposit	32097298	GBP
A. H.Baldwin & Sons Limited	Baldwin Current	24525146	GBP
TFAAG	TFAAG Office Account	21089833	GBP
TFAAG	TFAAG Office Account	24022462	USD
A. H.Baldwin & Sons Limited	AHB Currencies	550/00/06836410	EUR
A. H.Baldwin & Sons Limited	AHB Currencies	349/00/35016868	JPY
A. H.Baldwin & Sons Limited	AHB Currencies	338/00/35018038	HKD
A. H.Baldwin & Sons Limited	AHB Currencies	234/02/35016035	CHF
A. H.Baldwin & Sons Limited	AHB Currencies	140/02/35016264	USD
Milsom Street Limited	Milsom	24086541	EUR
Milsom Street Limited	Milsom	24086533	USD
TFAAG	TFAAG Client	21090157	GBP
Milsom Street Limited	Mallett UK	27613976	GBP
Milsom Street Limited	Mallett UK - Clients	27617971	GBP

**Annex C – Form of Utilisation Request**

**Utilisation Request**

From: The Stanley Gibbons Group PLC

To: The Royal Bank of Scotland plc

Dated: [EGM-3]

Dear Sirs

**THE STANLEY GIBBONS GROUP PLC – Credit Agreement dated 26 September 2014 (as amended from time to time) (the "Credit Agreement")**

1. We refer to the Credit Agreement. This is a Utilisation Request in relation to the Refinancing Loan. Terms defined in the Credit Agreement (otherwise, in the letter agreement between you and us dated [●] February 2018) have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.
2. We wish to borrow a Loan on the following terms:
  - (a) Borrower: [Stanley Gibbons Limited]
  - (b) Proposed Utilisation Date: [EGM-2] (or, if that is not a Business Day, the next Business Day)
  - (c) Facility to be utilised: Revolving Facility
  - (d) Currency of Loan: sterling
  - (e) Amount: as set out in the attached schedule or, if less, the Available Facility
  - (f) Interest Period: [●]
3. The proceeds of this Loan should be credited to the accounts (and in the respective amounts) set out in the schedule to this Utilisation Request.
4. This Utilisation Request is irrevocable.

Yours faithfully

..... Director

..... Director



### Schedule to Utilisation Request

Account holder	Account name	Account number	Amount (£) <sup>3</sup>
[•]			

<sup>3</sup> Aggregate amount must not exceed Gross Outstandings under Overdraft Facility