

DATED

2018

ASSIGNMENT AND CONFIRMATION OF SECURITY INTEREST AGREEMENT

- (1) THE ROYAL BANK OF SCOTLAND PLC
- (2) PHOENIX UK FUND LTD
- (3) PHOENIX UK FUND LTD
- (4) THE STANLEY GIBBONS GROUP PLC
- (5) STANLEY GIBBONS (GUERNSEY) LIMITED



THIS AGREEMENT is dated day of 2018

BETWEEN:

- (1) **THE ROYAL BANK OF SCOTLAND PLC ("RBS")** in its capacity as outgoing Security Agent for the Secured Parties under the RBS Credit Agreement;
- (2) **PHOENIX UK FUND LTD** in its capacity as new Security Agent for the Secured Parties ("**Security Agent**");
- (3) **PHOENIX UK FUND LTD** in its capacity as new Agent for the Secured Parties ("**Agent**");
- (4) **THE STANLEY GIBBONS GROUP PLC** (the "**Company**"); and
- (5) **STANLEY GIBBONS (GUERNSEY) LIMITED** (in administration), a non-cellular company limited by shares, incorporated in Guernsey with registered number 42180 ("**SGGL**").

BACKGROUND

- (A) The Company and RBS have entered into the SIA, pursuant to which the Company granted security interests in favour of RBS as security agent over all the shares of SGGL, in connection with the facilities provided pursuant to the RBS Credit Agreement.
- (B) Pursuant to a deed of resignation and appointment dated on or about the date of this Agreement made between RBS as resigning agent under the RBS Credit Agreement (the "**Original Agent**") (1), RBS as resigning security agent under the Credit Agreement (the "**Original Security Agent**") (2), PAMP as new agent (3), PAMP as new security agent (4), the Company in its capacity as Obligors' Agent (as such term is defined in that document) (5), and the Administrators (6) the Original Agent and the Original Security Agent resigned from their relevant capacities under the RBS Credit Agreement, and PAMP was appointed as the new agent and as the new security agent in relation to the RBS Credit Agreement (the "**Deed of Resignation**").
- (C) It is proposed that the RBS Credit Agreement be amended and restated pursuant to the Amendment and Restatement Deed.
- (D) SGGL is a party to this Agreement solely for the purpose of acknowledging the assignment and repeating certain confirmations, previously given to RBS, to PAMP as new security agent.

AGREED TERMS

1 Definitions and Interpretation

1.1 In this Agreement, unless the context provides otherwise, the following words and expressions shall have the following meanings:

Administrators	Nick Vermeulen and Zelf Hussain of PricewaterhouseCoopers CI LLP and PricewaterhouseCoopers LLP respectively in their respective capacities as joint administrators of
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	SGGL and without personal liability
Administrators' Representative	PricewaterhouseCoopers LLP and PricewaterhouseCoopers CI LLP, its partners and employees, and any legal entity or partnership legitimately using in its name the words "PricewaterhouseCoopers" or "PwC" and the partners, shareholders, officers and employees of any such entity or partnership
Amended and Restated Credit Agreement	the RBS Credit Agreement as amended and restated pursuant to the Amendment and Restatement Deed
Amendment and Restatement Deed	the amendment and restatement deed dated on or about the date of this Agreement made between the Company (1), the companies listed therein as obligors (2), SGGL (3), PAMP as Facility A Lender (4), Stanley Gibbons Finance Limited as Facility B Lender (5), PAMP as agent (6), PAMP as security agent (7) and the Administrators (8)
Companies Law	Companies (Guernsey) Law, 2008, as amended
Escrow Agreement	the escrow and framework agreement dated [●] 2018 made between the companies listed in schedule 1 thereto as companies (1), SGGL (2), PAMP (3), the Administrators (4), RBS (5) and National Westminster Bank plc
PAMP	Phoenix UK Fund Ltd, in its various capacities under this Agreement
Party	a party to this Agreement
RBS Credit Agreement	the £20,000,000 facility agreement originally dated 26 September 2014 made between, amongst others, the Company and RBS as agent, as amended by amendment letters dated 30 September 2015, 30 October 2015, 30 November 2016 and 12 February 2016 and as amended and restated pursuant to an amendment and restatement deed dated 31 March 2016 (and as otherwise amended and/or restated from time to time)
Security Interests Law	means the Security Interests (Guernsey) Law 1993, as amended
Shares	100 ordinary shares of £1.00 each (fully paid up) in the capital of SGGL, which shares are legally and beneficially owned by the Company, issued to and registered in the name of the Company, and represent the entire issued share capital of SGGL

and which are identified by reference to share certificate number 5

SIA

a Guernsey law governed security interest agreement dated 26 September 2014 between the Company as Chargor and RBS as Security Agent in respect of the Shares

1.2 In this Agreement:

- 1.2.1 headings are inserted for convenience only and shall be ignored in construing this Agreement;
- 1.2.2 unless the context provides otherwise, words denoting the singular number only shall include the plural and vice versa;
- 1.2.3 references to "this Agreement", "Clause" or a "Schedule" are references to this Agreement or a clause in or schedule of it;
- 1.2.4 references to any document shall be construed as a reference to such document as the same may be amended, supplemented, varied, renewed, substituted, novated or assigned from time to time;
- 1.2.5 references to any Party shall include a reference to any successor company and permitted assigns; and
- 1.2.6 any term used herein (unless otherwise expressly defined) shall have the same meaning given to it in the SIA.

2 Assignment

2.1 In consideration of the payment of £1, receipt of which is acknowledged by RBS, RBS with immediate effect from the date of this Agreement (which is to be dated in accordance with the Escrow Agreement) absolutely assigns to the Security Agent all its rights, title, interest to and benefit of the SIA.

2.2 With effect from:

- 2.2.1 the date of this Agreement, the Security Agent shall be "the Security Agent" under the SIA;
- 2.2.2 the coming into force of the Amended and Restated Credit Agreement, references to the "Credit Agreement" as defined in the SIA shall be to the Amended and Restated Credit Agreement.

2.3 Contemporaneously with the signing of this Agreement, RBS shall deliver to the Security Agent the certificates of title together with the undated and signed duly completed share transfer forms in respect of the Shares.

3 Notice of Assignment

3.1 SGGL hereby agrees that the execution of this Agreement by RBS, the Security Agent and the Company shall constitute notice to SGGL of the assignment by RBS to the Security Agent of its rights, title and interest to and benefit of the SIA.

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- 3.2 It is agreed that the effect of the assignment under this Agreement, on and from the date of this Agreement, is that:
- 3.2.1 all the legal rights of RBS under the SIA;
 - 3.2.2 all legal remedies of RBS under the SIA; and
 - 3.2.3 the power to give a good discharge under the SIA without the concurrence of RBS as assignor,
- are passed and transferred from RBS to the Security Agent.
- 3.3 SGGL agrees with effect from the date of this Agreement to comply with all instructions given to it from time to time and at any time by the Security Agent in place of RBS with regard to the Collateral, without any enquiry by SGGL as to the justification or validity of such instructions and not to comply with instructions given to SGGL from any other person.
- 3.4 RBS agrees with effect from the date of this Agreement that SGGL is released and discharged from the obligations previously owed by it to RBS under the acknowledgement given by SGGL to the Company and RBS in response to the notice served on it by the Company and RBS pursuant to the SIA.
- 3.5 Without in any way detracting from such assignment, the Security Agent agrees that as a matter of convenience and until SGGL receives written notice from the Security Agent to the contrary, the Company may at its request receive such information relating to the Shares as it may from time to time require provided that the Company may not take any action in relation to the Shares which may result in the Security Agent owing any obligation to or being liable to the Company.
- 3.6 SGGL confirms and agrees with the Security Agent that until the release of the security interests created or provided by the SIA (which release shall be evidenced by SGGL being furnished with a copy of a certificate of discharge issued by the Security Agent to the Company in accordance with the Security Interests Law and the terms of the SIA):
- 3.6.1 it will not permit all or any part of the Shares to be dealt with in any way without the express prior written consent of the Security Agent;
 - 3.6.2 it will not exercise any lien or right of combination or set-off over or in respect of the Shares;
 - 3.6.3 it will not recognise any instruction or action on the part of any person other than the Security Agent in relation to the Shares without the prior written consent of the Security Agent;
 - 3.6.4 it will not issue any shares, or any rights to subscribe for shares, in SGGL to the Company or any other person whatsoever without the prior written consent of the Security Agent;
 - 3.6.5 the Shares are fully paid;
 - 3.6.6 immediately upon delivery of a dated and signed duly completed share transfer form in respect of the Shares, it will enter the name of the Security

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Agent or its nominee in SGGL's register of members as the holder of the Shares; and

3.6.7 it will on or shortly after the date hereof note on the register of members of SGGL that the Shares are subject to a security interest in favour of the Security Agent and cannot be dealt with in any way without the prior written consent of the Security Agent and remove the similar notation previously made in favour of RBS.

3.7 Nothing in this Agreement shall impose on SGGL any greater liability towards the Security Agent or the Finance Parties than it had under the SIA towards RBS prior to the assignment under this Agreement, or shall in any way be deemed to improve the rights of the Security Agent or Finance Parties under the SIA.

4 Continuing obligations

Without prejudice to the rights of any Party which have arisen on or before the date of this Agreement, the provisions of the SIA shall continue in full force and effect, subject to the terms of this Agreement.

5 Confirmation

5.1 The Company acknowledges the assignment made pursuant to this Agreement and further confirms that, without prejudice to the terms of any Finance Document to which it is a party:

5.1.1 nothing contained in this Agreement shall discharge its liability to meet any of its obligations under the SIA, the RBS Credit Agreement or any other Finance Document;

5.1.2 the SIA remains in full force and effect and its obligations under the SIA continue to be legal, valid and binding and enforceable; and

5.1.3 the security interest created by the Company under the SIA will continue in full force and effect.

6 Finance Document

In accordance with the Amended and Restated Credit Agreement, the Agent and the Company designate this Agreement as a Finance Document.

7 Exclusion of Administrators' Personal Liability

7.1 The Administrators have entered into and signed this agreement as agents on behalf of SGGL. Neither the Administrators nor any Administrators' Representative shall incur any personal liability, whether in contract or tort or otherwise under or in connection with this agreement or under or in connection with any associated arrangements or negotiations, or under any document entered into or assurance made pursuant to this agreement unless such document or assurance expressly so provides.

7.2 The Company, the Security Agent and the Agent hereby acknowledge and agree that no liability of SGGL which arises in any way under or pursuant to this Agreement will be a liability falling within section 383(1) of the Companies Law and, furthermore, the Security Agent, the Agent and the Company hereby expressly waives any right to any

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priority payment from the assets in the administration of SGGL arising pursuant to the Companies Law (including, without limitation, any rights to rank as an expense of the administration pursuant to section 383 of the Companies Law or otherwise.

7.3 Nothing in this Agreement restricts or affects the right of either of the Administrators to cease to act as administrator of SGGL.

8 Further Assurance

RBS and the Company each confirms that it will enter into such other documentation and carry out any matter or thing as the Security Agent considers necessary in order to give effect to the terms of this Agreement.

9 Counterparts

This Agreement 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 Agreement.

10 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

11 Governing Law and Jurisdiction

11.1 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by laws of the Island of Guernsey.

11.2 The courts of Guernsey have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

11.3 The Parties agree that the courts of Guernsey are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

11.4 Clauses 11.2 and 11.3 and are for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SIGNED by
For and on behalf of
THE ROYAL BANK OF SCOTLAND PLC

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SIGNED by
For and on behalf of
PHOENIX UK FUND LTD
as **Security Agent**

SIGNED by
For and on behalf of
PHOENIX UK FUND LTD
as **Agent**

SIGNED by
For and on behalf of
THE STANLEY GIBBONS GROUP PLC

SIGNED by
For and on behalf of
STANLEY GIBBONS (GUERNSEY) LIMITED
acting by its **Administrators**