



Registration of a Charge

Company name: **SOTHEBY'S FINANCIAL SERVICES LIMITED**

Company number: **00597920**



X8L07T77

Received for Electronic Filing: **24/12/2019**

Details of Charge

Date of creation: **18/12/2019**

Charge code: **0059 7920 0011**

Persons entitled: **DEUTSCHE BANK TRUST COMPANY AMERICAS (AS COLLATERAL AGENT)**

Brief description: **NOT APPLICABLE**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

CHITHRA RENGAMANNAR



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 597920

Charge code: 0059 7920 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th December 2019 and created by SOTHEBY'S FINANCIAL SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th December 2019 .

Given at Companies House, Cardiff on 27th December 2019

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, the enclosed copy of the security instrument delivered as part of this application for registration in accordance with s.859A of the Companies Act 2006 is a correct copy of the original security instrument.

Signature: CR

Name: CHITHRA RENGAMANNAR

Title: SOLICITOR

Date: 24/12/2019

Dated

18 December 2019

for

OATSHARE LIMITED (AND OTHERS)

as Chargors

and

DEUTSCHE BANK TRUST COMPANY AMERICAS

as Collateral Agent

DEBENTURE

ROPES & GRAY

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THIS DEED is made on 18 December 2019

Between

- (1) **OATSHARE LIMITED** registered in England with number 01737495 (the “**Company**”);
- (2) **THE COMPANIES** (if any) identified in Schedule 1 (*The Chargors*) (together with the Company and each person which becomes a party to this Deed by executing a Deed of Accession, each a “**Chargor**” and together the “**Chargors**”); and
- (3) **DEUTSCHE BANK TRUST COMPANY AMERICAS** as collateral agent and trustee for the Secured Parties (the “**Collateral Agent**”).

Recitals

- (A) Sotheby’s (successor by merger to Bidfair MergeRight Inc.) as Issuer (the “**Issuer**”), BidFair Holdings Inc. as Parent Guarantor and the Collateral Agent, as Trustee, Paying Agent, Transfer Agent, Registrar and Notes Collateral Agent have entered into a New York law governed indenture dated as of 2 October 2019 relating to the issuance by the Issuer of USD 600,000,000 7.375% Senior Secured Notes due 2027 (all terms as defined therein), as amended, restated, supplemented or otherwise modified until the date hereof (the “**Indenture**”).
- (B) The Chargors are hereby entering into this Deed for the purposes of creating a security interest under the law over, amongst other things, the Security Assets to secure the Secured Liabilities to the Secured Parties.
- (C) The Chargors and the Collateral Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

It is agreed:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

“**Acceleration Event**” means the occurrence of an acceleration of the Notes Obligations under section 6.02 of the Indenture;

“**Accounts**” means the bank accounts held in the name of any of the Chargors from time to time (but excluding any Excluded Accounts);

“**Account Notice**” means a notice substantially in the form set out in Schedule 5 (*Form of Account Notice*);

“**Act**” means the Law of Property Act 1925;

“**Book Debts**” means:

- (a) all book and other debts in existence from time to time (including, without limitation, any sums whatsoever owed by banks or similar institutions) both present and future, actual or contingent, due, owing to or which may become due, owing to or purchased or otherwise acquired by any Chargor; and
- (b) the benefit of all rights whatsoever relating to the debts referred to in (a) above including, without limitation, any related agreements, documents, rights and remedies (including, without limitation, negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing, unpaid vendor's liens and all similar connected or related rights and assets);

“Capital Stock” of any Person means any and all shares of, interests, rights to purchase, warrants or options for, participation or other equivalents of, or partnership or other interests in (however designated), equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity;

“Deed of Accession” means a deed of accession substantially in the form set out in Schedule 4 (*Deed of Accession*);

“Distribution Rights” means all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of any Investments or Shares, and includes all dividends, interest and other distributions paid or payable on or in respect of them;

“Equipment” means each Chargor's fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related authorisations, agreements and warranties;

“Excluded Accounts” means, collectively, (a) payroll accounts, (b) zero balance accounts, (c) any withholding tax, benefits, escrow, trust, customs or any other fiduciary account and (d) any account having a balance that does not exceed \$2,500,000 (or its equivalent in any other currency);

“Excluded Assets” means each of the following: (a) subject to certain conditions, any “intent-to-use” application for registration of certain trademarks, (b) margin stock, (c) [reserved], (d) [reserved], (e) [reserved], (f) any governmental or regulatory licenses, authorisations, certificates, charters, franchises, approvals and consents to the extent a security interest therein is prohibited or restricted thereby or requires any consent, acknowledgment or authorisation from a governmental authority not obtained (without any requirement to obtain such consent, acknowledgment or authorisation) after giving effect to the applicable anti-assignment provisions of applicable law other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under applicable Law notwithstanding such prohibition, (g) any lease, license or agreement or any property that is subject to a capital lease, purchase money security interest or similar arrangement, in each case permitted by the Notes Documents, to the extent that a grant of a security interest therein (x) would violate or invalidate such lease, license or agreement or purchase money security interest or similar arrangement or create a right of termination in favour of any other party thereto (other than Parent Guarantor, the Issuer or any of its subsidiaries) to the extent such approval, consent or

authorization is not obtained or (y) would require governmental or regulatory approval, consent or authorisation not obtained (without any requirement to obtain such approval, consent or authorisation) after giving effect to the applicable anti-assignment provisions of applicable law, (h) assets to the extent the pledge thereof or grant of security interests therein (x) is prohibited or restricted by any applicable law, rule or regulation or would require any consent, approval or authorisation of any governmental or regulatory authority not obtained (without any requirement to obtain such any consent, approval or authorisation), (y) would render such asset invalid or unenforceable under applicable law (solely with respect to any intellectual property), or (z) is prohibited by any contract or would require any consent, approval, license or other authorisation of any third party (provided that such requirement existed on the Completion Date or at the time of the acquisition of such asset, as applicable, and was not incurred in contemplation thereof (other than in the case of capital leases and purchase money financings)) or governmental or regulatory authority not obtained (without any requirement to obtain such consent, approval, license or other authorisation), after giving effect to applicable anti-assignment provisions under applicable law, (i) assets to the extent a security interest in such assets would result in material adverse tax consequences to the Issuer and the Restricted Subsidiaries, taken as a whole as reasonably determined by the Issuer, (j) any leasehold or freehold interest in any real property (and improvements and fixtures relating thereto), (k) any Excluded Account(l) Capital Stock in Immaterial Subsidiaries and Excluded Subsidiaries (other than first tier CFCs and first tier CFC Holdcos that are Restricted Subsidiaries; *provided* that in the case of any first tier CFC that is not organized in a Covered Jurisdiction or first tier CFC Holdco, the pledge of the Capital Stock of such Subsidiary shall be limited to no more than 65% of the total issued and outstanding Capital Stock of such first tier CFC or first tier CFC Holdco; *provided*, that, for the avoidance of doubt, the pledged Capital Stock of the Guarantors will not be subject to such limitation), (m) [reserved], (n) [reserved], (o) any other assets excluded by application of the Agreed Security Principles and (p) those assets as to which the Issuer shall reasonably determine that the cost, burden or difficulty of obtaining such a security interest or perfection thereof (including any material adverse tax consequences to a Guarantor, the Issuer, or any Subsidiary of the Issuer) are excessive in relation to the benefit to the holders of the Notes of the security to be afforded thereby. Notwithstanding the foregoing, Excluded Assets shall not include any proceeds, products, substitutions or replacements of Excluded Assets (unless such proceeds, products, substitutions or replacements would otherwise constitute Excluded Assets);

“Final Release Conditions” means the conditions set forth in section 11.02(a)(7) of the Indenture;

“Insurance” means each contract or policy of insurance to which a Chargor is a party or in which it has an interest but excluding any third party liability or public liability insurance and any directors’ and officers’ insurance;

“Insurance Notice” means a notice substantially in the form set out in Part 2 of Schedule 5 (*Form of Insurance Notice*);

“Intellectual Property Rights” means:

- (a) any patents, trade marks, trade names, domain names, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature

of copyright (including neighbouring rights), and all other forms of intellectual or industrial property;

- (b) any rights in or to inventions, formulae, trade secrets and information, know-how and similar rights, goodwill and any other rights and assets of a similar nature; and
- (c) any other right to use (or which may arise from, relate to or be associated with), or application to register or protect, any of the items listed in paragraphs (a) or (b) above,

owned by the Chargors and arising or subsisting in any jurisdiction and whether registered or not and whether subsisting now or in the future;

“Investments” means all or any stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations);

“Legal Reservations” means (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and principles of good faith and fair dealing, (b) applicable Bankruptcy Laws, (c) the existence of timing limitations with respect to the bringing of claims under applicable limitation laws and the defenses of acquiescence, set-off or counterclaim and the possibility that an undertaking to assume liability for, or to indemnify a Person against, non-payment of stamp duty may be void, (d) the principle that in certain jurisdictions and under certain circumstances a Lien granted by way of fixed charge may be re-characterized as a floating charge or that security purported to be constituted as an assignment may be re-characterized as a charge, (e) the principle that additional interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void, (f) the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant, (g) the principle that the creation or purported creation of collateral over any claim, other right, contract or agreement which is subject to a prohibition on transfer, assignment or charging may be void, ineffective or invalid and may give rise to a breach of the contract or agreement (or contract or agreement relating to or governing the claim or other right) over which collateral has purportedly been created, (h) similar principles, rights and defenses under the laws of any relevant jurisdiction and (i) any other matters which are set out as qualifications or reservations (however described) as to matters of law in any legal opinion delivered pursuant to the Notes Documents;

“Material Intellectual Property Rights” means, with respect to any Chargor, the Intellectual Property Rights of such Chargor that are material to the conduct of the business or operations of the Borrower and its Subsidiaries (taken as a whole) or that is used in the business or operations of the Borrower or any of its Subsidiaries and otherwise of material value;

“Notes Obligations” means the Indenture Obligations of the Issuer and the Guarantors under the Notes, the Indenture and the Note Guarantees;

“Permitted Liens” means (a) the security interest created by the Security Documents and (b) all other Permitted Collateral Liens permitted by Section 4.06 of the Indenture;

“Preferred Stock”, as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person;

“Receiver” means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Collateral Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver;

“Regulations” means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and **“Regulation”** means any of them;

“Secured Liabilities” means all Notes Obligations under the Indenture except for any obligation which, if it were so included, would result in this Deed constituting unlawful financial assistance within the meaning of sections 678 or 679 of the Companies Act 2006;

“Secured Parties” means the Collateral Agent and the holders of Notes from time to time;

“Security Assets” means all assets of each Chargor the subject of any Security created by this Deed;

“Security Period” means the period beginning on the date of this Deed and ending on the Termination Date;

“Security” means a mortgage, charge (whether fixed or floating), pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect;

“Shares” means all shares held by any Chargor in its Subsidiaries other than Excluded Assets and any shares pledged or charged to the Collateral Agent pursuant to another Security Document which is governed by the law of the jurisdiction of the issuer of those Shares (other than the laws of England and Wales);

“Specified Intellectual Property” means the registered Intellectual Property Rights (if any) specified in Part 1 of Schedule 3 (*Specified Intellectual Property*) and/or in the Schedule to any Deed of Accession;

“Subsidiary” means:

- (a) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total ordinary voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or

controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; or

- (b) any partnership, joint venture, limited liability company or similar entity of which:
 - (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise; and
 - (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity; and

“Termination Date” means the date when the Final Release Conditions have been satisfied.

1.2 Construction

- (a) Any reference in this Deed to:
 - (i) **“assets”** includes present and future properties, revenues and rights of every description;
 - (ii) an **“authorisation”** means an authorisation, consent, approval, licence, resolution, filing or registration;
 - (iii) any **“Notes Document”** or any other agreement or instrument is a reference to that Notes Document or other agreement or instrument as amended, amended and restated, varied, novated supplemented or replaced from time to time;
 - (iv) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (v) a **“person”** includes one or more of that person’s assigns, transferees or successors in title, delegates, sub-delegates and appointees (in the case of the Issuer or a Guarantor only, in so far as such assigns, transferees or successors in title, delegates, sub-delegates and appointees are permitted in accordance with the Notes Documents) and any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality);
 - (vi) a **“regulation”** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, compliance with which is customary) of any governmental, intergovernmental or supranational body, agency,

department or regulatory, self-regulatory or other authority or organisation;

- (vii) a “**guarantee**” includes any guarantee or indemnity, bond, letter of credit, documentary or other credit, or other assurance against financial loss;
- (viii) a provision of law is a reference to that provision as amended or re-enacted;
- (ix) words importing the singular shall include the plural and vice versa.
- (b) Clause and Schedule headings are for ease of reference only.
- (c) An Event of Default is “**continuing**” if it has not been remedied or waived.
- (d) Capitalised terms defined in the Indenture have the same meaning when used in this Deed unless the context requires otherwise.
- (e) Each of the charges in Clause 3 (*Creation of Security*) over each category of the assets, each asset and each sub-category of each asset specified in such clause shall be read and construed separately, as though each such category, asset and sub-category were charged independently and separately of each other and shall apply to both present and future assets.

2. COVENANT TO PAY

Each Chargor covenants with the Collateral Agent as agent for the Secured Parties that it will on demand pay and discharge the Secured Liabilities when due.

3. CREATION OF SECURITY

3.1 Shares

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Shares; and
- (b) all related Distribution Rights.

3.2 Investments

Each Chargor mortgages or (if and to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge:

- (a) all Investments; and
 - (b) all related Distribution Rights,
- including those held for it by any nominee.

3.3 Equipment

Each Chargor charges by way of fixed charge all Equipment.

3.4 Book Debts

Each Chargor charges by way of fixed charge:

- (a) its Book Debts, both uncollected and collected, the proceeds of the same and all monies otherwise due and owing to such Chargor but excluding any amounts standing to the credit of any bank account; and
- (b) the benefit of all rights, Security and guarantees of whatsoever nature enjoyed or held by it in relation to anything referred to in paragraph (a) above.

3.5 Accounts

Each Chargor charges by way of fixed charge all of its right, title and interest (if any) in and to the Accounts and all monies standing to the credit of any of the Accounts and the debts represented by them.

3.6 Intellectual Property Rights

Each Chargor charges by way of fixed charge all Intellectual Property Rights, owned by such Chargor (including the Specified Intellectual Property) including all future Intellectual Property Rights owned by the Chargor with effect from the date it comes into the ownership of the Chargor, together with all fees, royalties and other rights of every kind relating to or deriving from such Intellectual Property Rights.

3.7 Goodwill

Each Chargor charges by way of fixed charge its goodwill.

3.8 Uncalled capital

Each Chargor charges by way of fixed charge its uncalled capital.

3.9 Authorisations

Each Chargor charges by way of fixed charge the benefit of all authorisations held by it in relation to any Security Asset.

3.10 Insurance

Each Chargor charges by way of fixed charge all of its benefits, claims and returns of premiums in respect of the Insurance.

3.11 Floating Charge

- (a) As further continuing security for the payment of the Secured Liabilities, each Chargor charges with full title guarantee in favour of the Collateral Agent by way of first floating charge all its present and future rights, undertaking and assets.

- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed.

3.12 Excluded Assets

Excluded Assets shall not be subject to the Security created by or pursuant to this Deed or the terms of Clause 14.1 (*Further action*), provided that, for the purpose of Clause 3.11 (*Floating Charge*), Excluded Assets shall not include the assets or properties referred to in limb (j) of the definition of Excluded Assets other than the leasehold and/or freehold interests in the London Properties to be transferred from the Group in connection with the Real Estate Portfolio Transfer.

4. NATURE OF SECURITY CREATED

The Security created under this Deed is created:

- (a) as a continuing security and will extend for the ultimate balance of sums payable in connection with the Secured Liabilities regardless of any intermediate payment or discharge in whole or part;
- (b) (except in the case of assets which are the subject of a legal mortgage under this Deed) over all present and future assets of the kind described which are owned by any Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- (c) in favour of the Collateral Agent as agent for the Secured Parties;
- (d) with full title guarantee; and
- (e) subject to Clause 3.12 (*Excluded Assets*) above.

5. CONVERSION OF FLOATING CHARGE

5.1 Conversion on notice

Subject to Clause 5.2 (*Limitation*) and the Agreed Security Principles, the Collateral Agent may by notice to a Chargor at any time during the Security Period convert the floating charge created by that Chargor under this Deed into a fixed charge in respect of any Security Asset specified in that notice if:

- (a) an Acceleration Event has occurred; or
- (b) the Collateral Agent considers a Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.2 Limitation

Clause 5.1 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

5.3 Automatic conversion

Subject to the Agreed Security Principles, the floating charge created by a Chargor under this Deed will convert automatically into fixed charges:

- (a) if the Collateral Agent receives notice of an intention to appoint an administrator of that Chargor;
- (b) if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor over all or any part of its assets, or if such person is appointed;
- (c) if that Chargor creates or attempts to create any Security over all or any of the Security Assets (other than Permitted Liens);
- (d) on the crystallisation of any other floating charge over the Security Assets;
- (e) if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- (f) in any other circumstances prescribed by law.

6. RESTRICTIONS

No Chargor shall:

- (a) create or permit to subsist any Security of whatsoever nature on any Security Asset other than Permitted Liens or as created by this Deed; or
- (b) sell, transfer, grant, lease or otherwise dispose of any Security Asset, except for:
 - (i) as permitted pursuant to the terms of the Notes Documents;
 - (ii) the disposal in the ordinary course of trade of any Security Asset which is subject to the floating charge created by Clause 3.11 (*Floating Charge*); or
 - (iii) with the consent of the Collateral Agent.

7. REPRESENTATIONS AND WARRANTIES

7.1 Making of representations

Each Chargor makes the representations and warranties set out in this Clause 7 to the Collateral Agent and the Secured Parties. The representations and warranties so set out are made on the date of this Deed and are deemed to be repeated by the Chargors throughout the Security Period on those dates on which representations and warranties are to be repeated in accordance with the terms of the Indenture with reference to the facts and circumstances then existing.

7.2 Capacity

Each Chargor has the capacity, power and authority to enter into this Deed and, subject to the Legal Reservations, the obligations assumed by it are its legal, valid, binding and enforceable obligations subject to laws affecting creditors' rights generally.

7.3 Title

The Chargors are the sole legal and beneficial owner of the Security Assets free of any Security or third party interest of any kind (other than pursuant to or as permitted by the Notes Documents).

7.4 Security

Subject to the Legal Reservations, this Deed creates the various forms of security it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of any Chargor, or otherwise.

7.5 Shares

- (a) All Shares subject to the Security created by this Deed legally or beneficially owned by a Chargor as at the date of this Deed are described in Schedule 2 (*Shares*).
- (b) All of the Shares subject to the Security created by this Deed and, to the extent applicable, all Investments are fully paid.
- (c) The constitutional documents of the issuers of the Shares organized under the laws of England and Wales do not restrict or otherwise limit the relevant Chargor's right to transfer or charge such Investments.
- (d) Each Chargor has not issued and does not intend to issue any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Investment which constitutes Security Assets.
- (e) Each Chargor has not received any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Investment which constitutes Security Assets.

7.6 Specified Intellectual Property

- (a) The details of the Specified Intellectual Property subject to the Security created by this Deed, registered in the United Kingdom at the United Kingdom Intellectual Property Office or the European Union at the European Union Intellectual Property Office, appearing or referred to in Part 1 of Schedule 3 (*Specified Intellectual Property*) are true and accurate.
- (b) Part 2 of Schedule 3 (*Material Intellectual Property Rights registered in another Covered Jurisdiction*) (or in the case of any future Chargor, the relevant Schedule in the Deed of Accession) sets out details of all of the Material Intellectual Property Rights (other than any Specified Intellectual Property) as of the date of this Deed (or with respect to any future Chargor, the date of the

Deed of Accession), that are registered, or subject to applications for registration in the applicable registration office in any Covered Jurisdiction owned by the Chargor, and such details are true, accurate and complete in all material respects (as at such date).

8. UNDERTAKINGS

8.1 Duration

The undertakings in this Clause 8 shall remain in force throughout the Security Period and are given by each Chargor to the Collateral Agent and the Secured Parties.

8.2 Book debts and receipts

- (a) Each Chargor shall collect and realise its Book Debts in accordance with the terms of the Indenture.
- (b) After the occurrence of an Acceleration Event which is continuing, and upon written notice by the Collateral Agent, each Chargor shall serve written notice in a form to be agreed by such Chargor and the Collateral Agent (a “**Receivables Notice**”) on the relevant third parties that all monies which are payable by them in respect of the Book Debts shall be paid into such bank account as the Collateral Agent may direct.
- (c) Each Chargor shall use reasonable endeavours to procure that each counterparty acknowledges the Receivables Notice by countersigning a copy of it and delivering that copy to the Collateral Agent within 20 Business Days of service of such notice, provided that if the relevant Chargor has not been able to obtain acknowledgement any obligation to comply with this Clause 8.2(c) shall cease 20 Business Days following the date of service of the relevant notice.

8.3 Operation of Accounts

- (a) Until the occurrence of an Acceleration Event which is continuing, each Chargor shall be entitled to receive, withdraw or otherwise transfer part or all of any amount standing to the credit of any Account in accordance with the terms of the other Notes Documents.
- (b) After the occurrence of an Acceleration Event which is continuing, each Chargor shall not be entitled to receive, withdraw or otherwise transfer part or all of any amount standing to the credit of any Account except with the prior written consent of the Collateral Agent.
- (c) After the occurrence of an Acceleration Event which is continuing, and upon written notice by the Collateral Agent, each Chargor shall serve an Account Notice on the bank with whom each Account is maintained within 10 Business Days and use commercially reasonable efforts to obtain an acknowledgement of that notice within 20 Business Days.

8.4 Shares and Investments

Each Chargor covenants that, at all times during the Security Period:

- (a) as soon as reasonably practicable after any Shares or Investments subject to the Security created by this Deed are registered in, or transferred into the name of, a Chargor, or held by or in the name of the Collateral Agent, it shall deposit with the Collateral Agent, in respect of or in connection with those Shares or Investments:
 - (i) all stock and share certificates and documents of or evidencing title;
 - (ii) signed undated transfers, completed in blank and, left undated; and
 - (iii) any other documents which the Collateral Agent may from time to time require for perfecting its title, or the title of any purchaser,

all of which will be held by the Collateral Agent at the expense and risk of the Chargor;
- (b) it will promptly in respect of any Investment which constitute Security Assets:
 - (i) notify the Collateral Agent of its intention to issue, or its receipt of, any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 and provide to the Administrative Agent a copy of any such warning notice or restrictions notice;
 - (ii) respond to that notice within the prescribed timeframe; and

provide to the Collateral Agent a copy of the response sent/received in respect of such notice;
- (c) it will (and ensure that relevant members of the Group) will provide such assistance as the Collateral Agent may reasonably request for the purposes of withdrawing any restrictions notice or for any application to the court under Schedule 1B of the Companies Act 2006, in respect of any Investments which constitute Security Assets and provide the Collateral Agent with all information, documents and evidence that it may reasonably request in connection with the same; and
- (d) it will comply with all other conditions and obligations assumed by it in respect of any of the Shares and Investments which are subject to the Security created by this Deed where failure to so comply would in the reasonable opinion of the relevant Chargor adversely affect the interests of the Secured Parties.

8.5 Intellectual Property

- (a) Except to the extent permitted by limb (b) below, each Chargor shall take all commercially reasonable actions and other actions required by applicable law or as reasonably requested by the Collateral Agent to maintain the registered Intellectual Property Rights which are Security Assets except in cases where (i) failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (ii) in the ordinary course of business consistent with past practice, such Chargor reasonably decides to abandon, allow to lapse or expire any Intellectual Property Right.

- (b) Nothing in this Deed shall prevent any Chargor from disposing of, discontinuing the use or maintenance of, abandoning, failing to pursue, or otherwise allowing to lapse, terminate or put into the public domain any of the Security Assets constituting Intellectual Property Rights, if such Chargor makes a reasonable good faith determination that such Intellectual Property Rights is no longer commercially reasonable to maintain or is not material to the conduct of the business of the Company and its Subsidiaries taken as a whole.
- (c) Each Chargor shall at its own expense promptly execute any document and do all acts and things as the Collateral Agent may reasonably require to procure that the Security created by this Deed (i) in respect of Specified Intellectual Property is recorded as soon as possible at the United Kingdom Intellectual Property Office or the European Union Intellectual Property Office and (ii) in respect of Material Intellectual Property Rights registered in another Covered Jurisdiction is recorded as soon as possible at the relevant national or supranational intellectual property registry, office or authority in such Covered Jurisdiction and, Clause 14.1 (*Further action*) notwithstanding, no further action will be taken to perfect the Security created by this deed in respect of Intellectual Property Rights other than the registration of this Deed with Companies House.

8.6 Insurance Policies

- (a) In relation to any Insurance, promptly upon a written request of the Collateral Agent (which may only be given after the occurrence of an Acceleration Event which is continuing), each Chargor shall duly execute and deliver to the other parties to the Insurance (or procure delivery of) an Insurance Notice.
- (b) The Collateral Agent shall not be entitled to give any notice referred to in paragraph 2 of the Insurance Notice unless and until an Acceleration Event has occurred and is continuing.
- (c) Each Chargor shall use reasonable endeavours to procure that each counterparty acknowledges the Insurance Notice by countersigning a copy of it and delivering that copy to the Collateral Agent within 20 Business Days of service of such notice, provided that if the relevant Chargor has not been able to obtain acknowledgement any obligation to comply with this Clause 8.6(c) shall cease 20 Business Days following the date of service of the relevant notice.

9. SHARES AND INVESTMENTS

9.1 Before an Acceleration Event

Until an Acceleration Event occurs and is continuing, the legal title of the Shares and Investments which are subject to the Security created by this Deed will remain with the relevant Chargor and such Chargor will be permitted to retain and to exercise voting rights and powers in relation to any such Shares and Investments and other related rights charged by it and receive, own and retain all assets and proceeds in relation thereto without restriction or condition *provided* that such exercise of rights is not in a manner which the Collateral Agent reasonably believes may materially adversely affect the

validity or enforceability of the Security created over such Shares or Investments or cause an Event of Default to occur.

9.2 After an Acceleration Event

After an Acceleration Event occurs and is continuing each Chargor shall promptly pay over to the Collateral Agent all monies arising from the Distribution Rights relating to the Shares and Investments which are subject to the Security created by this Deed which it may receive, and exercise all voting and other rights and powers attached to such Shares and Investments in any manner which the Collateral Agent may direct.

10. ENFORCEMENT

10.1 When Security becomes enforceable

The Security created by a Chargor under this Deed shall become enforceable if an Acceleration Event has occurred and is continuing or a Chargor so requests.

10.2 Powers on enforcement

At any time after the Security created by a Chargor under this Deed has become enforceable, the Collateral Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- (a) serve notice upon any bank at which an Account is open, terminating the Chargor's right to operate such Account;
- (b) exercise all the powers and rights conferred on mortgagees by the Act, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the Act;
- (c) exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;
- (d) to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, upon giving written notice to the relevant Chargor, appropriate it and transfer the title in and to it to the Collateral Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18. For this purpose, the parties agree that the value of the Security Asset shall be:
 - (i) in the case of cash, the amount standing to the credit of each bank account together with any accrued but unposted interest, at the time of appropriation; and
 - (ii) in the case of any Investments, Shares and/or any other Security Asset, the market value of such Security Asset by reference to a fair valuation opinion provided by an independent reputable internationally recognised third party professional firm of advisors;

- (e) subject to Clause 11.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and
- (f) appoint an administrator of any Chargor.

10.3 Disposal of the Security Assets

In exercising the powers referred to in Clause 10.2 (*Powers on enforcement*), the Collateral Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

10.4 Application of moneys

- (a) The Collateral Agent or any Receiver shall apply moneys received by them under this Deed after the Security created under this Deed has become enforceable in accordance with the terms of the Indenture and section 109(8) of the Act shall not apply.
- (b) Clause 10.4(a) will override any appropriation made by a Chargor.

11. APPOINTMENT AND POWERS OF RECEIVERS

11.1 Method of appointment and removal

- (a) The Collateral Agent may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.
- (b) Every appointment or removal of a Receiver, of any delegate or of any other person by the Collateral Agent pursuant to this Deed may be made in writing under the hand of any officer or manager of the Collateral Agent (subject to any requirement for a court order in the removal of an administrative receiver).

11.2 Powers of Receiver

Every Receiver shall have all the powers:

- (a) of the Collateral Agent under this Deed;
- (b) conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- (c) in relation to, and to the extent applicable to, the Security Assets or any of them, the powers specified in schedule 1 of the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver within the meaning of that Act); and
- (d) in relation to any Security Asset, which he would have if he were its only beneficial owner.

11.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

11.4 Receiver as agent

Every Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

11.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Collateral Agent, and the maximum rate specified in section 109(6) of the Act shall not apply.

11.6 Delegation

- (a) The Collateral Agent and any Receiver may, for the time being and from time to time, delegate by power of attorney or in any other manner (including, without limitation, under the hand of any manager of the Collateral Agent) to any person any right, power or discretion exercisable by the Agent or such Receiver (as the case may be) under this Deed.
- (b) Any such delegation may be made upon the terms (including, without limitation, power to sub delegate) and subject to any regulations which the Collateral Agent or such Receiver (as the case may be) may think fit.
- (c) Neither the Collateral Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub delegate who shall be entitled to all the indemnities to which his appointor is entitled under this Deed.

12. PROTECTION OF PURCHASERS

No purchaser or other person dealing with the Collateral Agent or any Receiver shall be bound or concerned:

- (a) to see or enquire whether the right of the Collateral Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- (b) with the propriety of the exercise or purported exercise of those powers; or
- (c) with the application of any moneys paid to the Collateral Agent, to any Receiver or to any other person.

13. PROTECTION OF THE SECURED PARTIES AND RECEIVERS

13.1 Exclusion of liability

None of the Collateral Agent, the other Secured Parties, any Receiver or any of their respective officers or employees shall have any responsibility or liability:

- (a) for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;
- (b) to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- (c) for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies; or
- (d) for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargors); or
- (e) for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

13.2 General indemnity

Each Chargor hereby agrees to indemnify the Collateral Agent, its directors, officers, agents and employees and any Receiver in accordance with and subject to the limitations set forth in Section 7.07 of the Indenture.

13.3 Indemnity out of the Security Assets

The Collateral Agent, the other Secured Parties, any Receiver and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 13.2 (*General indemnity*).

13.4 Enforcement Expenses

In accordance with and subject to the limitations set forth in Section 7.07 of the Indenture, each Chargor shall pay all other costs and expenses (including legal fees and VAT) incurred from time to time in connection with the enforcement of or preservation of rights under this Deed by the Collateral Agent, or any Receiver, attorney, manager, agent or other person appointed by the Collateral Agent under this Deed or by statute, and keep each of them indemnified against any failure or delay in paying the same.

14. FURTHER ASSURANCES

14.1 Further action

Each Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Collateral Agent may reasonably require in order to:

- (a) give effect to the requirements of this Deed;
- (b) protect, preserve and perfect the Security intended to be created by or pursuant to this Deed;
- (c) protect and preserve the ranking of the Security intended to be created by or pursuant to this Deed with any other Security over any assets of any Chargor; or
- (d) facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Collateral Agent, any Receiver or any administrator in connection with all or any of the Security Assets,

and any such document may disapply section 93 of the Act.

14.2 Deposit of documents

Each Chargor covenants that, on the date of this Deed and at all times during the Security Period, it shall deposit with the Collateral Agent, in respect of or in connection with the Security Assets:

- (a) in respect of Shares and Investments mortgaged under Clause 3.1 (*Shares*) and 3.2 (*Investments*), in accordance with Clause 8.4 (*Shares and Investments*) and the requirements set forth therein; and
- (b) any other documents which the Collateral Agent may from time to time reasonably require for perfecting its title, or the title of any purchaser, as soon as reasonably practicable after receiving them (and in any event promptly upon a request by the Collateral Agent),

all of which will be held by the Collateral Agent at the expense and risk of the relevant Chargor.

14.3 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 14 (*Further Assurances*).

15. POWER OF ATTORNEY

15.1 Appointment

Each Chargor irrevocably and by way of security appoints each of:

- (a) the Collateral Agent;
- (b) any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Collateral Agent; and
- (c) any Receiver,

jointly and severally as that Chargor's attorney, in that Chargor's name, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit following the occurrence of an Acceleration Event or following the failure by that Chargor to comply within 10 Business Days of receiving a request from the Collateral Agent in accordance with the terms of this Deed, to take any action and sign or execute any further documents which that Chargor is required to take, sign or execute in accordance with this Deed in order to comply with clause 14.1 and/or 14.2 and any protection obligation contained in this Deed.

15.2 Ratification

Each Chargor agrees, promptly on the request of the Collateral Agent or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

16. PRESERVATION OF SECURITY

16.1 Reinstatement

If any payment by a Chargor or any discharge given by the Collateral Agent (whether in respect of the obligations of any Chargor, the Issuer or any Guarantor 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 Chargor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Collateral Agent shall be entitled to recover the value or amount of that Security or payment from each Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

16.2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 16.2 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Collateral Agent or any other Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Chargor, the Issuer or any Guarantor or other person;
- (b) the release of any other Chargor, the Issuer or any Guarantor or any other person under the terms of any composition or arrangement with any creditor of any Chargor, the Issuer or any Guarantor or any other person;

- (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 Chargor, the Issuer or any Guarantor or any 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 any Chargor, the Issuer or any Guarantor or any other person;
- (e) any amendment (however fundamental) or replacement of a Notes Document or any other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Notes Document or any other document or Security; or
- (g) any insolvency or similar proceedings.

16.3 **Chargor intent**

Without prejudice to the generality of Clause 16.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Notes Documents and/or any facility or amount made available under any of the Notes Documents for the purposes of or in connection with any of the following:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;
- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (i) any fees, costs and/or expenses associated with any of the foregoing.

16.4 **Immediate recourse**

Each Chargor waives any right it may have of first requiring the Collateral Agent to proceed against or enforce any other rights or Security or claim payment from any person before enforcing the Security constituted by this Deed. This waiver applies irrespective of any law or any provision of a Notes Document to the contrary.

16.5 Appropriations

Until the expiry of the Security Period, the Collateral Agent may:

- (a) refrain from applying or enforcing any other monies, Security or rights held or received by the Collateral Agent in respect of the Secured Liabilities, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor or on account of any Chargor's liability in respect of the Secured Liabilities.

16.6 Deferral of Chargors' rights

Until the expiry of the Security Period, and unless the Collateral Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Notes Documents:

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

16.7 Additional Security

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

16.8 New Accounts

If a Secured Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts with any Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by the relevant Chargor to that Secured Party:

- (a) shall be credited or be treated as having been credited to the new account of that Chargor; and
- (b) shall not operate to reduce the Secured Liabilities at the time when the that Secured Party received or was deemed to have received such notice.

17. NOTICES

17.1 Delivery and Receipt

- (a) Any communications to be made under or in connection with this Deed shall be made in writing, may be made by letter or facsimile and shall be deemed to be given as follows:
- (i) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post with postage prepaid in an envelope addressed to it at that address; and
 - (ii) if by facsimile, when received in legible form,
- save that any notice delivered or received on a non-Business Day or after business hours shall be deemed to be given on the next Business Day at the place of delivery or receipt.
- (b) Any communication or document made or delivered to the Company in accordance with this Clause 17.1 (*Delivery and Receipt*) will be deemed to have been made or delivered to each of the Chargors.

17.2 Company's Address

The Company's and each other Chargor's address and facsimile number for notices are:

York UK Holdco International Limited

34-35 New Bond Street

London

WA1 2AA

For the attention of: Jean-Luc Berrebi

Email: berrebi@sothebys.com

With a copy that shall not constitute notice to:

York UK Holdco International Limited

34-35 New Bond Street

London

WA1 2AA

For the attention of: Company Secretary

Email: UKCompanySecretary@sothebys.com

or such as the Company may notify to the Collateral Agent by not less than 10 days' notice.

17.3 Collateral Agent's Address

The Collateral Agent's address and facsimile number for notices are:

Deutsche Bank Trust Company Americas

Trust Agency Services

60 Wall Street, 24th Floor

Mail Stop: NYC60-2405
New York, New York 10005
United States of America
Attention of: Corporate Team – BidFair MergeRight Inc.
Facsimile: +1 (732) 578-4635

or such as the Collateral Agent may notify to the Company by not less than 10 days' notice.

18. MISCELLANEOUS PROVISIONS

18.1 Tacking

For the purposes of section 94(1) of the Act, the Collateral Agent confirms on behalf of the Secured Parties that the Secured Parties shall make further advances to the Issuer on the terms and subject to the conditions of the Notes Documents.

18.2 Separate Charges

This Deed shall, in relation to each Chargor, be read and construed as if it were a separate Deed relating to such Chargor to the intent that if any Security created by any other Chargor in this Deed shall be invalid or liable to be set aside for any reason, this shall not affect any Security created under this Deed by such first Chargor.

18.3 Invalidity

If, at any time, any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired.

18.4 Rights and Remedies

The rights of the Secured Parties under this Deed are cumulative, may be exercised as often as considered appropriate and are in addition to the general law. Such rights (whether arising hereunder or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing and, in particular, any failure to exercise or delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right, any defective or partial exercise of any such rights shall not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation by any Secured Party or on its behalf shall in any way preclude it from exercising any such right or constitute a suspension or any variation of any such right.

18.5 Intercreditor Agreement

Notwithstanding anything herein to the contrary, the Liens and security interests granted to the Collateral Agent pursuant to this Deed and the exercise of any right or remedy by the Collateral Agent hereunder, are subject to the provisions of the Intercreditor Agreement or any other additional Intercreditor Agreement. In the event of any conflict between the terms of such Intercreditor Agreement or any other additional Intercreditor Agreement and the terms of this Deed, the terms of any such Intercreditor Agreement or any other such additional Intercreditor Agreement shall

govern and control. No right, power or remedy granted to the Collateral Agent hereunder shall be exercised by the Collateral Agent, and no direction shall be given by the Collateral Agent, in contravention of any such Intercreditor Agreement or any other additional Intercreditor Agreement.

18.6 Accession of Affiliates

- (a) To the extent that any Affiliate of the Company is required by the terms of the Notes Documents to provide Security over its assets under English law, it may do so by executing a Deed of Accession and such Affiliate shall on the date which such Deed of Accession is executed by it become a party to this Deed in the capacity of a Chargor and this Deed shall be read and construed for all purposes as if such company had been an original party to this Deed as a Chargor (but for the avoidance of doubt the Security created by such company shall be created on the date of the Deed of Accession).
- (b) Each Chargor (other than the Company) by its execution of this Deed or any Deed of Accession, irrevocably appoints the Company to execute on its behalf any Deed of Accession without further reference to or the consent of such Chargor and such Chargor shall be bound by any such Deed of Accession as if it had itself executed such Deed of Accession.

19. RELEASE

- (a) This Deed shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Chargor and the successors and assigns thereof and shall inure to the benefit of the Collateral Agent and the other Secured Parties and their respective successors, endorsees, transferees and assigns permitted under the Indenture until the Termination Date.
- (b) A Chargor shall be released from its obligations hereunder if it ceases to be a Guarantor in accordance with Section 10.06 of the Indenture.
- (c) The Security granted hereby shall be released to the extent provided in Section 11.02 of the Indenture. Any such release in connection with any sale, transfer or other disposition of such Security Assets permitted under the Indenture to a Person that is not the Issuer or a Guarantor shall result in such Security Assets being sold, transferred or disposed of, as applicable, free and clear of the Security created hereby.
- (d) In connection with any termination or release pursuant to the foregoing clause (a), (b) or (c), the Collateral Agent shall execute and deliver to any Chargor, at such Chargor's expense, all documents that such Chargor shall reasonably request to evidence such termination or release, subject to the Collateral Agent's receipt of an Officer's Certificate delivered to the Collateral Agent in accordance with section 10.06 or Section 11.02 of the Indenture. Any execution and delivery of documents pursuant to this Clause 19 shall be without recourse to or warranty by the Collateral Agent.

- (e) Section 93 of the Act shall not apply to this Deed.

20. GOVERNING LAW AND JURISDICTION

20.1 Governing Law

English law governs this Deed, its interpretation and any non-contractual obligations arising from or connected with it.

20.2 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a “**Dispute**”).
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This Clause 20.2 (*Jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, a Secured Party may take concurrent proceedings in any number of jurisdictions.

21. THE COLLATERAL AGENT

- 21.1 In the performance of its obligations set forth herein, the Collateral Agent shall be provided with all of the rights benefits, protections, indemnities and immunities afforded to it under the Indenture.
- 21.2 Notwithstanding anything else to the contrary herein, whenever reference is made in this Deed to any discretionary action by, consent, designation, specification, requirement or approval of, notice, request or other communication from, or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by the Collateral Agent or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction, reasonable satisfaction or other exercise of discretion, rights or remedies to be made (or not to be made) by the Collateral Agent, it is understood that in all cases the Collateral Agent shall be fully justified in failing or refusing to take any such action under this Deed if it shall not have received such written instruction, advice or concurrence of the Holders of the Notes, as it deems appropriate.

This Deed has been entered into as a deed on the date stated at the beginning of this Deed.

**SCHEDULE 1
THE CHARGORS**



Name of Chargor	Jurisdiction of incorporation	Registration number (if any)
Sotheby's	England & Wales	00874867
Sotheby's Financial Services Limited	England & Wales	00597920
Catalogue Distribution Company Limited	England & Wales	05299034
Sotheby's Shipping Limited	England & Wales	02508976
York UK Holdco International Limited	England & Wales	08096692

SCHEDULE 2
SHARES



Chargor	Company Name	Type of Share	Number of Shares
Sotheby's	Catalogue Distribution Company Limited	Ordinary shares of £1 each	2
Sotheby's	Sotheby's Financial Services Limited	Ordinary shares of £1 each	1,000
Sotheby's	Sotheby's Shipping Limited	Ordinary shares of £1 each	2
Oatshare Limited	Sotheby's	Deferred shares of £1 each	100,000
Oatshare Limited	Sotheby's	Ordinary shares of £1 each	19,010,000

SCHEDULE 3

Part 1: Specified Intellectual Property

Trade Mark	Type	Territory	Classes	Reg. No.	Reg. Date	Expiry Date	Registered Holder
THE WHITE BAAZ	Word	UK	35, 41	3230267	18 August 2017	10 May 2027	Sotheby's
SOTHEBY'S INTERNATIONAL REALTY	Word	UK	36	2391489	11 November 2005	11 May 2025	Sotheby's
SOTHEBY'S	Word	UK	16, 35, 36, 37, 39, 41, 42	1283724	26 February 1990	1 October 2027	Sotheby's
	Figurative	UK	9, 14, 16, 33, 35, 36, 41, 42	3141903	25 March 2016	22 December 2025	Sotheby's
	Figurative	UK	9, 14, 16, 33, 35, 36, 41, 42	3141911	25 March 2016	22 December 2025	Sotheby's
S 2	Figurative	UK	35, 36, 41	3031162	7 March 2014	18 November 2023	Sotheby's
NY ROCKS	Word	EU	14, 16, 35, 36, 41	16961864	31 January 2018	6 July 2027	Sotheby's
THE WHITE BAAZ	Word	EU	35, 41	16693459	15 September 2017	10 May 2027	Sotheby's

SEE THE BIGGER PICTURE	Word	EU	35, 36, 41	9988511	3 November 2011	23 May 2021	Sotheby's
YOUR ART WORLD. SOTHEBYS.COM	Word	EU	35, 36, 41	9670498	28 June 2011	19 January 2021	Sotheby's
SOTHEBY'S PREFERRED	Word	EU	35, 41	7410723	6 August 2009	20 November 2028	Sotheby's
MYSOTHEBYS	Word	EU	35, 38, 41	6908123	12 March 2009	12 May 2028	Sotheby's
LONDON ROCKS	Word	EU	14, 16, 35, 36, 41	6030647	26 August 2008	22 June 2027	Sotheby's
NOORTMAN	Word	EU	16, 35, 36, 41	5199732	20 August 2007	14 July 2026	Sotheby's
SOTHEBY'S INTERNATIONAL REALTY	Word	EU	16, 36, 42	4739496	20 March 2007	23 November 2025	Sotheby's
SOTHEBY'S DIAMONDS	Word	EU	14, 35, 36	4590246	27 July 2007	12 August 2025	Sotheby's
SOTHEBY S	Word	EU	8, 9, 12, 13, 14, 15, 16, 18, 19, 20, 21, 24, 25, 27, 28, 33, 34, 35, 36, 37, 39, 41, 42	839993	7 March 2000	22 May 2028	Sotheby's

	Figurative	EU	9, 14, 16, 33, 35, 36, 41, 42	14954713	27 May 2016	22 December 2025	Sotheby's
Sotheby's <small>EST 1744</small> Collectors gather here.	Figurative	EU	9, 14, 16, 33, 35, 36, 41, 42	14954689	27 May 2016	22 December 2025	Sotheby's
S 2	Figurative	EU	35, 36, 41	12321931	17 April 2014	18 November 2023	Sotheby's
icollect <small>EXCLUSIVELY FOR SOTHEBY'S</small>	Figurative	EU	9, 41, 42	8494528	17 February 2010	17 August 2029	Sotheby's
S  D	Figurative	EU	14, 35	4693529	6 October 2006	19 October 2025	Sotheby's

Part 2:
Material Intellectual Property Rights registered in another Covered Jurisdiction

None at the date of this Deed.

SCHEDULE 4 DEED OF ACCESSION

THIS DEED OF ACCESSION is dated [•] and made

BETWEEN

- (1) **[•] Limited** [registered in England with number [•] whose registered office is at [•]] [a corporation organised and existing under the laws of [•] whose principal place of business is at [•]] [of [•]] (the “**New Chargor**”);
- (2) **Oatshare Limited** registered in England with number 01737495 whose registered office is at 34-35 New Bond St, London, W1A 2AA for itself and as agent for and on behalf of each of the other Chargors presently party to the Debenture (as defined below) (“**Company**”); and
- (3) **[Collateral Agent]** (the “**Collateral Agent**”)

RECITALS

- (A) The Company and others as Chargors entered into a debenture dated [•] (as supplemented and amended from time to time, the “**Debenture**”) in favour of the Collateral Agent.
- (B) The New Chargor has at the request of the Company and in consideration of and after giving due consideration to the terms and conditions of the Notes Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of benefit to it, decided in good faith and for the purpose of carrying on its business to enter into this Deed and thereby become a Chargor under the Debenture.
- (C) The Chargors and the Collateral Agent intend that this document take effect as a deed notwithstanding that it may be executed under hand.

IT IS AGREED:

1. Terms defined in the Debenture have the same meaning when used in this Deed.
2. The New Chargor agrees to become a party to and bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to the Debenture in the capacity of Chargor (but so that the Security created consequent on such accession shall be created on the date of this Deed).
3. The New Chargor undertakes to be bound by all of the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.
4. The New Chargor grants to the Collateral Agent the assignments, charges, mortgages and other Security described in the Debenture as being granted, created or made by Chargors under the Debenture to the intent that its assignments, charges, mortgages and other Security shall be effective and binding upon it and its property and assets and shall not in any way be avoided, discharged or released or otherwise adversely affected

by any ineffectiveness or invalidity of the Debenture or of any other party's execution of the Debenture or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Debenture or in any other Deed of Accession.

5. The Debenture and this Deed shall be read and construed as one to the extent and so that references in the Debenture to:
 - (a) this Deed and similar phrases shall be deemed to include this Deed;
 - (b) Schedule 2 (*Shares*) shall be deemed to include a reference to Part 1 of the Schedule to this Deed;
 - (c) Part 1 of Schedule 3 (*Specified Intellectual Property*) shall be deemed to include a reference to Part 2 of the Schedule to this Deed; and
 - (d) Part 2 of Schedule 3 (*Material Intellectual Property Rights registered in another Covered Jurisdiction*) shall be deemed to include a reference to Part 3 of the Schedule to this Deed.
6. The Company, for itself and as agent for and on behalf of the other Chargors under the Debenture, agrees and consents to all of the matters provided for in this Deed.
7. Without limiting the generality of the other provisions of this Deed and the Debenture, pursuant to the terms of this Deed and the Debenture, the New Chargor as Security for the payment and performance of the Secured Liabilities, and in the manner specified in clause 4 (*Nature of Security Created*) of the Debenture:
 - (a) mortgages or (if to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge to the Collateral Agent all of the Shares (if any) brief descriptions of which are specified in Part 1 of the Schedule to this Deed (which shall from today's date form part of the Shares for the purposes of the Debenture) and all related Distribution Rights; and
 - (b) charges to the Collateral Agent by way of fixed charge its Intellectual Property Rights (if any) specified in Part 2 of the Schedule to this Deed (which shall from today's date form part of the Specified Intellectual Property of the Chargors for the purposes of the Debenture).
8. English law governs this Deed, its interpretation and any non-contractual obligations arising from or connected with it.

This Deed has been entered into as a deed on the date stated at the beginning of this Deed.

SCHEDULE

Part 1 - Shares

[Insert details of all Shares of the New Chargor]

Part 2 - Specified Intellectual Property

[Insert details]

Part 3 - Material Intellectual Property Rights registered in another Covered Jurisdiction

[Insert details]

SIGNATORIES [to the Deed of Accession]

The New Chargor

Executed as a deed by)
[•] LIMITED)
acting by a director in the presence of:)

Signature of witness: _____

Name of witness: _____

Address: _____

The Company

for itself and as agent for the other Chargors party to the Debenture

Executed as a deed by)
OATSHARE LIMITED)
acting by a director in the presence of:)

Signature of witness: _____

Name of witness: _____

Address: _____

The Collateral Agent

[COLLATERAL AGENT]

By:

SCHEDULE 5

Part 1: Form of Account Notice

To: [insert name and address of Account Bank] (the “**Account Bank**”)

Dated: [●]

Dear Sirs

Re: [The Chargor] - Security over Bank Accounts

We notify you that [NAME OF CHARGOR] (the “**Chargor**”) charged to [●] (the “**Collateral Agent**”) for the benefit of itself and certain other banks and financial institutions all their right, title and interest in and to the monies from time to time standing to the credit of the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by the Chargor (the “**Charged Accounts**”) by way of a debenture dated [●].

1. We irrevocably authorise and instruct you:
 - (a) to pay all or any part of the monies to the Collateral Agent or as it may direct) promptly following receipt of written instructions from the Collateral Agent to the effect that an Acceleration Event (as defined in the debenture referred to above) has occurred and is continuing; and
 - (b) to disclose to the Collateral Agent any information relating to the Chargor and the Charged Accounts which the Collateral Agent may from time to time request you to provide.
2. We also advise you that:
 - (a) the Chargor may not withdraw any monies from the Charged Accounts designated as “Blocked” in the schedule below without first having obtained the prior written consent of the Collateral Agent;
 - (b) by counter-signing this notice the Collateral Agent confirms that the Chargor may make withdrawals from the Charged Accounts designated as “Not blocked” in the schedule below until such time as the Collateral Agent shall notify you (with a copy to the Chargor) in writing that an Acceleration Event has occurred and is continuing and their permission is withdrawn; and
 - (c) the provisions of this notice may only be revoked or varied with the prior written consent of the Collateral Agent.
3. Please sign and return the enclosed copy of this notice to the Collateral Agent (with a copy to the Chargor) by way of your confirmation that:
 - (a) you agree to act in accordance with the provisions of this notice;

- (b) you have not received notice that the Chargor has assigned its rights to the monies standing to the credit of the Charged Accounts or otherwise granted any security or other interest over those monies in favour of any third party.

The provisions of this notice are governed by English law.

Schedule

Customer	Account Number	Sort Code	Status
[•]	[•]	[•]	[Blocked][Not blocked]

Yours faithfully,

.....
for and on behalf of
[*Insert name of Chargor*]

Counter-signed by

.....
for and on behalf of
[*Insert name of the Collateral Agent*]

[*On acknowledgement copy*]

To: [Insert name and address of Collateral Agent]

Copy to: [Insert name of Chargor] We acknowledge receipt of the above notice and confirm the matters set out in paragraphs (a) to (d) above.

.....
for and on behalf of
[*Insert name of Account Bank*]

Dated: [●]

Part 2: Form of Insurance Notice

To: [insert name and address of insurance company]

Dated: [●]

Dear Sirs

Re: [here identify the relevant insurance policy(ies)] (the “Policies”)

We notify you that, [insert name of Chargor] (the “Chargor”) has assigned to [insert name of Collateral Agent] (the “Collateral Agent”) for the benefit of itself and certain other banks and financial institutions (the “Secured Parties”) all its right, title and interest in the Policies as security for certain obligations owed by the Chargor to the Secured Parties by way of a Debenture dated [●] (the “Debenture”).

We further notify you that:

1. Prior to receipt by you of a written notice from the Collateral Agent specifying that an Acceleration Event (as defined in the Debenture) has occurred and is continuing, the Chargor will continue to have the sole right to deal with you in relation to the Policies (including any amendment, waiver or termination thereof or any claims thereunder).
2. Following receipt by you of a written notice from the Collateral Agent specifying that a Acceleration Event has occurred and is continuing (but not at any other time) the Chargor irrevocably authorises you:
 - (a) to pay all monies to which the Chargor is entitled under the Policies direct to the Collateral Agent (or as it may direct), and not to the Chargor, promptly following receipt of written instructions from the Collateral Agent to that effect;
 - (b) to disclose to the Collateral Agent any information relating to the Policies which the Collateral Agent may from time to time request in writing; and
 - (c) otherwise to deal only with the Collateral Agent in relation to the Policies.
3. The provisions of this notice may only be revoked or varied with the written consent of the Collateral Agent and the Chargor.
4. Please sign and return the enclosed copy of this notice to the Collateral Agent (with a copy to the Chargor) by way of confirmation that:
 - (a) you agree to the terms of this notice and to act in accordance with its provisions;
 - (b) you have not previously received notice (other than notices which were subsequently irrevocably withdrawn) that the Chargor has assigned its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party; and
 - (c) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policies.

The provisions of this notice are governed by English law.

Yours faithfully

for and on behalf of
[Insert name of Chargor]

[On acknowledgement copy]

To: *[Insert name and address of Collateral Agent]*

Copy to: *[Insert name address of Chargor]*

We acknowledge receipt of the above notice and confirm the matters set out in paragraphs 4(a) to (c) above.

for and on behalf of
[Insert name of Counterparty]

Dated: [●]

SIGNATORIES

The Chargors

REDACTED

EXECUTED AS A DEED by)
OATSHARE LIMITED)
acting by a director)

In the presence of:

REDACTED

Witness's signature:

Name: ENIA L. GYAN

Address: 60 WIDGATE HILL

..... LONDON EC4M 7AN

REDACTED

EXECUTED AS A DEED by)
SOTHEBY'S)
acting by a director)

In the presence of:

REDACTED

Witness's signature:

Name: ENIA L. GYAN

Address: 60 WIDGATE HILL

..... LONDON EC4M 7AN

EXECUTED AS A DEED by
SOTHEBY'S SHIPPING LIMITED
acting by a director

REDACTED

In the presence of:

Witness's signature: REDACTED

Name: ENIA L. GYAN

Address: 60 LUDGATE HILL
LONDON EC4M 7AN

REDACTED

EXECUTED AS A DEED by)
YORK UK HOLDCO)
INTERNATIONAL LIMITED)
acting by a director)

In the presence of:

Witness's signature: REDACTED

Name: ENIA L. GYAN

Address: 60 LUDGATE HILL
LONDON EC4M 7AN

EXECUTED AS A DEED by
**SOTHEBY'S FINANCIAL
SERVICES LIMITED**
acting by a director

REDACTED

In the presence of:

REDACTED

Witness's signature:

Name: ENIA L. GYAN

Address: 60 WIDGATE HILL

..... LONDON EC4M 7AW

REDACTED

EXECUTED AS A DEED by
**CATALOGUE DISTRIBUTION
COMPANY LIMITED**
acting by a director

In the presence of:

REDACTED

Witness's signature:

Name: ENIA L. GYAN

Address: 60 WIDGATE HILL

..... LONDON EC4M 7AW

The Collateral Agent

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Collateral Agent

By: **REDACTED**

Name:

Irina Golovashchuk

Title:

Vice President

By: **REDACTED**

Name:

Debra A. Schwalb

Title:

Vice President

(Signature Page to the Notes Debenture)